

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

Warner Center II, located at 21320 Oxnard Street in Los Angeles on a 0.8 acre site, requested and is being recommended for a reservation of \$2,846,823 in annual federal tax credits and \$7,000,000 in total state tax credits and \$27,800,000 of tax-exempt bond cap to finance the new construction of 128 units of housing, consisting of 127 restricted rental units and 1 unrestricted manager's unit. The project will have 6 studio units, 18 one-bedroom units, 67 two-bedroom units, and 37 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in January 2026 and be completed in December 2027. The project will be developed by Meta Development, LLC and will be located in Senate District 27 and Assembly District 46.

Project Number CA-25-629

Project Name Warner Center II
Site Address: 21320 Oxnard Street
Los Angeles, CA 91367
County: Los Angeles
Census Tract: 1371.04

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,846,823	\$7,000,000
Recommended:	\$2,846,823	\$7,000,000

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

Tax-Exempt Bond Allocation
Recommended: \$27,800,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Warner Center II, L.P.
Applicant for State Credits: FFAH V Warner Center II, LLC
Contact: Loren Messeri
Address: 11150 West Olympic Boulevard Suite 620
Los Angeles, CA 90064
Phone: (310) 575-3543
Email: lmesseri@metahousing.com

Bond Financing Information
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser: Citibank, N.A.

Development Team

General Partners / Principal Owners:	Warner Center II, LLC FFAH V Warner Center II, LLC
General Partner Type:	Joint Venture
Parent Companies:	Meta Development, LLC Foundation For Affordable Housing V, Inc.
Developer:	Meta Development, LLC
Investor/Consultant:	Bank of America, N.A.
Management Agent:	Solari Enterprises, Inc

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	128	
No. / % of Low Income Units:	127	100.00%
Average Targeted Affordability:	60.00%	
Federal Set-Aside Elected:	40%/60% Average Income	
Federal Subsidy:	Tax-Exempt	

Information

Housing Type:	Large Family
Geographic Area:	City of Los Angeles
State Ceiling Pool:	New Construction
CDLAC Project Analyst:	Anthony Wey
CTCAC Project Analyst:	Nick White

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	13	10%
50% AMI:	13	10%
60% AMI:	49	39%
70% AMI*:	52	41%

*CTCAC restricted only

Unit Mix

6	SRO/Studio Units
18	1-Bedroom Units
67	2-Bedroom Units
37	3-Bedroom Units
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128	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
6 SRO/Studio	30%	\$795
7 1 Bedroom	30%	\$852
2 1 Bedroom	50%	\$1,420
9 1 Bedroom	60%	\$1,704
7 2 Bedrooms	50%	\$1,703
40 2 Bedrooms	60%	\$2,044
19 2 Bedrooms	70%	\$2,385
4 3 Bedrooms	50%	\$1,969
33 3 Bedrooms	70%	\$2,757
1 2 Bedrooms	Manager's Unit	\$3,350

Project Cost Summary at Application

Land and Acquisition	\$554,397
Construction Costs	\$35,241,206
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,742,060
Soft Cost Contingency	\$700,000
Relocation	\$0
Architectural/Engineering	\$2,568,800
Const. Interest, Perm. Financing	\$7,089,881
Legal Fees	\$590,000
Reserves	\$730,778
Other Costs	\$2,587,233
Developer Fee	\$7,140,859
Commercial Costs	\$0
Total	\$58,945,214

Residential

Construction Cost Per Square Foot:	\$265
Per Unit Cost:	\$460,509
Estimated Hard Per Unit Cost:	\$241,968
True Cash Per Unit Cost*:	\$428,444
Bond Allocation Per Unit:	\$217,188
Bond Allocation Per Restricted Rental Unit:	\$370,667

Construction Financing

Source	Amount
Citibank: Tax-Exempt	\$27,800,000
Citibank: Taxable	\$8,870,000
Citibank: Recycled Tax-Exempt	\$4,400,000
Deferred Costs	\$730,778
Deferred Developer Fee	\$6,291,960
Tax Credit Equity	\$10,852,476

Permanent Financing

Source	Amount
Citibank: Tax-Exempt	\$23,061,978
Deferred Developer Fee	\$4,104,391
Tax Credit Equity	\$31,778,845
TOTAL	\$58,945,214

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$54,746,590
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$71,170,567
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,846,823
Total State Credit:	\$7,000,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,140,859
Federal Tax Credit Factor:	\$0.89991
State Tax Credit Factor:	\$0.88000

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: None.

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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
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
Total Points	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: 114.851%