



**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**2014 COMPETITIVE 4% FEDERAL AND STATE CREDIT APPLICATION**  
**FOR LOW-INCOME HOUSING TAX CREDITS**

January 31, 2014 Version

**II. APPLICATION - SECTION 1: APPLICANT STATEMENT, CERTIFICATION AND NOTARY**

**APPLICANT:** PASHPI STEVENSON HOUSE LP

**PROJECT NAME:** STEVENSON HOUSE

**PLEASE INCLUDE APPLICATION FEE WITH APPLICATION SUBMISSION**

Cashier's Check Only

The undersigned applicant hereby makes application to the California Tax Credit Allocation Committee ("TCAC") for a reservation of Federal, or Federal and State Low-Income Housing Tax Credits ("Credits") in the amount(s) of:

\$1,098,207 annual Federal Credits, and

\$2,298,332 total State Credits

for the purpose of providing low-income rental housing as herein described. I understand that Credit amount(s) preliminarily reserved for this project, if any, may be adjusted over time based upon changing project costs and financial feasibility analyses which TCAC is required to perform on at least three occasions.

I agree it is my responsibility to provide TCAC with the original complete application and the Local Reviewing Agency an exact copy of the application. I agree that I have included a letter from the local government and the appropriate Local Reviewing Agency of the jurisdiction in which the project is located identifying the agency designated as the Local Reviewing Agency for the Tax Credit Allocation Committee. I agree that it is also my responsibility to provide such other information as TCAC requests as necessary to evaluate my application. I represent that if a reservation or allocation of Credit is made as a result of this application, I will also furnish promptly such other supporting information and documents as may be requested. I understand that TCAC may verify information provided and analyze materials submitted as well as conduct its own investigation to evaluate the application. I recognize that I have an affirmative duty to inform TCAC when any information in the application or supplemental materials is no longer true and to supply TCAC with the latest and accurate information.

I acknowledge that if I receive a reservation of Tax Credits, I will be required to submit requisite documentation at the following stages: for readiness to proceed requirements if applicable; and after the project is placed-in-service.

I represent I have read Section 42 of the Internal Revenue Code (IRC) pertaining to Federal Tax Credits, and if applying for State Tax Credits, I represent I have also read California Health and Safety Code Sections 50199.4 et seq. and California Revenue and Taxation Code Sections 12206, 17058, and 23610.5 pertaining to the State Tax Credit program. I understand that the Federal and State Tax Credit programs are complex and involve long-term maintenance of housing for qualified low-income households. I acknowledge that TCAC has recommended that I seek advice from my own tax attorney or tax advisor.

I represent that I have read and understand the requirements set forth in Regulation Section 10322(j) pertaining to re-applications for Credit.

I certify that I have read and understand the provisions of Sections 10322(a) through (g). No additional documents in support of the basic thresholds or point selection categories shall be accepted from the sponsor beyond the

application filing deadline, unless the Executive Director, at his or her sole discretion, determines that the deficiency is a clear reproduction or application assembly error, or an obviously transposed number. In such cases, applicants shall be given up to five (5) business days from the date of receipt of staff notification, to submit said documents to complete the application. For threshold omissions other than reproduction or assembly errors, the Executive Director may request additional clarifying information from other government entities.

I agree to hold TCAC, its members, officers, agents, and employees harmless from any matters arising out of or related to the Credit programs.

I agree that TCAC will determine the Credit amount to comply with requirements of IRC Section 42 but that TCAC in no way warrants the feasibility or viability of the project to anyone for any purpose. I acknowledge that TCAC makes no representation regarding the effect of any tax Credit which may be allocated and makes no representation regarding the ability to claim any Credit which may be allocated.

I acknowledge that all materials and requirements are subject to change by enactment of federal or state legislation or promulgation of regulations.

In carrying out the development and operation of the project, I agree to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all Credit program requirements, rules, and regulations.

I acknowledge that neither the Federal nor the State Tax Credit programs are entitlement programs and that my application will be evaluated based on the Credit statutes, regulations, and the Qualified Allocation Plan adopted by TCAC which identify the priorities and other standards which will be employed to evaluate applications.

I acknowledge that a reservation of Federal or State Tax Credits does not guarantee that the project will qualify for Tax Credits. Both Federal law and the state law require that various requirements be met on an ongoing basis. I agree that compliance with these requirements is the responsibility of the applicant.

I acknowledge that the information submitted to TCAC in this application or supplemental thereto may be subject to the Public Records Act or other disclosure. I understand that TCAC may make such information public.

I acknowledge that if I obtain an allocation of Federal and/or State Tax Credits, I will be required to enter into a regulatory agreement which will contain, among other things, all the conditions under which the Credits were provided including the selection criteria delineated in this application.

I declare under penalty of perjury that the information contained in the application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of my knowledge and belief. I certify and guarantee that each item identified in TCAC's minimum construction standards will be incorporated into the design of the project, unless a waiver has been approved by TCAC. I certify that, when requesting a threshold basis increase for development impact fees, the impact fee amounts are accurate as of the application date. In an application proposing rehabilitation work, I certify that all necessary work identified in the Capital Needs Assessment, including the immediate needs listed in the report, will be performed (unless a waiver is granted) prior to the project's rehabilitation completion. I certify and guarantee that the application meets each item of the applicable housing type requirement if I am requesting housing type competitive points, as identified by TCAC regulation. I certify and guarantee that any tenant services proposed under TCAC Regulation Section 10325(c)(5)(B) will be available within 6 months of the project's placed in service date, will be of a regular and ongoing nature and provided to tenants for a period of at least 10 years, free of charge (except child care). I understand that misrepresentation may result in cancellation of Tax Credit reservation, notification of the Internal Revenue Service and the Franchise Tax Board, and other actions which TCAC is authorized to take pursuant to California Health and Safety Code Section 50199.22 and negative points per Regulation Section 10325(c)(3) or under general authority of state law.

I certify that I believe that the project can be completed within the development budget and the development timetable set forth (which timetable is in conformance with TCAC rules and regulations) and can be operated in the manner proposed within the operating budget set forth.

I agree that TCAC is not responsible for actions taken by the applicant in reliance on a prospective Tax Credit reservation or allocation.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014 at  
\_\_\_\_\_, California.

By \_\_\_\_\_  
(Original Signature)  
\_\_\_\_\_  
(Typed or printed name)  
\_\_\_\_\_  
(Title)

ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_

\_\_\_\_\_, who proved to me on the basis of satisfactory evidence  
to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s)  
on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is  
true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

Local Jurisdiction: City of Palo Alto  
City Manager: James Keene \*  
Title: City Manager  
Mailing Address: 250 Hamilton Ave  
City: Palo Alto  
Zip Code: 94301  
Phone Number: 650-329-2563 Ext. \_\_\_\_\_  
FAX Number: 650-325-5025  
E-mail: James.Keene@cityofpaloalto.org

\* For City Manager, please refer to the following the website below:  
<http://events.cacities.org/CGI-SHL/TWSERVER.EXE/RUN:MEMLOOK>

**II. APPLICATION - SECTION 2: GENERAL AND SUMMARY INFORMATION**

**A. Application Type**

Application type: Preliminary Reservation  
 Prior application was submitted but not selected?       
 If yes, enter application number: TCAC # CA -      -       
  
 Has credit previously been awarded? No  
 Is this project a Re-syndication of a current TCAC project?       
 If yes to either question above, enter the current application number and the amount currently allocated and being returned, if applicable:  
 TCAC # CA -      -       
 Federal Credit:       
 State Credit:       
  
 If State Credit is requested, is this State Farmworker Credit? No

**B. Project Information**

Project Name: STEVENSON HOUSE  
 Site Address: 455 E Charleston Road  
 If address is not established, enter detailed description (i.e. NW corner of 26th and Elm)  
455 E Charleston Road  
  
 City: Palo Alto County: Santa Clara  
 Zip Code: 94306 Census Tract: 5108.30  
 Assessor's Parcel Number(s): 132-6-37  
  
 Special Needs Project located in a DDA or QCT: No  
 Special Needs with 130% basis & State Credits: No  
 Project is a Scattered Site Project: No \*Federal Congressional District: 18  
 Project is **Rural** as defined by TCAC Regulation \*State Assembly District: 24  
 Section 10302(jj): No \*State Senate District: 13  
 \*Accurate information is essential; the following website is provided for reference:  
<https://www.govtrack.us/congress/members/map> <http://findyourrep.legislature.ca.gov/>

**C. Credit Amount Requested** (If State Credit Request, Reg. Sects. 10317 & 10322(h)(33))

Federal and State	\$1,098,207	\$2,298,332
	(federal)	(state)

**D. Federal Minimum Set-Aside Election** (IRC Section 42(g)(1))

20%/50%

**E. Housing Type Selection** (Reg. Sections 10315(g) & 10325(g))

Seniors  
 If you selected Special Needs please list the percentage of Special Needs Units:       
 If between 50% and 75%, please specify other housing type construction standards that will be met:  
    

**F. Geographic Area** (Reg. Section 10315(h))

Please select the project's geographic area:  
South & West Bay Region: San Mateo and Santa Clara Counties

**II. APPLICATION - SECTION 3: APPLICANT INFORMATION**

**A. Identify Applicant**

Applicant is the current owner and will retain ownership: N/A  
 Applicant will be or is a general partner in the to be formed or formed final ownership entity: N/A  
 Applicant is the project developer and will be part of the final ownership entity for the project: N/A  
 Applicant is the project developer and will not be part of the final ownership entity for the project: N/A

**B. Applicant Contact Information**

Applicant Name: PASHPI STEVENSON HOUSE LP  
 Street Address: 455 E Charleston Road  
 City: Palo Alto State: CA Zip Code: 94306  
 Contact Person: Thomas Pamilla  
 Phone: 650-494-1944 Ext.: 12 Fax:  
 Email: tompamilla@stevensonhouse.org

**C. Legal Status of Applicant:**

Limited Partnership Parent Company:  
 If Other, Specify:

**D. General Partner(s) Information**

**D(1)** General Partner Name: PASHPI STEVENSON HOUSE LLC (Gen Partner)  
 Street Address: 455 E Charleston Road  
 City: Palo Alto State: CA Zip Code: 94306  
 Contact Person: Thomas Pamilla  
 Phone: 650-494-1944 Ext.: 12 Fax:  
 Email: tompamilla@stevensonhouse.org  
 Nonprofit/For Profit: Nonprofit Parent Company:

**D(2)** General Partner Name: Palo Alto Senior Housing Project, Inc (nonprofit member/mgr of GP LLC)  
 Street Address: 455 E Charleston Road  
 City: Palo Alto State: CA Zip Code: 94306  
 Contact Person: Thomas Pamilla  
 Phone: 650-494-1944 Ext.: 12 Fax:  
 Email: tompamilla@stevensonhouse.org  
 Nonprofit/For Profit: Nonprofit Parent Company: N/A

**D(3)** General Partner Name:  
 Street Address:  
 City: State: Zip Code:  
 Contact Person:  
 Phone: Ext.: Fax:  
 Email:  
 Nonprofit/For Profit: (select one) Parent Company:

**E. General Partner(s) or Principal Owner(s) Type** Nonprofit

*If Joint Venture, 2nd GP must be included if applicant is pursuing a property tax exemption Reg. Section 10327(g)(2)*

**F. Status of Ownership Entity**

currently exists If to be formed, enter date:

*\*(Federal I.D. No. must be obtained prior to submitting carryover allocation package)*

**G. Contact Person During Application Process**

Company Name: The Related Companies of California, LLC  
 Street Address: 333 Pine Street, Suite 300  
 City: San Francisco State: CA Zip Code: 94104  
 Contact Person: Don Lusty  
 Phone: 415-677-8999 Ext.: Fax: 888-371-8739  
 Email: dlusty@related.com  
 Participatory Role: Consultant Developer

(e.g., General Partner, Consultant, etc.)

