

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
 Project Staff Report  
 Qualified Private Activity Tax-Exempt Bond Project  
 August 5, 2025**

El Camino Real Multifamily, located at 3001 El Camino Real in Palo Alto on a 1.14 acre site, requested and is being recommended for a reservation of \$5,248,603 in annual federal tax credits and \$26,000,000 in total state tax credits and \$53,248,129 of tax-exempt bond cap to finance the new construction of 130 units of housing, consisting of 128 restricted rental units and 2 unrestricted manager's units. The project will have 24 studio units, 40 one-bedroom units, 33 two-bedroom units, and 33 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The construction is expected to begin in December 2025 and be completed in February 2028. The project will be developed by Charities Housing Development Corporation and will be located in Senate District 13 and Assembly District 23.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-25-595

**Project Name** El Camino Real Multifamily  
 Site Address: 3001 El Camino Real  
 Palo Alto, CA 94306  
 County: Santa Clara  
 Census Tract: 5107.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$5,248,603	\$26,000,000
Recommended:	\$5,248,603	\$26,000,000

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
 Recommended: \$53,248,129

**CTCAC Applicant Information**  
 CTCAC Applicant/CDLAC Sponsor: Charities Housing Development Corporation of Santa Clara County  
 Contact: Christian Poncetta  
 Address: 1400 Parkmoor Avenue Suite 190  
 San Jose, CA 95126  
 Phone: 408-930-2015  
 Email: cponcetta@charitieshousing.org

## Bond Financing Information

CDLAC Applicant/Bond Issuer:	CMFA
Bond Counsel:	Jones Hall, A Professional Law Corporation
Private Placement Purchaser:	Citibank, N.A.
Cash Flow Permanent Bond:	Not Applicable
Public Sale:	Not Applicable
Underwriter:	Not Applicable
Credit Enhancement Provider:	Not Applicable
Rating:	Not Applicable
Denomination:	Not Applicable

## Development Team

General Partner / Principal Owner:	El Camino PA, LLC
General Partner Type:	Nonprofit
Parent Company:	Charities Housing Development Corporation of Santa Clara County
Developer:	Charities Housing Development Corporation
Investor/Consultant:	California Housing Partnership
Management Agent:	Charities Housing Development Corporation of Santa Clara County

## Project Information

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	130
No. / % of Low Income Units:	128                      100.00%
Average Targeted Affordability:	40.39%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Vouchers (42 Units - 32.31%)

## Information

Housing Type:	Large Family
Geographic Area:	Bay Area Region
State Ceiling Pool:	New Construction
Set Aside:	Homeless Set Aside
Homeless Set Aside Units:	32
CDLAC Project Analyst:	Daisy Andrade
CTCAC Project Analyst:	Jacob Couch

## 55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	64	50%
40% AMI:	20	16%
50% AMI:	19	15%
60% AMI:	25	20%

**Unit Mix**

24	SRO/Studio Units
40	1-Bedroom Units
33	2-Bedroom Units
33	3-Bedroom Units
<hr/>	
130	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
12 SRO/Studio	30%	\$1,055
12 1 Bedroom	30%	\$1,130
4 2 Bedrooms	30%	\$1,356
4 3 Bedrooms	30%	\$1,567
16 2 Bedrooms	30%	\$1,356
16 3 Bedrooms	30%	\$1,567
6 SRO/Studio	40%	\$1,406
6 1 Bedroom	40%	\$1,507
1 2 Bedrooms	40%	\$1,809
1 3 Bedrooms	40%	\$2,089
3 2 Bedrooms	40%	\$1,809
3 3 Bedrooms	40%	\$2,089
4 SRO/Studio	50%	\$1,758
7 1 Bedroom	50%	\$1,884
2 2 Bedrooms	50%	\$2,261
2 3 Bedrooms	50%	\$2,611
2 2 Bedrooms	50%	\$2,261
2 3 Bedrooms	50%	\$2,611
2 SRO/Studio	60%	\$2,110
15 1 Bedroom	60%	\$2,261
4 2 Bedrooms	60%	\$2,713
4 3 Bedrooms	60%	\$3,133
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,815,314
Construction Costs	\$73,094,919
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$3,729,577
Soft Cost Contingency	\$338,978
Relocation	\$0
Architectural/Engineering	\$3,554,415
Const. Interest, Perm. Financing	\$10,633,034
Legal Fees	\$235,000
Reserves	\$1,633,624
Other Costs	\$2,839,248
Developer Fee	\$13,165,392
Commercial Costs	\$0
<b>Total</b>	<b>\$112,039,501</b>

**Residential**

Construction Cost Per Square Foot:	\$327
Per Unit Cost:	\$861,842
Estimated Hard Per Unit Cost:	\$507,386
True Cash Per Unit Cost*:	\$799,032
Bond Allocation Per Unit:	\$409,601
Bond Allocation Per Restricted Rental Unit:	\$416,001

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$53,248,129	Citibank: Tax-Exempt	\$25,508,000
Citibank: Taxable	\$28,857,696	County of Santa Clara: Measure A	\$2,500,000
County of Santa Clara: Measure A	\$2,500,000	County of Santa Clara: SAHF <sup>1</sup>	\$3,000,000
County of Santa Clara: SAHF <sup>1</sup>	\$3,000,000	City of Palo Alto	\$5,000,000
City of Palo Alto	\$5,000,000	Deferred Developer Fee	\$8,165,392
Deferred Cost	\$4,729,624	Tax Credit Equity	\$67,866,109
Deferred Developer Fee	\$8,165,392	<b>TOTAL</b>	<b>\$112,039,501</b>
Tax Credit Equity	\$6,538,660		

\*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee

<sup>1</sup>Stanford Affordable Housing Fund

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$100,934,676
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$131,215,079
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$5,248,603
Total State Credit:	\$26,000,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$13,165,392
Federal Tax Credit Factor:	\$0.87696
State Tax Credit Factor:	\$0.83992

Except as allowed for projects basing cost on assumed third party debt, the “as if vacant” land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

**CTCAC Significant Information / Additional Conditions**

Staff noted a per unit development cost of \$799,032. The applicant noted that the per unit cost is attributed to high land and permitting costs, complex building code requirements, potential tariff impacts, environmental reviews, mechanical parking stackers, and the need for building deconstruction rather than demolition.

The project will restrict 32 Low-Income Units (25% of the Low-Income Units) to serve Special Needs Population(s), as defined in CTCAC Regulations Section 10302(kkk).

**CDLAC Analyst Comments:** None.

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

The applicant shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a reservation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis, and tax credit amount determined by CTCAC in its final feasibility analysis.

**CDLAC Additional Conditions**

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 111.875%