## II. APPLICATION - SECTION 4: DEVELOPMENT TEAM INFORMATION

### A. Indicate and List All Development Team Members

<p>Developer: <u>The Related Companies of Calif</u>            Address: <u>333 Pine Street, Suite 300</u>            City, State, Zip: <u>San Francisco, CA 94104</u>            Contact Person: <u>Lydia Tan</u>            Phone: <u>415-677-4008</u> Ext.: <u>          </u>            Fax: <u>888-371-8739</u>            Email: <u>ltan@related.com</u></p>	<p>Architect: <u>Steinberg Architects</u>            Address: <u>125 S Market Street, Suite 110</u>            City, State, Zip: <u>San Jose, CA 95113</u>            Contact Person: <u>Becky McCormick</u>            Phone: <u>408-817-2960</u> Ext.: <u>          </u>            Fax: <u>408-295-5928</u>            Email: <u>bmmccormick@stenberg.us.com</u></p>
<p>Attorney: <u>Goldfarb &amp; Lipman</u>            Address: <u>1300 Clay Street, 9th Floor</u>            City, State, Zip: <u>Oakland, CA 94612</u>            Contact Person: <u>Dave Kroot</u>            Phone: <u>510-836-6336</u> Ext.: <u>          </u>            Fax: <u>510-836-1035</u>            Email: <u>mkroot@goldfarbclipman.com</u></p>	<p>General Contractor: <u>Portrait Construction</u>            Address: <u>265 N Joy Street, Suite 200</u>            City, State, Zip: <u>Corona, CA 92879</u>            Contact Person: <u>Terry Anderson</u>            Phone: <u>510-577-0296</u> Ext.: <u>          </u>            Fax: <u>51-577-7926</u>            Email: <u>tanderson@portraithomesinc.com</u></p>
<p>Tax Professional: <u>Goldfarb &amp; Lipman</u>            Address: <u>1300 Clay Street, 9th Floor</u>            City, State, Zip: <u>Oakland, CA 94612</u>            Contact Person: <u>Margaret Jung</u>            Phone: <u>510-836-6336</u> Ext.: <u>          </u>            Fax: <u>510-836-1035</u>            Email: <u>mjung@goldfarbclipman.com</u></p>	<p>Energy Consultant: <u>Assoc For Energy Affordability, Inc</u>            Address: <u>5900 Hollis Street, R2</u>            City, State, Zip: <u>Emeryville, CA 94608</u>            Contact Person: <u>Andre Duuvoort</u>            Phone: <u>510-270-2371</u> Ext.: <u>          </u>            Fax: <u>                          </u>            Email: <u>aduuvoort@aea.us.org</u></p>
<p>CPA: <u>Lindquist Von Husen &amp; Joyce</u>            Address: <u>90 New Montgomery St, 11th Flr</u>            City, State, Zip: <u>San Francisco, CA 94105</u>            Contact Person: <u>Cathy Hwang</u>            Phone: <u>415-905-5436</u> Ext.: <u>          </u>            Fax: <u>415-957-1629</u>            Email: <u>chwang@lvhj.com</u></p>	<p>Investor: <u>Merritt Community Capital</u>            Address: <u>1970 Broadway, Suite 250</u>            City, State, Zip: <u>Oakland, CA 94612</u>            Contact Person: <u>Karen Smyda</u>            Phone: <u>510-444-7870</u> Ext.: <u>309</u>            Fax: <u>510-444-7874</u>            Email: <u>ksmyda@merrittcap.org</u></p>
<p>Consultant <u>Community Economics</u>            Address: <u>538 9th Street, Suite 200</u>            City, State, Zip: <u>San Francisco, CA 94607</u>            Contact Person: <u>Kevin Knudtson</u>            Phone: <u>510-832-8300</u> Ext.: <u>          </u>            Fax: <u>510-832-2227</u>            Email: <u>kknudtson@communityeconomics.</u></p>	<p>Market Analyst: <u>The Concord Group</u>            Address: <u>251 Kearny Street, 6th Floor</u>            City, State, Zip: <u>San Francisco, CA 94108</u>            Contact Person: <u>Tim Cornwell</u>            Phone: <u>415-397-5490</u> Ext.: <u>          </u>            Fax: <u>415-397-5496</u>            Email: <u>tmc@theconcordgroup.com</u></p>
<p>Appraiser: <u>Turkull &amp; Associates</u>            Address: <u>4707 Davenport Avenue</u>            City, State, Zip: <u>Oakland, CA 94619</u>            Contact Person: <u>Mike Turkull</u>            Phone: <u>510-531-8454</u> Ext.: <u>          </u>            Fax: <u>510-531-8454</u>            Email: <u>mturkull@comcast.net</u></p>	<p>CNA Consultant: <u>Elizabeth McLachlan Consulting</u>            Address: <u>2370 Market Street, Suite 189</u>            City, State, Zip: <u>San Francisco, 94114</u>            Contact Person: <u>Elizabeth McLachlan</u>            Phone: <u>415-203-8814</u> Ext.: <u>          </u>            Fax: <u>                          </u>            Email: <u>emclach@gmail.com</u></p>
<p>Bond Issuer: <u>Calif Municipal Finance Authority</u>            Address: <u>2111 Palomar Airport Road, #320</u>            City, State, Zip: <u>Carlsbad, CA 92011</u>            Contact Person: <u>John Stoecker</u>            Phone: <u>760-930-1221</u> Ext.: <u>          </u>            Fax: <u>760-889-2121</u>            Email: <u>jstoecker@cmfa-ca.com</u></p>	<p>Prop. Mgmt. Co.: <u>PASHPI</u>            Address: <u>455 E Charleston Road</u>            City, State, Zip: <u>Palo Alto, CA 94306</u>            Contact Person: <u>Tom Pamilla</u>            Phone: <u>650-494-1944</u> Ext.: <u>12</u>            Fax: <u>650-493-7439</u>            Email: <u>tompamilla@stevensonhouse.org</u></p>

2nd Prop. Mgmt. Co.:	John Stewart & Company
Address:	104 Whispering Pines Drive, Suite 200
City, State, Zip:	Scotts Valley, CA 95066
Contact Person:	Warren Reed
Phone:	831-438-5725 Ext.:
Fax:	831-438-5737
Email:	wreed@jsco.net



## II. APPLICATION - SECTION 5: PROJECT INFORMATION

**A. Type of Credit Requested**

New Construction	<u>N/A</u>	If yes, will demolition of an existing structure be involved?	<u>No</u>
(may include Adaptive Reuse)		If yes, will relocation of existing tenants be involved?	<u>No</u>
Rehabilitation-Only	<u>N/A</u>	Is this an Adaptive Reuse project?	<u>N/A</u>
Acquisition & Rehabilitation	<u>Yes</u>	If yes, please consult TCAC staff to determine the applicable regulatory requirements (new construction or rehabilitation).	

**B. Acquisition and Rehabilitation/Rehabilitation-only Projects**

If requesting Acquisition Credit, will the acquisition meet the 10-year placed in service rule as required by IRC Sec. 42(d)(2)(B)(ii)? Yes

If no, will it meet the waiver conditions of IRC Sec. 42(d)(6)? N/A

Will the rehabilitation and/or the income and rent restrictions of Sec. 42 cause relocation of existing tenants? Yes

If yes, applicants must submit an explanation of relocation requirements, a detailed relocation plan including a budget with an identified funding source (see Checklist).

Age of Existing Structures	<u>46 yrs</u>	No. of Existing Buildings	<u>3</u>
No. of Occupied Buildings	<u>3</u>	No. of Existing Units	<u>120</u>
No. of Stories	<u>2 &amp; 3</u>		
Current Use:	<u>HUD 202 affordable senior rental project</u>		

**C. Purchase Information**

Name of Seller:	<u>Palo Alto Senior Housing Project Inc</u>	Signatory of Seller:	<u>Thomas Pamilla</u>
Date of Purchase Contract or Option:	<u>3/3/2014</u>	Purchased from Affiliate:	<u>Yes</u>
Expiration Date of Option:	<u>12/31/2014</u>	If yes, broker fee amount to affiliate?	<u></u>
Purchase Price:	<u>\$14,200,000</u>	Special Assessment(s):	<u></u>
Phone: <u>650-494-1944</u>	Ext.: <u></u>	Historical Property/Site:	<u>No</u>
Holding Costs per Month:	<u>\$13,417</u>	Total Projected Holding Costs:	<u>\$80,500</u>
Real Estate Tax Rate:	<u></u>		

**D. Project, Land, Building and Unit Information**

**Project Type**

Single Room Occupancy:	<u>N/A</u>	Single Family Home:	<u>N/A</u>
Detached 2, 3, or 4 Family:	<u>N/A</u>	Housing Cooperative:	<u>N/A</u>
Tenant Homeownership:	<u>N/A</u>	One or Two Story Garden:	<u>N/A</u>
Townhouse/Row House:	<u>N/A</u>	Condominium:	<u>N/A</u>
Inner City Infill Site:	<u>N/A</u>		
Two or More Story With an Elevator:	<u>Yes</u>	if yes, enter number of stories:	<u>3</u>
Two or More Story Without an Elevator:	<u>N/A</u>	if yes, enter number of stories:	<u></u>
One or More Levels of Subterranean Parking:	<u>N/A</u>		
Other: (specify here)	<u></u>		

**E. Land**

x  Feet or 2.32 Acres 101,059 Square Feet  
 If irregular, specify measurements in feet, acres, and square feet:  
Rectangular shaped parcel

**F. Building Information**

Total Number of Buildings: 3 Residential Buildings: 2 & 3  
 Community Buildings:            Commercial/ Retail Space: N/A

If Commercial/ Retail Space, explain: (include use, size, location, and purpose)

None

Are Buildings on a Contiguous Site? Yes

If not Contiguous, do buildings meet the requirements of IRC Sec. 42(g)(7)? N/A

Do any buildings have 4 or fewer units? No

If yes, are any of the units to be occupied by the owner or a person related to the owner (IRC Sec. 42(i)(3)(c))? N/A

**G. Project Unit Number and Square Footage**

Total number of units:	120
Total number of non-tax credit units (excluding managers' units) (i.e. market rate units):	
Total number of units (excluding managers' units):	119
Total number of low-income units:	119
Ratio of low-income units to total units (excluding managers' units):	100%
Total square footage of all residential units (excluding managers' units):	45,968
Total square footage of low-income units:	45,968
Ratio of low-income residential to total residential square footage (excluding managers' units):	100%
*Applicable fraction, smaller of unit or square footage ratio (used on "Basis & Credits"):	100%
Total community room square footage:	4,600
Total commercial/ retail space square footage:	
Total common space square footage (including managers' units):	9,952
Total parking structure square footage (excludes car-ports and "tuck under" parking):	
<b>**Total Square Footage of All Project Structures (excluding commercial/retail):</b>	<b>60,520</b>

\*Must be 100% to apply for State Credits

\*\*equals: "total square footage of all residential units" + "total community room square footage" + "total common space" + "total parking structure square footage")

<b>Total Project Cost per Unit</b>	<b>\$307,386</b>
<b>Total Residential Project Cost per Unit</b>	<b>\$307,386</b>
<b>Total Eligible Basis per Unit</b>	<b>\$272,373</b>

**H. Tenant Population Data**

Completion of this section is required. **The information requested in this section is for national data collection purposes, and is not intended for threshold and competitive scoring use;** however, the completed table should be consistent with information provided in the application and attachments.

Indicate the number of units anticipated for the following populations:

Homeless/formerly homeless	N/A
Transitional housing	N/A
Persons with physical, mental, development disabilities	N/A
Persons with HIV/AIDS	N/A
Transition age youth	N/A
Farmworker	N/A
Other:	N/A
Units w/ tenants of multiple disability type or subsidy layers, etc., briefly explain:	
For 4% federal applications only:	
Rural area consistent with TCAC methodology	N/A

**II. APPLICATION - SECTION 6: REQUIRED APPROVALS & DEVELOPMENT TIMETABLE**

**A. Required Approvals Necessary to Begin Construction**

	Approval Dates		
	Application Submittal	Estimated Approval	Actual Approval
Negative Declaration under CEQA			
NEPA	3/31/2014	6/30/2014	
Toxic Report			
Soils Report			
Coastal Commission Approval			
Article 34 of State Constitution			
Site Plan			
Design Review	2/3/2014	3/31/2014	
Conditional Use Permit Approved or Required			
Variance Approved or Required			

	Project and Site Information	
Current Land Use Designation	Planned Community Nonprofit Senior Housing	
Current Zoning and Maximum Density	PC-2236; 120 units allowed per zoning ordinance	
Proposed Zoning and Maximum Density	PC-2236; 120 units	
Does this site have Inclusionary Zoning?	No	
Occupancy restrictions that run with the land due to CUP's or density bonuses?	Yes	PC zoning for nonprofit senior housing
Building Height Requirements	as specified in the original Development Plan	
Required Parking Ratio	56 spaces allowed per zoning ordinance	
Is site in a Redevelopment Area?	No	

**B. Development Timetable**

		<b>Actual or Scheduled</b>	
		<b>Month</b>	<b>Year</b>
<b>SITE</b>	Environmental Review Completed	N/A	/
	Site Acquired	3	2014
<b>LOCAL PERMITS</b>	Conditional Use Permit	N/A	/
	Variance	N/A	/
	Site Plan Review	N/A	/
	Grading Permit	N/A	/
	Building Permit	8	2014
<b>CONSTRUCTION FINANCING</b>	Loan Application	2	2014
	Enforceable Commitment	3	2014
	Closing and Disbursement	8	2014
<b>PERMANENT FINANCING</b>	Loan Application	2	2014
	Enforceable Commitment	3	2014
	Closing and Disbursement	8	2014
<b>OTHER LOANS AND GRANTS</b>	Type and Source: <u>Santa Clara County -- Stanford GUP</u>	N/A	/
	Application	N/A	/
	Closing or Award	11	2012
	Type and Source: <u>City of Palo Alto Housing Trust Fund</u>	N/A	/
	Application	N/A	/
	Closing or Award	6	2012
	Type and Source: <u>PASHPI Seller Carry Back Note</u>	N/A	/
	Application	N/A	/
	Closing or Award	8	2014
	Type and Source: <u>(specify here)</u>	N/A	/
	Application	N/A	/
	Closing or Award	N/A	/
	Type and Source: <u>(specify here)</u>	N/A	/
	Application	N/A	/
	Closing or Award	N/A	/
	Type and Source: <u>(specify here)</u>	N/A	/
Application	N/A	/	
Closing or Award	N/A	/	
10% of Costs Incurred	N/A	/	
Construction Start	N/A	/	
Construction Completion	N/A	/	
Placed In Service	N/A	/	
Occupancy of All Low-Income Units	N/A	/	

**III. PROJECT FINANCING - SECTION 1: CONSTRUCTION FINANCING**

**A. Construction Financing**

**List Below All Projected Sources Required To Complete Construction**

Name of Lender/Source	Term (months)	Interest Rate	Amount of Funds
1) Silicon Valley Bank	24	5.500%	\$20,000,000
2) Santa Clara County -- Stanford GUP	660	3.000%	\$4,000,000
3) City of Palo Alto	660	3.000%	\$1,000,000
4) Seller Carry Back Note	660	3.560%	\$8,062,789
5) Merritt Capital -- Tax Credit Investor	N/A	N/A	\$1,202,451
6) Developer Equity	N/A	N/A	\$2,621,099
7)			
8)			
9)			
10)			
11)			
12)			
<b>Total Funds For Construction:</b>			<b>\$36,886,339</b>

1) Lender/Source: Silicon Valley Bank  
 Street Address: 555 Mission Street, Suite 900  
 City: San Francisco  
 Contact Name: Donna Kelley  
 Phone Number 415-764-3125 Ext.:  
 Type of Financing: Bond Construction Loan  
 Is the Lender/Source Committed? Yes

2) Lender/Source: Santa Clara County -- Stanford GUP  
 Street Address: 70 West Hedding Street, 7th Floor  
 City: San Jose  
 Contact Name: Rebecca Garcia  
 Phone Number 408-299-5796 Ext.:  
 Type of Financing: Residual Receipts  
 Is the Lender/Source Committed? Yes

3) Lender/Source: City of Palo Alto  
 Street Address: 250 Hamilton Avenue  
 City: Palo Alto  
 Contact Name: Tim Wong  
 Phone Number 650-329-2561 Ext.:  
 Type of Financing: Residual Receipts  
 Is the Lender/Source Committed? Yes

4) Lender/Source: Seller Carry Back Note  
 Street Address: 455 E Charleston Road  
 City: Palo Alto  
 Contact Name: Tom Pamilla  
 Phone Number 650-494-1944 Ext.: 12  
 Type of Financing: Residual Receipts  
 Is the Lender/Source Committed? Yes

5) Lender/Source: Merritt Capital -- Tax Credit Investor  
 Street Address: 1970 Broadway, Suite 250  
 City: Oakland  
 Contact Name: Karen Smyda  
 Phone Number 510-444-7870 Ext.: 309  
 Type of Financing: Tax Credit Equity  
 Is the Lender/Source Committed? Yes

6) Lender/Source: Developer Equity  
 Street Address: 333 Pine Street, Suite 300  
 City: San Francisco  
 Contact Name: Don Lusty  
 Phone Number 415-677-8999 Ext.:  
 Type of Financing: Deferred Costs to Perm  
 Is the Lender/Source Committed? Yes

7) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

8) Lender/Source:  
 Street Address:  
 City:  
 Contact Name:  
 Phone Number Ext.:  
 Type of Financing:  
 Is the Lender/Source Committed? No

9) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

10) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

11) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

12) Lender/Source: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone Number \_\_\_\_\_ Ext.: \_\_\_\_\_  
Type of Financing: \_\_\_\_\_  
Is the Lender/Source Committed? No

**III. PROJECT FINANCING - SECTION 2: PERMANENT FINANCING**

**A. Permanent Financing**

List Below All Projected Sources Required To Complete Construction

Name of Lender/Source	Term (months)	Interest Rate	Residual Receipts / Deferred Pymt.	Annual Debt Service	Amount of Funds
1) Prudential	480	5.500%		\$866,458	\$14,000,000
2) Santa Clara County -- Stanford GUP	660	3.000%	Residual	N/A	\$4,000,000
3) City of Palo Alto	660	3.000%	Residual	N/A	\$1,000,000
4) PASHPI - Seller Carry Back Note	660	3.560%	Residual	N/A	\$4,953,069
5) Capitalized Soft Loan Interest			Deferred	N/A	\$457,282
6)					
7)					
8)					
9)					
10)					
11)					
12)					
<b>Total Permanent Financing:</b>					\$24,410,351
<b>Total Tax Credit Equity:</b>					\$12,475,988
<b>Total Sources of Project Funds:</b>					\$36,886,339

1) Lender/Source: Prudential  
 Street Address: Four Embarcadero Center, Ste 2700  
 City: San Francisco  
 Contact Name: Kenji Tamaoki  
 Phone Number 415-291-5033 Ext.:   
 Type of Financing: FHA 221(d)(4) Mortgage  
 Is the Lender/Source Committed? Yes

2) Lender/Source: Santa Clara County -- Stanford GUP  
 Street Address: 70 West Hedding Street, 7th Floor  
 City: San Jose  
 Contact Name: Rebecca Garcia  
 Phone Number 408-299-5796 Ext.:   
 Type of Financing: Residual Receipts  
 Is the Lender/Source Committed? Yes

3) Lender/Source: City of Palo Alto  
 Street Address: 250 Hamilton Avenue  
 City: Palo Alto  
 Contact Name: Tim Wong  
 Phone Number 650-329-2561 Ext.:   
 Type of Financing: Residual Receipts  
 Is the Lender/Source Committed? Yes

4) Lender/Source: PASHPI - Seller Carry Back Note  
 Street Address: 455 E Charleston Road  
 City: Palo Alto  
 Contact Name: Thomas Pamilla  
 Phone Number 650-494-1944 Ext.: 12  
 Type of Financing: Residual Receipts  
 Is the Lender/Source Committed? Yes

5) Lender/Source: Capitalized Soft Loan Interest  
 Street Address:   
 City:   
 Contact Name:   
 Phone Number  Ext.:   
 Type of Financing:   
 Is the Lender/Source Committed? No

6) Lender/Source:  
 Street Address:   
 City:   
 Contact Name:   
 Phone Number  Ext.:   
 Type of Financing:   
 Is the Lender/Source Committed? No

7) Lender/Source:  
 Street Address:   
 City:   
 Contact Name:   
 Phone Number  Ext.:   
 Type of Financing:   
 Is the Lender/Source Committed? No

8) Lender/Source:  
 Street Address:   
 City:   
 Contact Name:   
 Phone Number  Ext.:   
 Type of Financing:   
 Is the Lender/Source Committed? No

9) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? No

10) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? No

11) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? No

12) Lender/Source: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Contact Name: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 Type of Financing: \_\_\_\_\_  
 Is the Lender/Source Committed? No

**B. Tax-Exempt Bond Financing**

Will project receive tax-exempt bond financing for more than 50% of the aggregate basis of the building(s) (including land) in the project? (IRC Sec. 42(h)(4)): Yes  
 CDLAC Allocation? No  
 Date application was submitted to CDLAC: 3/5/2014  
 Date application was approved by CDLAC: Elizabeth McLachlan  
 Estimated date of Bond Issuance (Reg. Section 10326(e)(2)): 8/31/2014  
 Percentage of aggregate basis financed by the bonds? (Reg. Section 10326(e)(2)): 57.51%  
 Name of Bond Issuer (Reg. Section 10326(e)(1)): Calif Municipal Finance Authority  
 Will project have Credit Enhancement? No  
 If Yes, identify the entity providing the Credit Enhancement: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Ext.: \_\_\_\_\_  
 What type of enhancement is being provided? (select one)  
(specify here)





**C. Market Rate Units**

(a) Bedroom Type(s)	(b) Number of Units	(c) Proposed Monthly Rent (Less Utilities)	(d) Total Monthly Rents (b x c)
<b>Total # Units:</b>		<b>Total:</b>	

<b>Aggregate Monthly Rents For All Units:</b>	\$105,020
<b>Aggregate Annual Rents For All Units:</b>	\$1,260,240

**D. Rental Subsidy Income/Operating Subsidy  
Complete spreadsheet "Subsidy Contract Calculation"**

Number of Units Receiving Assistance:	107
Length of Contract (years):	20
Expiration Date of Contract:	6/2022 & 8/2034
<b>Total Projected Annual Rental Subsidy:</b>	<b>\$962,544</b>

**E. Miscellaneous Income**

Annual Income from Laundry Facilities:	\$6,900
Annual Income from Vending Machines:	
Annual Interest Income:	
Other Annual Income: (specify here)	
<b>Total Miscellaneous Income:</b>	<b>\$6,900</b>
<b>Total Annual Potential Gross Income:</b>	<b>\$2,229,684</b>

**F. Monthly Resident Utility Allowance by Unit Size**  
(utility allowances must be itemized and must agree with the applicable utility allowance schedule)

	SRO / STUDIO	1 BR	2 BR	3 BR	4 BR	( ) BR
Space Heating:						
Water Heating:						
Cooking:						
Lighting:						
Electricity:						
Water:*						
Other: (specify here)						
<b>Total:</b>						

**\*PROJECTS PROPOSING UNITS WITH INDIVIDUAL WATER METERS MUST INCLUDE A WATER ALLOWANCE.**

**Name of PHA or California Energy Commission Providing Utility Allowances:**

N/A -- All Utilities Paid by Owner

**G. Annual Residential Operating Expenses**

<b>Administrative</b>	Advertising:	\$2,000
	Legal:	\$4,000
	Accounting/Audit:	\$59,318
	Security:	\$17,000
	Other: Tele & Computer Contracts	\$29,200
<b>Total Administrative:</b>		\$111,518

<b>Management</b>	<b>Total Management:</b>	\$64,260
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<b>Utilities</b>	Fuel:	
	Gas:	\$35,000
	Electricity:	\$46,000
	Water/Sewer:	\$52,000
	<b>Total Utilities:</b>	\$133,000

<b>Payroll / Payroll Taxes</b>	On-site Manager:	\$58,371
	Maintenance Personnel:	\$149,993
	Other: Office Salaries	\$179,917
	<b>Total Payroll / Payroll Taxes:</b>	\$388,281
<b>Total Insurance:</b>		\$31,350

<b>Maintenance</b>	Painting:	\$7,000
	Repairs:	\$106,500
	Trash Removal:	\$21,600
	Exterminating:	
	Grounds:	\$16,000
	Elevator:	\$10,000
	Other: Misc Operating & Maint	\$17,600
	<b>Total Maintenance:</b>	\$178,700

<b>Other Expenses</b>	Other: Office	\$18,260
	Other: Misc Admin & Renting Exp	\$41,660
	Other: Business Licenses & Taxes	\$2,500
	Other: (specify here)	
	Other: (specify here)	
<b>Total Other Expenses:</b>		\$62,420

**Total Expenses**

<b>Total Annual Residential Operating Expenses:</b>	\$969,529
<b>Total Number of Units in the Project:</b>	120
<b>Total Annual Operating Expenses Per Unit:</b>	\$8,079
<b>Total 3-Month Operating Reserve:</b>	\$242,382
<b>Total Annual Internet Expense (site amenity election):</b>	*
<b>Total Annual Services Amenities Budget (from project expenses):</b>	\$41,800 *
<b>Total Annual Reserve for Replacement:</b>	\$36,000 *
<b>Total Annual Real Estate Taxes:</b>	\$45,839 *

\* Please include in the identified lines on **THIS** page and **NOT** on any of the line items on Page 18. Please note that these will still need to be included when determining the net cash flow in the 15 year proforma.

**H. Commercial Income\***

Total Annual Commercial/Non-Residential Revenue:	
Total Annual Commercial/Non-Residential Expenses:	
Total Annual Commercial/Non-Residential Debt Service:	
<b>Total Annual Commercial/Non-Residential Net Income:</b>	

\*The Sources and Uses Budget must separately detail apportioned amounts for residential and commercial space. Separate cash flow projections shall be provided for residential and commercial space. Income from the residential portion of a project shall not be used to support any negative cash flow of a commercial portion, and commercial income should not support the residential portion (Sections 10322(h)(14), (22); 10327(g)(7)).

**III. PROJECT FINANCING - SECTION 4: LOAN AND GRANT SUBSIDIES**

**A. Inclusion/Exclusion From Eligible Basis**

Funding Sources If lender is not funding source, list source (HOME, CDBG, etc.) <u>NOT</u> lender.		Included in Eligible Basis Yes/No	Amount
Tax-Exempt Financing		Yes	\$20,000,000
Taxable Bond Financing		N/A	
HOME Investment Partnership Act (HOME)		N/A	
Community Development Block Grant (CDBG)		N/A	
RHS 514		N/A	
RHS 515		N/A	
RHS 516		N/A	
RHS 538		N/A	
HOPE VI		N/A	
McKinney-Vento Homeless Assistance Program		N/A	
MHSA		N/A	
MHP		N/A	
Redevelopment Set-aside Funds		N/A	
FHA Risk Sharing loan?	No	N/A	
State:	(specify here)	N/A	
Local:	City of Palo Alto	Yes	\$1,000,000
Private:	(specify here)	N/A	
Other:	Santa Clara County -- Stanford GUP Fund	Yes	\$4,000,000
Other:	PASHPI--seller note (residual receipts loan)	Yes	\$4,953,069
Other:	(specify here)	N/A	

**B. Rental Subsidy Anticipated**

Indicate By Percent Of Units Affected, Any Rental Subsidy Expected To Be Available To The Project.

Approval Date:	3/4/2014	Approval Date:	
Source:	HUD SPRAC PBV	Source:	
If Section 8:		If Section 8:	(select one)
Percentage:	70%	Percentage:	
Units Subsidized:	83	Units Subsidized:	
Amount Per Year:	\$746,646	Amount Per Year:	
Total Subsidy:	\$14,893,460	Total Subsidy:	
Term:	20 years	Term:	

**C. Pre-Existing Subsidies** (Acq./Rehab. or Rehab-Only projects)

Indicate The Subsidy Amount For Any Of The Following Currently Utilized By The Project.

Sec 221(d)(3) BMIR:		RHS 514:	
HUD Sec 236:		RHS 515:	
If Section 236, IRP?	N/A	RHS 521 (rent subsidy):	
RHS 538:		State / Local:	
HUD Section 8:	HUD HAP - 24 PBV	Rent Sup / RAP:	
If Section 8:	Project-based contract		
HUD SHP:			
Will the subsidy continue?:	Yes	Other:	(specify here)
If yes enter amount:	\$215,898	Other amount:	

**III. PROJECT FINANCING - SECTION 5: THRESHOLD BASIS LIMIT**

**A. Threshold Basis Limit**

<b>Unit Size</b>	<b>Unit Basis Limit</b>	<b>No. of Units</b>	<b>(Basis) X (No. of Units)</b>
SRO/STUDIO	\$207,647	92	\$19,103,524
1 Bedroom	\$239,415	28	\$6,703,620
2 Bedrooms	\$288,800		
3 Bedrooms	\$369,664		
4+ Bedrooms	\$411,829		
<b>TOTAL UNITS:</b>			120
<b>TOTAL UNADJUSTED THRESHOLD BASIS LIMIT:</b>			<b>\$25,807,144</b>
		<b>Yes/No</b>	
<b>(a)</b> Plus (+) 20% basis adjustment for projects paid in whole or part out of public funds and required by a public awarding body to pay state 25807144		<input checked="" type="checkbox"/> Yes	\$5,161,429
<b>(b)</b> Plus (+) 7% basis adjustment for new construction projects required to provide parking beneath residential units (not "tuck under" parking) or through construction of an on-site parking structure of two or more levels.		<input type="checkbox"/> No	
<b>(c)</b> Plus (+) 2% basis adjustment for projects where a day care center is part of the development.		<input type="checkbox"/> No	
<b>(d)</b> Plus (+) 2% basis adjustment for projects where 100 percent of the units are for Special Needs populations.		<input type="checkbox"/> No	
<b>(e)</b> Plus (+) up to 10% basis adjustment for projects applying under Section 10325 or Section 10326 of these regulations that include one or more of the features in the section: Item (e) Features.		<input type="checkbox"/> No	
<b>(f)</b> Plus (+) the lesser of the associated costs or up to a 15% basis adjustment for projects requiring seismic upgrading of existing structures, and/or projects requiring toxic or other environmental mitigation as certified by the project architect/ engineer +costs. If Yes, select type: Seismic Upgrading 15% Maximum=\$3,871,072		<input checked="" type="checkbox"/> Yes	\$3,142,680
<b>(g)</b> Plus (+) local development impact fees required to be paid to local government entities. Certification from local entities assessing fees also required.		<input type="checkbox"/> No	
<b>(h)</b> Plus (+) 10% basis adjustment for projects wherein at least 95% of the project's upper floor units are serviced by an elevator.		<input checked="" type="checkbox"/> Yes	\$2,580,714
<b>(i)</b> Plus (+) 1% basis adjustment for each 1% of units income-targeted to 50% to 36% of AMI Affordable Units: 119 Total Affordable Units @ 50% to 36% of AMI: 73		<input checked="" type="checkbox"/> Yes	\$15,742,358
<b>(j)</b> Plus (+) 2% basis adjustment for each 1% of units income targeted to 35% of AMI and below Affordable Units: 119 Total Affordable Units @ 35% of AMI or Below: 12		<input checked="" type="checkbox"/> Yes	\$5,161,429
<b>TOTAL ADJUSTED THRESHOLD BASIS LIMIT:</b>			<b>\$57,595,754</b>

**HIGH COST TEST**

Total Eligible Basis \$32,684,739  
 Percentage of the Adjusted Threshold Basis Limit 56.749%

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**ITEM (e) Features**

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**REVIEW REGULATION SECTION 10327(c)(5)(B) PRIOR TO COMPLETING THIS SECTION.  
THE OPTIONS BELOW ARE PRESENTED WITH ABRIDGED LANGUAGE.**

- N/A** 1 Project shall have onsite renewable generation estimated to produce 50% or more of annual electricity use (dwelling and common area meters combined). If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. Threshold Basis Limit increase of 5%.
  
- N/A** 2 Project shall have onsite renewable generation estimated to produce 75% or more of annual common area electricity use. If combined available roof area is insufficient, project shall have onsite renewable generation based on at least 90% of the available solar accessible roof area. Threshold Basis Limit increase of 2%.
  
- N/A** 3 Newly constructed project buildings shall be 45% or more energy efficient than current Energy Efficiency Standards (CA Code of Regulations, Title 24, Part 6). Threshold Basis Limit increase of 4%.
  
- N/A** 4 Rehabilitated project buildings shall have an 80% decrease in estimated annual energy use (or improvement in energy efficiency) in the HERS II post rehabilitation. Threshold Basis Limit increase 4%.
  
- N/A** 5 Irrigated only with reclaimed water, greywater, or rainwater (excluding water used for community gardens). Threshold Basis Limit increase 1%.
  
- N/A** 6 Community gardens of at least 60 square feet per unit. Permanent site improvements that provide a viable growing space within the project. Threshold Basis Limit increase 1%.
  
- N/A** 7 Install bamboo, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all kitchens, living rooms, and bathrooms (where no VOC adhesives or backing is also used). Threshold Basis Limit increase 1%.
  
- N/A** 8 Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, ceramic tile, or natural linoleum in all common areas. Threshold Basis Limit increase 2%.
  
- N/A** 9 Meet all requirements of the U.S. Environmental Protection Agency Indoor Air Plus Program. Threshold Basis Limit increase 2%.

IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET					Permanent Sources														
	TOTAL PROJECT COST	RES. COST	COM'L. COST	TAX CREDIT EQUITY	1)Prudential	2)Santa Clara County -- Stanford GUP	3)City of Palo Alto	4)PASHPI - Seller Carry Back Note	5)Capitalized Soft Loan Interest	6)	7)	8)	9)	10)	11)	12)	SUBTOTAL	30% PVC for New Const/Rehab	30% PVC for Acquisition
<b>LAND COST/ACQUISITION</b>																			
Land Cost or Value																			
Demolition																			
Legal																			
Land Lease Rent Prepayment																			
<b>1Total Land Cost or Value</b>																			
Existing Improvements Value	\$14,200,000	\$14,200,000			\$9,086,201			\$5,113,799									\$14,200,000		\$14,200,000
Off-Site Improvements																			
<b>Total Acquisition Cost</b>	\$14,200,000	\$14,200,000			\$9,086,201			\$5,113,799									\$14,200,000		\$14,200,000
<b>Total Land Cost / Acquisition Cost</b>	\$14,200,000	\$14,200,000			\$9,086,201			\$5,113,799									\$14,200,000		\$14,200,000
Predevelopment Interest/Holding Cost																			
Assumed, Accrued Interest on Existing Debt (Rehab/Acq)																			
Other: (Specify)																			
<b>REHABILITATION</b>																			
Site Work	\$246,911	\$246,911		\$223,455	\$23,456												\$246,911	\$246,911	
Structures	\$6,879,938	\$6,879,938		\$1,980,589	\$4,890,343	\$9,006											\$6,879,938	\$6,879,938	
General Requirements	\$613,622	\$613,622				\$613,622											\$613,622	\$613,622	
Contractor Overhead	\$187,593	\$187,593				\$187,593											\$187,593	\$187,593	
Contractor Profit	\$281,389	\$281,389				\$281,389											\$281,389	\$281,389	
Prevailing Wages	\$1,639,175	\$1,639,175				\$1,639,175											\$1,639,175	\$1,639,175	
General Liability Insurance	\$118,648	\$118,648				\$118,648											\$118,648	\$118,648	
Third Party Const Mgmt & P&P Bonds	\$350,062	\$350,062				\$350,062											\$350,062	\$350,062	
<b>Total Rehabilitation Costs</b>	\$10,317,338	\$10,317,338		\$2,204,044	\$4,913,799	\$3,199,495											\$10,317,338	\$10,317,338	
<b>Total Relocation Expenses</b>	\$1,131,345	\$1,131,345		\$1,131,345													\$1,131,345	\$574,000	
<b>NEW CONSTRUCTION</b>																			
Site Work																			
Structures																			
General Requirements																			
Contractor Overhead																			
Contractor Profit																			
Prevailing Wages																			
General Liability Insurance																			
Other: (Specify)																			
<b>Total New Construction Costs</b>																			
<b>ARCHITECTURAL FEES</b>																			
Design	\$652,800	\$652,800				\$652,800											\$652,800	\$652,800	
Supervision	\$163,200	\$163,200				\$163,200											\$163,200	\$163,200	
<b>Total Architectural Costs</b>	\$816,000	\$816,000				\$816,000											\$816,000	\$816,000	
<b>Total Survey &amp; Engineering</b>	\$860,000	\$860,000				\$50,300	\$809,700										\$860,000	\$860,000	
<b>CONSTRUCTION INTEREST &amp; FEES</b>																			
Construction Loan Interest	\$1,028,007	\$1,028,007		\$1,028,007													\$1,028,007	\$27,000	
Origination Fee	\$150,241	\$150,241					\$150,241										\$150,241	\$45,072	
Credit Enhancement/Application Fee																			
Bond Premium																			
Cost of Issuance	\$231,150	\$231,150		\$231,150													\$231,150	\$231,150	
Title & Recording	\$50,000	\$50,000		\$50,000													\$50,000	\$15,000	
Taxes																			
Insurance																			
Construction Lender Costs	\$75,000	\$75,000		\$34,941		\$40,059											\$75,000	\$22,500	
<b>Total Construction Interest &amp; Fees</b>	\$1,534,398	\$1,534,398		\$1,344,098		\$190,300											\$1,534,398	\$340,722	
<b>PERMANENT FINANCING</b>																			
Loan Origination Fee	\$280,002	\$280,002		\$280,002													\$280,002		
Credit Enhancement/Application Fee																			
Title & Recording																			
Taxes																			
Insurance	\$250,000	\$250,000		\$250,000													\$250,000		
Capitalized Soft Loan Interest	\$457,282	\$457,282						\$457,282									\$457,282		



IV. SOURCES AND USES BUDGET - SECTION 1: SOURCES AND USES BUDGET					Permanent Sources														
	TOTAL PROJECT COST	RES. COST	COM'L. COST	TAX CREDIT EQUITY	1)Prudential	2)Santa Clara County -- Stanford GUP	3)City of Palo Alto	4)PASHPI - Seller Carry Back Note	5)Capitalized Soft Loan Interest	6)	7)	8)	9)	10)	11)	12)	SUBTOTAL	30% PVC for New Const/Rehab	30% PVC for Acquisition
FHA Loan Costs	\$263,002	\$263,002		\$263,002													\$263,002		
<b>Total Permanent Financing Costs</b>	\$1,250,286	\$1,250,286		\$793,004					\$457,282								\$1,250,286		
<b>Subtotals Forward</b>	\$30,109,367	\$30,109,367		\$5,472,491	\$14,000,000	\$4,065,795	\$1,000,000	\$5,113,799	\$457,282								\$30,109,367	\$12,908,060	\$14,200,000
<b>LEGAL FEES</b>																			
Lender Legal Paid by Applicant	\$60,000	\$60,000		\$60,000													\$60,000		
Owner Legal	\$257,000	\$257,000		\$257,000													\$257,000	\$150,000	
<b>Total Attorney Costs</b>	\$317,000	\$317,000		\$317,000													\$317,000	\$150,000	
<b>RESERVES</b>																			
Rent Reserves																			
Capitalized Rent Reserves																			
3-Month Operating Reserve	\$495,482	\$495,482		\$495,482													\$495,482		
<b>Total Reserve Costs</b>	\$495,482	\$495,482		\$495,482													\$495,482		
<b>APPRAISAL</b>																			
<b>Total Appraisal Costs</b>																			
<b>Total Contingency Cost</b>	\$1,510,101	\$1,510,101		\$1,510,101													\$1,510,101	\$1,510,101	
<b>OTHER PROJECT COSTS</b>																			
TCAC App/Allocation/Monitoring Fees	\$61,644	\$61,644		\$61,644													\$61,644		
Environmental Audit																			
Local Development Impact Fees																			
Permit Processing Fees	\$421,828	\$421,828		\$421,828													\$421,828	\$421,828	
Capital Fees																			
Marketing	\$100,000	\$100,000		\$100,000													\$100,000		
Furnishings	\$350,000	\$350,000		\$350,000													\$350,000	\$350,000	
Market Study	\$7,500	\$7,500		\$7,500													\$7,500	\$3,750	
Accounting/Reimbursables	\$25,000	\$25,000		\$25,000													\$25,000		
Soft Cost Contingency	\$350,000	\$350,000		\$350,000													\$350,000	\$350,000	
County Loan Fee Origination	\$40,000	\$40,000		\$40,000													\$40,000		
Predevelopment Loan Fees & Interest	\$140,500	\$140,500		\$140,500													\$140,500		\$80,500
Other Consultants	\$210,500	\$210,500		\$210,500													\$210,500	\$210,500	
Partnership Admin Costs	\$47,417	\$47,417		\$47,417													\$47,417		
Capitalized Replacement Reserve	\$200,000	\$200,000		\$200,000													\$200,000		
<b>Total Other Costs</b>	\$1,954,389	\$1,954,389		\$1,954,389													\$1,954,389	\$1,336,078	\$80,500
<b>SUBTOTAL PROJECT COST</b>	\$34,386,339	\$34,386,339		\$9,749,463	\$14,000,000	\$4,065,795	\$1,000,000	\$5,113,799	\$457,282								\$34,386,339	\$15,904,239	\$14,280,500
<b>DEVELOPER COSTS</b>																			
Developer Overhead/Profit	\$2,500,000	\$2,500,000		\$2,500,000													\$2,500,000	\$1,790,000	\$710,000
Consultant/Processing Agent																			
Project Administration																			
Broker Fees Paid to a Related Party																			
Const. Oversight by Developer																			
Other: (Specify)																			
<b>Total Developer Costs</b>	\$2,500,000	\$2,500,000		\$2,500,000													\$2,500,000	\$1,790,000	\$710,000
<b>TOTAL PROJECT COST</b>	\$36,886,339	\$36,886,339		\$12,249,463	\$14,000,000	\$4,065,795	\$1,000,000	\$5,113,799	\$457,282								\$36,886,339	\$17,694,239	\$14,990,500

Note: Syndication Costs may not be included as a project cost. Calculate Maximum Developer Fee using the eligible basis subtotals. **DOUBLE CHECK AGAINST PERMANENT FINANCING TOTALS:**

12,475,988	14,000,000	4,000,000	1,000,000	4,953,069	457,282														
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<sup>1</sup> Required: evidence of land value (see Tab 1). TCAC will not accept a budget with a nominal land value. Please refer to the TCAC website for additional information and guidance. Land value must be included in Total Project Cost and Sources and Uses Budget (includes donated or leased land).

<sup>2</sup> Required: include a detailed explanation of Demolition and Offsite Improvements requirements as well as a cost breakdown in Attachment 12, Construction and Design Description.

**V. BASIS AND CREDITS SECTION 1: BASIS AND CREDITS**

**Determination of Eligible and Qualified Basis**

**A. Basis and Credits**

	<b>30% PVC for New Construction/ Rehabilitation</b>	<b>30% PVC for Acquisition</b>
<b>Total Eligible Basis:</b>	\$17,694,239	\$14,990,500
<b>Ineligible Amounts</b>		
Subtract All Grant Proceeds Used to Finance Costs in Eligible Basis:		
Subtract Non-Qualified Non-Recourse Financing:		
Subtract Non-Qualifying Portion of Higher Quality Units:		
Subtract Photovoltaic Credit (as applicable):		
Subtract Historic Credit (residential portion only):		
<b>Total Ineligible Amounts:</b>		
<b>Total Eligible Basis Amount Voluntarily Excluded:</b>		
<b>Total Basis Reduction:</b>		
<b>Total Requested Unadjusted Eligible Basis:</b>	\$17,694,239	\$14,990,500
High Cost Area Adjustment :	100%	100%
<b>Total Adjusted Eligible Basis:</b>	\$17,694,239	\$14,990,500
Applicable Fraction:	100%	100%
<b>Qualified Basis:</b>	\$17,694,239	\$14,990,500
<b>Total Qualified Basis:</b>	\$32,684,739	

**B. Determination of Federal Credit**

	<b>New Construction /Rehabilitation</b>	<b>Acquisition</b>
<b>Qualified Basis:</b>	\$17,694,239	\$14,990,500
<b>*Applicable Percentage:</b>	3.36%	3.36%
<b>Subtotal Annual Federal Credit:</b>	\$594,526	\$503,681
<b>Total Combined Annual Federal Credit:</b>	\$1,098,207	

\*Applicants are required to use this percentage in calculating credit at the application stage.

**C. Determination of Minimum Federal Credit Necessary For Feasibility**

Total Project Cost	\$36,886,339
Permanent Financing	\$24,410,351
Funding Gap	\$12,475,988
Federal Tax Credit Factor	\$1.00000

The federal tax credit factor must be between \$0.90 and \$1.10.  
**APPLICANTS ARE NOT PERMITTED TO CALCULATE CREDIT USING A TAX CREDIT FACTOR OUTSIDE OF THIS RANGE; DOING SO CAN RESULT IN APPLICATION DISQUALIFICATION. If your equity pricing is less than \$0.90 you must contact TCAC staff to discuss prior to submitting your application.**

Total Credits Necessary for Feasibility	\$12,475,988
Annual Federal Credit Necessary for Feasibility	\$1,247,599
Maximum Annual Federal Credits	\$1,098,207
Equity Raised From Federal Credit	\$10,982,072
Remaining Funding Gap	\$1,493,916

**D. Determination of State Credit**

	NC/Rehab	Acquisition
<b>Qualified Basis</b> (only rehabilitation or new construction basis, except in rare cases of At-Risk projects eligible for State Credit on the acquisition basis at the 0.13 factor)	\$17,694,239	\$14,990,500
<b>Factor Amount</b>		(.13 federally-subsidized) 13%
<b>Maximum Total State Credit</b>	\$2,300,251	\$0

**E. Determination of Minimum State Credit Necessary for Feasibility**

<b>State Tax Credit Factor</b>	\$0.65000
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**The state tax credit factor must be between \$0.60 and \$0.75. APPLICANTS ARE NOT PERMITTED TO CALCULATE CREDIT USING A TAX CREDIT FACTOR OUTSIDE OF THIS RANGE; DOING SO CAN RESULT IN APPLICATION DISQUALIFICATION.**

State Credit Necessary for Feasibility	\$2,298,332
Maximum State Credit	\$2,298,332
Equity Raised From State Credit	\$1,493,916
Remaining Funding Gap	\$0

## VI. POINTS SYSTEM - SECTION 1: THE POINTS SYSTEM

### A. General Partner & Management Company Experience

Maximum 9 Points

#### A(1) General Partner Experience

6 Points

Select from the following:

7 or more projects in service over 3 years (6 Points)

#### General Partner Name:

PASHPI Stevenson House, LLC

To receive points under this subsection for projects in existence for over 3 years from the filing deadline date, the applicant must submit a certification from a 3rd party certified public accountant that the projects for which it is requesting points have maintained a positive operating cash flow from typical residential income alone (e.g. rents, rental subsidies, late fees, forfeited deposits, etc.) for the year in which each development's last financial statement has been prepared (which must be effective no more than one year prior to the application deadline) and have funded reserves in accordance with the partnership agreement and any applicable loan documents. This certification must list the specific projects for which the points are being requested. The CPA certification may be in the form of an agreed upon procedure report that includes funded reserves as of the report date, which shall be within 60 days of the application deadline. To obtain points for projects previously owned by the proposed general partner, a similar certification must be submitted with respect to the last full year of ownership by the proposed general partner, along with verification of the number of years that the project was owned by that general partner. This certification must list the specific projects for which the points are being requested.

<b>Total Points for General Partner Experience:</b>	<b>6</b>
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#### A(2) Management Company Experience

3 Points

Select from the following:

11 or more projects managed over 3 years (3 Points)

#### Management Company Name:

PASHPI

<b>Total Points for Management Company Experience:</b>	<b>3</b>
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Points in subsections (A) and (B) above will be awarded in the highest applicable category and are not cumulative. For maximum points in either subsection (A) or (B) above, a completed application attachment for the general partner or for the management agent, respectively, must be provided. For points to be awarded in subsection (B), an enforceable management agreement executed by both parties for the subject application must be submitted at the time of application. "Projects" as used in this subsections (A) and (B) means multifamily, rental, affordable developments of over 10 units that are subject to a recorded regulatory agreement or, in the case of housing on tribal lands, where federal HUD funds have been utilized in affordable rental developments. General Partner and Management Company experience points may be given based on the experience of the principals involved, or on the experience of municipalities or other nonprofit entities that have experience but have formed single-asset entities for each project in which they have participated, notwithstanding that the entity itself would not otherwise be eligible for such points. Alternatively, a management company may receive 2 points if it provides evidence that the management agent assigned to the project, either on-site or with management responsibilities for the site, has been certified, prior to application deadline, by a housing tax credit certification examination by a nationally recognized housing tax credit compliance entity and be on a list maintained by the Committee. These points may substitute for other management company experience but will not be awarded in addition to such points.

General partners and management companies with fewer than two active LIHTC projects in California should refer to Regulation Section 10325(c)(2) and Checklist Items Tabs 21 and 22 for additional requirements.

<b>Total Points for General Partner &amp; Management Company Experience:</b>	<b>9</b>
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**B. Housing Needs****Maximum 10 Points**

Select one:

**Senior Projects****10 Points**

<b>Total Points for Housing Needs:</b>	<b>10</b>
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**C. Site & Service Amenities****Maximum 25 Points****C(1) Site Amenities****Maximum 15 Points**

Amenities must be appropriate to the tenant population served. To receive points the amenity must be in place at the time of application, except under the Public School subsection as indicated in Regulation Section 10325(c)(5)(A)(5). The application must include a map scaled for distance using a standardized radius from the development site as determined by the Committee. Measurement from the project to a site must not include physical barriers. The map must show the distance of the site amenities from the development site. An application proposing a project located on multiple scattered sites (all sites within a five-mile diameter range) shall be scored proportionately in the site amenities based upon (i) each site's score, and (ii) the percentage of units represented by each site. Applicants must provide color photographs, a contact person and a contact telephone number for each requested site amenity. Any inaccurate information will be subject to negative points. No more than 15 points will be awarded in this category. Only one point award will be available in each of the subcategories (a-h) listed below. Amenities may include:

**a) Transit-Oriented Development Strategy**

- (i) Located where there is a transit station, rain station, commuter rail station, bus station, or public bus stop within 1/4 mile of the project site with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. Monday through Friday, and the project's density exceeds 25 units per acre. **7 Points**
- (ii) The project site is within 1/4 mile of a transit station, rail station, commuter rail station, bus station, or public bus stop with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. Monday through Friday. **6 Points**
- (iii) The project site is within 1/3 mile of a public bus stop or rail station with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. Monday through Friday. **5 Points**
- (iv) The project site is located within 1/4 mile of a regular public bus stop or a rapid transit system stop. (For rural set-aside projects, these points may be awarded where van or dial-a-ride service is provided to tenants.) **4 Points**
- (v) The project site is located within 1/3 mile of a regular public bus stop or rapid transit system stop. **3 Points**

Select one:

**(ii)**

A private bus or transit system providing free service may be substituted with prior approval from the CTCAC Executive Director. This prior approval must be received before the application deadline and the bus or transit system must meet the relevant headway and distance criteria stated above. If pre-approved, select applicable point category above.

<b>Total Points for Transit-Oriented Development Strategy Amenity:</b>	<b>6</b>
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**b) Public Park**

- (i) The site is within 1/4 mile of a public park (1/2 mile for Rural set-aside projects) (not including school grounds unless there is a bona fide, formal joint-use agreement between the jurisdiction responsible for the park's/recreation facilities and the school district providing availability to the general public of the school grounds and/or facilities) or a community center accessible to the general public. **3 Points**

Joint-use agreement (if yes, please provide a copy) N/A

- (ii) The site is within 1/2 mile (1 mile for Rural set-aside). **2 Points**

Select one: (i)

<b>Total Points for Public Park Amenity:</b>	<b>3</b>
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**c) Book-Lending Public Library**

- (i) The site is within 1/4 mile of a book-lending public library that also allows for inter-branch lending when in a multi-branch system (1/2 mile for Rural set-aside projects). **3 Points**

- (ii) The site is within 1/2 mile of a book-lending public library that also allows for inter-branch lending when in a multi-branch system (1 mile for Rural set-aside projects). **2 Points**

Select one: (i)

<b>Total Points for Public Library Amenity:</b>	<b>3</b>
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**d) Full-Scale Grocery Store, Supermarket, Neighborhood Market, or Farmers' Market**

Please refer to Checklist Items for supporting documentation requirements

- (i) The site is within 1/4 mile of a full scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (1/2 mile for Rural set-aside projects). **5 Points**

- (ii) The site is within 1/2 mile of a full scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (1 mile for Rural set-aside projects). **4 Points**

- (iii) The site is within 1.5 miles of a full scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (3 miles for Rural set-aside projects). **3 Points**

- (iv) The site is within 1/4 mile of a neighborhood market of 5,000 gross interior square feet or more where staples, fresh meat, and fresh produce are sold (1/2 mile for Rural set-aside projects). **4 Points**

- (v) The site is within 1/2 mile of a neighborhood market of 5,000 gross interior square feet or more where staples, fresh meat, and fresh produce are sold (1 mile for Rural set-aside projects). **3 Points**

- (vi) The site is within 1/4 mile of a weekly farmers' market certified by the California Federation of Certified Farmers' Markets, and operating at least 5 months in a calendar year. **2 Points**

- (vii) The site is within 1/2 mile of a weekly farmers' market certified by the California Federation of Certified Farmers' Markets, and operating at least 5 months in a calendar year. **1 Point**

Select one: (iv)

<b>Total Points for Full-Scale Grocery Store/Supermarket or Convenience Market Amenity:</b>	<b>4</b>
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**e) Public Elementary, Middle, or High School**

- (i) For a qualifying development, the site is within 1/4 mile of a public elementary school; 1/2 mile of a public middle school; or 1 mile of a public high school (an additional 1/2 mile for each public school type for Rural set-aside projects), and the site is within the attendance area of that school. **3 Points**
  
- (ii) The site is within 3/4 mile of a public elementary school; 1 mile of a public middle school; or 1.5 miles of a public high school (an additional 1/2 mile for each public school type for Rural set-aside projects), and the site is within the attendance area of that school. **2 Points**

Select one: N/A

<b>Total Points for Public Elementary, Middle, or High School Amenity:</b>	<b>0</b>
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**f) Senior Developments: Daily Operated Senior Center**

- (i) For a **senior development** the project site is within 1/4 mile of a daily operated senior center or a facility offering daily services to seniors (not on the project site) (1/2 mile for Rural set-aside). **3 Points**
  
- (ii) The project site is within 1/2 mile of a daily operated senior center or a facility offering daily services to seniors (not on the project site) (1 mile for Rural Set-aside). **2 Points**

Select one: N/A

<b>Total Points for Daily Operated Senior Center Amenity:</b>	<b>0</b>
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**g) Special Needs or SRO Development: Population Specific Service Oriented Facility**

- (i) For a **special needs or SRO development**, the site is located within 1/2 mile of a facility that operates to serve the population living in the development. **3 Points**
  
- (ii) The project site is located within 1 mile of a facility that operates to serve the population living in the development. **2 Points**

Select one: N/A

<b>Total Points for Population Specific Service Oriented Facility Amenity:</b>	<b>0</b>
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**h) Medical Clinic or Hospital**

- (i) The site is within 1/2 mile (1 mile for Rural Set-aside) of a qualifying medical clinic with a physician, physician's assistant, or nurse practitioner onsite for a minimum of 40 hours each week, or hospital (not merely a private doctor's office). **3 Points**
  
- (ii) The site is within 1 mile (1.5 miles for Rural Set-aside) of a qualifying medical clinic with a physician, physician's assistant, or nurse practitioner onsite for a minimum of 40 hours each week, or hospital (not merely a private doctor's office). **2 Points**

Select one: N/A

<b>Total Points for Medical Clinic or Hospital Amenity:</b>	<b>0</b>
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**i) Pharmacy**

- (i) The site is within 1/4 mile of a pharmacy (1/2 mile for Rural Set-aside). (This category may be combined with the other site amenities above). **2 Points**
  
- (ii) The site is within 1/2 mile of a pharmacy (1 mile for Rural Set-aside). (This category may be combined with the other site amenities above). **1 Point**

Select one: N/A

<b>Total Points for Pharmacy:</b>	0
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**j) In-unit High Speed Internet Service**

- (i) High speed internet service with a 768 kilobits/second capacity provided in each unit free of charge to the tenants for a minimum of 10 years, and available within 6 months of the project's placed-in-service date. If internet service is selected, it must be provided even if it is not needed for points. **2 Points**
  
- (ii) **Rural set-aside only:** High speed internet service with a 768 kilobits/second capacity provided in each unit free of charge to the tenants for a minimum of 10 years, and available within 6 months of the project's placed-in-service date. If internet service is selected, it must be provided even if it is not needed for points. **3 Points**

Select one: N/A

<b>Total Points for Internet Service:</b>	0
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<b>Total Points for Site Amenities:</b>	16
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**Site Amenity Contact List:**

Amenity Name: VTA Transportation Authority  
 Address: 55-A West Santa Clara St  
 City, Zip: San Jose 95113  
 Contact Person: Patrick Griffin  
 Phone: 408-321-7506 Ext.:  
 Amenity Type: Transit Station/Transit Stop  
 Website: vta.org  
 Distance in miles: < 1/4 mile

Amenity Name:  
 Address:  
 City, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Amenity Type:  
 Website:  
 Distance in miles:

Amenity Name: Mitchell Park  
 Address: 600 E Meadow Dr  
 City, Zip: Palo Alto 94306  
 Contact Person: Rob Ed Geus  
 Phone: 650-463-4908 Ext.:  
 Amenity Type: Public Park  
 Website: cityofpaloalto.org  
 Distance in miles: < 1/4 mile

Amenity Name:  
 Address:  
 City, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Amenity Type:  
 Website:  
 Distance in miles:

Amenity Name: Mitchell Park Library  
 Address: 4050 Middlefield Road  
 City, Zip: Palo Alto 94303  
 Contact Person: Monique le Conge  
 Phone: 650-329-2436 Ext.:  
 Amenity Type: Book-Lending Public Library  
 Website: cityofpaloalto.org  
 Distance in miles: < 1/4 mile

Amenity Name:  
 Address:  
 City, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Amenity Type:  
 Website:  
 Distance in miles:

Amenity Name: Piazza's Fine Foods  
 Address: 3922 Middlefield Road  
 City, Zip: Palo Alto 94303  
 Contact Person: John Piazza  
 Phone: 650-363-7140 Ext.:  
 Amenity Type: Grocery/Farmers' Market  
 Website: pizzasfinefoods.com  
 Distance in miles: < 1/4 mile

Amenity Name:  
 Address:  
 City, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Amenity Type:  
 Website:  
 Distance in miles:

Amenity Name:  
 Address:  
 City, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Amenity Type:  
 Website:  
 Distance in miles:

Amenity Name:  
 Address:  
 City, Zip:  
 Contact Person:  
 Phone: Ext.:  
 Amenity Type:  
 Website:  
 Distance in miles:

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## C(2) Service Amenities

Maximum 10 Points

Projects that provide high-quality services designed to improve the quality of life for tenants are eligible to receive points for service amenities. Services must be appropriate to meet the needs of the tenant population served and designed to generate positive changes in the lives of tenants.

Except as provided below and in Reg. Section 10325(c)(5)(B), in order to receive points in this category, physical space for service amenities must be available when the development is placed-in-service. Services space must be located inside the project and provide sufficient square footage, accessibility and privacy to accommodate the proposed services. The amenities must be available within 6 months of the project's placed-in-service date. Applicants must commit that services will be provided for a period of 10 years.

All services must be of a regular and ongoing nature and provided to tenants free of charge (except for day care services or any charges required by law). Services must be provided on-site except that projects may use off-site services within 1/2 mile of the development (1 1/2 miles for Rural set-aside projects) provided that they have a written agreement with the service provider enabling the development's tenants to use the services free of charge (except for day care and any charges required by law) and that demonstrate that provision of on-site services would be duplicative. All organizations providing services for which the project is claiming service amenities points must have at least 24 months experience providing services to one of the target populations to be served by the project.

**Items 1 through 6 are applicable to Large Family, Senior, and At-Risk projects. Items 7 through 12 are applicable to Special Needs and SRO projects.** Items 1 through 12 are mutually exclusive. One proposed service may not receive points under two different categories.

Applications must include a services sources and uses budget clearly describing all anticipated income and expenses associated with the services program and that aligns with the services commitments provided (i.e. contracts, MOUs, letters, etc.) Applications shall receive points for services only if the proposed services budget adequately accounts for the level of service. The budgeted amount must reasonably be expected to cover the costs of the proposed level of service. **PLEASE REFER TO REGULATION SECTION 10325(c)(5)(B) FOR COMPLETE SERVICE AMENITY POINTS REQUIREMENTS.**

No more than 10 points will be awarded in this category. **The service budget spreadsheet must be completed.** Amenities may include, but are not limited to:

### **a) Large Family, Senior, At-Risk projects:**

- |            |  |                 |
|------------|--|-----------------|
| <b>Yes</b> | (1) <b>Service Coordinator.</b> Responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or other enrichment activities for tenants (such as holiday events, tenant council, etc.). <b>Minimum ratio of 1 Full Time Equivalent (FTE) Service Coordinator to 600 bedrooms.</b>                                    | <b>5 points</b> |
| <b>N/A</b> | <b>Service Coordinator</b> as listed above, except:<br><b>Minimum ratio of 1 FTE Service Coordinator to 1,000 bedrooms.</b>  | <b>3 points</b> |
| <b>Yes</b> | (2) <b>Other Services Specialist.</b> Must provide individualized assistance, counseling and/or advocacy to tenants, such as to assist them to access education, secure employment, secure benefits, gain skills or improve health and wellness. Includes, but is not limited to: Vocational/Employment Counselor, ADL or Supported Living Specialist, Substance Abuse or Mental Health Counselor, Peer Counselor, Domestic Violence Counselor. <b>Minimum ratio of 1 FTE Services Specialist to 600 bedrooms.</b> | <b>5 points</b> |

<u>N/A</u>	<b>Other Services Specialist</b> as listed above, except: <b>Minimum ratio of 1 FTE Services Specialist to 1,000 bedrooms.</b>	<b>3 points</b>
<u>N/A</u>	(3) <b>Adult educational, health and wellness, or skill building classes.</b> Includes but is not limited to: financial literacy, computer training, home-buyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation, and smoking cessation classes. <b>Minimum of 84 hours of instruction each year (42 hours for small developments of 20 units or less).</b>	<b>7 points</b>
<u>N/A</u>	<b>Adult educational, health &amp; wellness, or skill building classes</b> as listed above, except: <b>Minimum of 60 hours of instruction each year (30 hours for small developments).</b>	<b>5 points</b>
<u>N/A</u>	<b>Adult educational, health &amp; wellness, or skill building classes</b> as listed above, except: <b>Minimum of 36 hours of instruction each year (18 hours for small developments).</b>	<b>3 points</b>
<u>N/A</u>	(4) <b>Health and wellness services and programs.</b> Such services and programs shall provide individualized support to tenants (not group classes) and need not be provided by licensed individuals or organizations. Includes, but is not limited to visiting nurses programs, intergenerational visiting programs, or senior companion programs. <b>Minimum of 100 hours of services per year for each 100 bedrooms.</b>	<b>5 points</b>
<u>N/A</u>	<b>Health and wellness services and programs</b> as listed above, except: <b>Minimum of 60 hours of services per year for each 100 bedrooms.</b>	<b>3 points</b>
<u>N/A</u>	<b>Health and wellness services and programs</b> as listed above, except: <b>Minimum of 40 hours of services per year for each 100 bedrooms.</b>	<b>2 points</b>
<u>N/A</u>	(5) <b>Licensed child care.</b> Shall be available 20 hours or more per week, Monday through Friday, to residents of the development. (Only for large family projects or other projects in which at least 30% of units are 3 bedrooms or larger.)	<b>5 points</b>
<u>N/A</u>	(6) <b>After school program for school age children.</b> Includes, but is not limited to tutoring, mentoring, homework club, art and recreational activities. (Only for large family projects or other projects in which at least 30% of units are 3 bedrooms or larger). <b>Minimum of 10 hours per week, offered weekdays throughout the school year.</b>	<b>5 points</b>
<u>N/A</u>	<b>After school program for school age children</b> as listed above, except: <b>Minimum of 6 hours per week, offered weekdays throughout the school year.</b>	<b>3 points</b>
<u>N/A</u>	<b>After school program for school age children</b> as listed above, except: <b>Minimum of 4 hours per week, offered weekdays throughout the school year.</b>	<b>2 points</b>
<b><u>b) Special Needs and SRO projects:</u></b>		
<u>N/A</u>	(7) <b>Case Manager.</b> Responsibilities must include (but are not limited to) working with tenants to develop and implement an individualized service plan, goal plan or independent living plan. <b>Minimum ratio of 1 Full Time Equivalent (FTE) Case Manager to 100 bedrooms.</b>	<b>5 points</b>
<u>N/A</u>	<b>Case Manager</b> as listed above, except: <b>Minimum ratio of 1 FTE Case Manager to 160 bedrooms.</b>	<b>3 points</b>
<u>N/A</u>	(8) <b>Service Coordinator or Other Services Specialist.</b> Service coordinator responsibilities shall include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or other enrichment activities for tenants (such as holiday events, tenant council, etc.). Other services specialist must provide individualized assistance, counseling and/or advocacy to tenants, such as to assist them to access education, secure employment, secure benefits, gain skills or improve health and wellness. Includes, but is not	<b>5 points</b>

limited to: Vocational/Employment Counselor, ADL or Supported Living Specialist, Substance Abuse or Mental Health Counselor, Peer Counselor, Domestic Violence Counselor. **Minimum ratio of 1 FTE Service Coordinator or Other Services Specialist to 360 bedrooms.**

<b>N/A</b>	<b>Service Coordinator or Other Services Specialist</b> as listed above, except: <b>Minimum ratio of 1 FTE Case Manager to 600 bedrooms.</b>	<b>3 points</b>
<b>N/A</b>	(9) <b>Adult educational, health and wellness, or skill building classes.</b> Includes but is not limited to: financial literacy, computer training, home-buyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation, and smoking cessation classes. <b>Minimum of 84 hours of instruction each year (42 hours for small developments of 20 units or less).</b>	<b>5 points</b>
<b>N/A</b>	<b>Adult educational, health &amp; wellness, or skill building classes</b> as listed above, except: <b>Minimum of 60 hours of instruction each year (30 hours for small developments).</b>	<b>3 points</b>
<b>N/A</b>	<b>Adult educational, health &amp; wellness, or skill building classes</b> as listed above, except: <b>Minimum of 36 hours of instruction each year (18 hours for small developments).</b>	<b>2 points</b>
<b>N/A</b>	(10) <b>Health or behavioral health services</b> provided by appropriately-licensed organization or individual. Includes but is not limited to: health clinic, adult day health center, medication management services, mental health services and treatment, substance abuse services and treatment.	<b>5 points</b>
<b>N/A</b>	(11) <b>Licensed child care.</b> Shall be available 20 hours or more per week, Monday through Friday, to residents of the development. (Only for large family projects or other projects in which at least 30% of units are 3 bedrooms or larger.)	<b>5 points</b>
<b>N/A</b>	(12) <b>After school program for school age children.</b> Includes, but is not limited to tutoring, mentoring, homework club, art and recreational activities. (Only for large family projects or other projects in which at least 30% of units are 3 bedrooms or larger). <b>Minimum of 10 hours per week, offered weekdays throughout the school year.</b>	<b>5 points</b>
<b>N/A</b>	<b>After school program for school age children</b> as listed above, except: <b>Minimum of 6 hours per week, offered weekdays throughout the school year.</b>	<b>3 points</b>
<b>N/A</b>	<b>After school program for school age children</b> as listed above, except: <b>Minimum of 4 hours per week, offered weekdays throughout the school year.</b>	<b>2 points</b>

<b>The service budget spreadsheet must be completed.</b>	<b>Total Points for Service Amenities:</b>	<b>10</b>
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**D. Sustainable Building Methods**

**Maximum 10 Points**

REVIEW REG. SECTION 10325(c)(6) BEFORE PROCEEDING

**APPLICANTS WILL BE HELD TO REGULATORY REQUIREMENTS. THIS APPLICATION MAY CONTAIN ABBREVIATED DESCRIPTIONS OF THE REQUIREMENTS FOR THIS SECTION.**

**D(1) New Construction and Adaptive Reuse projects select from the following features:**

**N/A** (i) Develop the project in accordance with the minimum requirements with any one of the following programs:  
N/A **0 Points**

(ii) Energy efficiency as indicated in Reg. Section 10325(c)(6)(B) beyond the requirements in 2008 Title 24, Part 6 of the California Building Code (2008 Title 24):

**N/A** Low Rise (1-3 habitable stories)  
N/A **0 Points**

**N/A** Multifamily of 4+ habitable stories  
N/A **0 Points**

**N/A** (iii) Develop the project beyond the minimum requirements of the program chosen in section (i) above:  
LEED  
N/A **0 Points**

GreenPoint Rated Multifamily Guidelines  
N/A **0 Points**

**D(2) Rehabilitation projects select from the following features:**

**Yes** (iv) Develop the project in accordance with the minimum requirements with any one of the following programs:  
GreenPoint Rated Existing Home Multifamily Program **5 Points**

**Yes** (v) Rehabilitate to improve energy efficiency; points awarded based on percentage decrease in estimated Time Dependent Valuation energy use post-rehabilitation:  
Improvement over current:  
20% **5 Points**

**N/A** (vi) Develop the project beyond the minimum requirements of the program chosen in section (i) above:  
LEED GreenPoint Rated Existing Home Multifamily Program  
N/A N/A **0 Points**

2011 Enterprise Green Communities  
N/A **0 Points**

**N/A** (vii) Additional rehabilitation project measures (chose one or more of the following three categories):  
(A) PHOTOVOLTAIC / SOLAR **0 Points**  
N/A

**N/A** (B) SUSTAINABLE BUILDING MANAGEMENT PRACTICES, INCLUDING THE FOLLOWING: **0 Points**  
1. Develop project-specific maintenance manual, including information on all energy and green building features  
2. Certify building management staff in sustainable building operations (BPI or equivalent)  
3. Undertake formal building systems commissioning, retro-commissioning, or re-commissioning

N/A

(C INDIVIDUALLY METER (OR SUB-METER CURRENT MASTER-METERED) GAS, ELECTRICITY, OR CENTRAL HOT WATER SYSTEMS FOR ALL TENANTS

0 Points

To receive these points, the applicant and the project architect must certify in the application which of the above items will be included in the project's design and specifications, and further must certify at the project's placed-in-service date that the items were completed. In addition, certain point categories require completion of the TCAC Sustainable Building Method Workbook and accompanying documentation by a qualified energy analyst at application and placed-in-service stages. Refer to Reg. Section 10325(c)(6), Checklist Item Tab 25, and the TCAC website for requirements related to the TCAC Sustainable Building Method Workbook. Refer to Reg. Section 10325(c)(6)(H) for specific Compliance and Verification requirements. Projects receiving points under this category that fail to meet the requirements of Reg. Section 10325(c)(6) will be subject to negative points under Section 10325(c)(3).

<b>Total Points For Sustainable Building Methods:</b>	<b>10</b>
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**E. Lowest Income**

**Maximum 52 Points**

**E(1) Lowest Income Restriction for All Units**

**50 Points**

The "Percent of Area Median Income" category may be used only once. For instance, 50% of Income Targeted Units to Total Tax Credit Units at 50% of Area Median Income (AMI) cannot be used twice for 100% at 50% and receive 50 points, nor can 50% of Income Targeted Units to Total Tax Credit Units at 50% of Area Median Income for 25 points and 40% of Income Targeted Units to Total Units at 50% of Area Median Income be used for an additional 20 points. However, the "Percent of Income Targeted Units" may be used multiple times. For example, 50% of Targeted Units at 50% of Area Median Income for 25 points may be combined with another 50% of Targeted Units at 45% of Area Median Income to achieve the maximum points. All projects must score at least 45 points in this category to be eligible for 9% Tax Credit.

**\*Only projects competing in the Rural Set-aside may use the 55% AMI column and selected targeting in the 50% AMI column.**

**\*\*60% AMI is included as a place-holder and will not receive any additional points.**

		Percent of Area Median Income (AMI)						
		**60%	*55%	50%	45%	40%	35%	30%
Percent of Income Targeted Units to Total Tax Credit Units (exclusive of mgr.'s units)	80%	0				45	47.5	50
	75%	0				42.5	45	47.5
	70%	0				40	42.5	45
	65%	0			35	37.5	40	42.5
	60%	0			32.5	35	37.5	40
	55%	0			30	32.5	35	37.5
	50%	0		25*	27.5	30	32.5	35
	45%	0		22.5*	25	27.5	30	32.5
	40%	0	17.5	20	22.5	25	27.5	30
	35%	0	15	17.5	20	22.5	25	27.5
	30%	0	12.5	15	17.5	20	22.5	25
	25%	0	10	12.5	15	17.5	20	22.5
20%	0	7.5	10	12.5	15	17.5	20	
15%	0	5	7.5	10	12.5	15	17.5	
10%	0	2.5	5	7.5	10	12.5	15	

Consolidate your units before entering your information into the table Do not enter any non-qualifying units into the table				
Number of Targeted Tax Credit Units	Percent of Area Median Income (AMI) (30%- 55%)	Percentage of Units to Total Units (before rounding down)	Percent of Income Targeted Units to Total Tax Credit Units (exclusive of mgr.'s units)	Points Earned
12	30	10.08	10	15
25	40	21.01	20	15

	45	0.00	0	0
48	50	40.34	40	20
	0 -Rural only	0.00	0	0
	0 -Rural only	0.00	0	0
34	60	28.57	25	0
119	<b>Total Points Requested:</b>			<b>50</b>

**\*IF 60% AMI UNITS ARE LESS THAN 10% OF TOTAL UNITS, LEAVE CELL E626 BLANK.**

**E(2) Lowest Income for 10% of Total Restricted Units at 30% AMI**

**2 Points**

A project that agrees to have at least 10% of its units available for tenants with incomes no greater than 30% AMI and agrees to restrict the rents on those units accordingly can receive two additional points. The 30% AMI units must be spread across the various bedroom sizes, starting with the largest bedroom count units (e.g. four bedroom units) and working down to the smaller bedroom count units, assuring that at least 10% of the larger units are proposed at 30% AMI. So long as the project meets the 10% standard as a whole, the 10% standard need not be met among all of the smaller units. TCAC may correct applicant errors in carrying out this largest-to-smallest unit protocol.

Bedroom Selection	Total Number of Tax Credit Units per Bedroom Size	Number of Targeted Tax Credit Units @ 30% AMI	Percentage of Units to Total Units (by bedroom size)
5 BR	0	0	0.0000
4 BR	0	0	0.0000
3 BR	0	0	0.0000
2 BR	0	0	0.0000
1 BR	28	3	0.1071
SRO	91	9	0.0989
<b>Total:</b>	119	12	-

<b>Lowest Income for 10% of Total Restricted Units at 30% AMI Points:</b>	<b>2</b>
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<b>Total Points for Lowest Income:</b>	<b>52</b>
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**F. Readiness to Proceed**

Points are available to applications documenting each of the categories below, up to a maximum of 20 points. Within the application the following must be delivered (see Checklist Items for additional information):

**Readiness to Proceed**

**Maximum 20 Points**

- Yes** (i) Enforceable commitment for all construction financing (i), as evidenced by executed commitment and payment of commitment fees **5 points**
- N/A** (ii) Evidence, as verified by the appropriate officials, of site plan approval and that all land use environmental review clearances (CEQA, NEPA, applicable tribal land environmental reviews) necessary to begin construction are either finally approved or unnecessary **5 points**
- N/A** (iii) All necessary public/tribal approvals except building permits **5 points**
- Yes** (iv) Design review approval **5 points**

20 points will be available to projects that document all of the above and are able to begin construction within 180 days of the Credit Reservation, as evidenced by submission of the following within 180 days of the Credit Reservation: updated application form and explanation of changes, executed construction contract, breakdown of lender-approved construction costs, recorded deeds of trust for all construction financing, binding commitments for permanent financing and any other required financing, a limited partnership agreement executed by the general partner and the investor providing the equity, payment of all construction lender fees, issuance of building permits (a grading permit does not meet this requirement), and notice to proceed delivered to the contractor. If no construction

lender is involved, evidence must be submitted within 180 days after the Credit Reservation is made that the equity partner has been admitted to the ownership entity and that an initial disbursement of funds has occurred. Failure to meet this timeline will result in rescission of the Credit Reservation. In addition to the above, all applicants receiving any points under this subsection must provide an executed Letter of Intent (LOI) from the project's equity partner within 90 days of the credit reservation. The LOI must include those features called for in the CTCAC application (See [Appendix](#) for requirements).

In the event that one or more of the above criteria have NOT been met, 5 points may be awarded for each one that has been met, up to a maximum of 15 points. In such cases, the 180-day requirements shall not apply to projects that do not obtain the maximum points in this category. The 90-day requirements apply to all projects requesting any points under this category.

<b>Total Points for Readiness to Proceed:</b>	<b>10</b>
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## VI. POINTS SYSTEM - SECTION 2: POINTS SYSTEM SUMMARY

**All Projects: Total Possible Points: 126, Minimum Points Required: 112**

(Do Not Submit An Application If You Do Not Have The Minimum Points Required)

	APPLICANT POINTS	MAXIMUM POINTS	TOTAL POINTS
<b>A. General Partner &amp; Management Company Experience</b>	9	9	9
A(1) <i>General Partner Experience</i>	6	6	
A(2) <i>Management Company Experience</i>	3	3	
<b>B. Housing Needs</b>	10	10	10
<b>C. Site &amp; Service Amenities</b>	26	25	25
C(1) <i>Site Amenities</i>	16	15	
C(2) <i>Service Amenities</i>	10	10	
<b>D. Sustainable Building Methods</b>	10	10	10
<b>E. Lowest Income &amp; 10% of Units Restricted @ 30% AMI</b>	52	52	52
E(1) <i>Lowest Income</i>	50	50	
E(2) <i>10% of Units Restricted @ 30% AMI</i>	2	2	
<b>F. Readiness to Proceed</b>	10	20	10
<b>*Negative Points (if any, please enter amount:)</b>		NO MAX	0
<b>Total Points:</b>			<b>116</b>

\*Negative points given to general partners, co-developers, management agents, consultants, or any member or agent of the Development Team may remain in effect for up to two calendar years, but in no event shall be in effect for less than one funding round. Furthermore, negative points may be assigned to one or more Development Team members, but do not necessarily apply to the entire Team. Negative points assigned by the Executive Director may be appealed to the Committee under appeal procedures enumerated in the regulations.

**VII. TIE BREAKER SYSTEM FINAL TIE BREAKER SELF SCORE**

This section is included in the application for self-scoring. Be aware that TCAC will use self scores to determine which projects undergo further review in the competition, including the verification of self scores, for possible reservation of tax credits. TCAC will not verify or evaluate every project's self score. Project's that self score too low to successfully compete for a reservation of tax credits will not undergo any further review by TCAC.

Provide evidence of committed permanent public funds in Tab 20 and evidence of public subsidies, if any, in Tab 17.

Projects with commercial/non-residential costs will have committed public funds discounted by the percentage of the project proposed to be commercial or non-residential.

Evidence of land value is required (see Tab 1). The value of the land per TCAC Regulations must be included in "Total residential project development costs" below as evidenced in Tab 1 of the application. Donated land value must be included in Total Project Cost and the Sources and Uses Budget.

**Final Tie Breaker Formula:**

$$\frac{\text{Committed permanent public funds defraying residential costs}}{\text{Total residential project development costs}} + \left( \left( 1 - \frac{\text{Requested unadjusted eligible basis}}{\text{Total residential project development costs}} \right) / 3 \right)$$

**Self-Scoring Calculation:**

\*  $\frac{\$12,568,005}{\$36,886,339} + \left( \left( 1 - \frac{\$32,684,739}{\$36,886,339} \right) / 3 \right) = 37.869\%$

\*\* List individual committed public funding sources, including donations:

Tranche B, if applicable (calculate below)	\$7,568,005
City of Palo Alto	\$1,000,000
Santa Clara County -- Stanford GUP Fund	\$4,000,000
<b>TOTAL</b>	<b>\$12,568,005</b>

\*\* The first numerator may include the following permanent funding sources that are not eligible for public funds points under Reg. Section 10325(c)(1)(C): (1) funding contributed by a charitable foundation where a public body appoints a majority of the voting members; and (2) land and improvements contributed by a 501(c) organization as long as the asset was held by the organization for at least 10 years per TCAC Reg. Section 10325(c)(10).

\* For mixed-use projects, the permanent public fund numerator must be discounted/reduced by the mixed-use ratio below.

**Mixed-use projects:** Total commercial cost / Total project cost:

**THE PRORATED COMMERCIAL COST DEDUCTION TO PUBLIC FUNDS MUST BE CALCULATED FIRST, BEFORE APPLYING ANY SUBSIDY ADJUSTMENT/INCREASE (REGULATION SECTION 10325(c)(10)(A)) TO THE NUMERATOR. TCAC staff may adjust this ratio as deemed appropriate.**

Sample formula (commercial costs) for numerator *Committed permanent public funds defraying residential costs* = (F38)\*(1-I45)

\* For projects with public operating or rental subsidies listed in Reg. Section 10325(c)(10)(A), calculate the percentage increase below and increase the permanent public funds numerator by the adjustment percentage.

**Operating and rental subsidies:** % of subsidized units:   Subsidy adjustment/increase to permanent public funds numerator (This adjustment is calculated in the numerator after any commercial cost adjustment).

Sample formula (subsidies) for numerator *Committed permanent public funds defraying residential costs* = F38\*(1+H53)

Sample formula (subsidies and commercial costs) for numerator *Committed permanent public funds defraying residential costs* = (F38\*(1-I45))\*(1+H53)

**Tranche B calculation**

For purposes of the public funds points section and the final tie breaker, a Tranche B loan is the lesser of the actual commitment amount or the following. Please note, an application must include a private Tranche B loan supported by a public subsidy to utilize this calculation.

Rental Income Differential:		Rent Limit:		Public Subsidy Contract Rent	Calculated Annual Rent
Unit Type	# of Units	40% AMI (SRO/SpN)	50% AMI (ALL OTHER)		
Studio	86	\$892	\$1,536	\$1,536	\$664,608
1-bedroom	21	\$956	\$2,000	\$2,000	\$263,088
SRO					\$0
SRO					\$0
SRO					\$0
SRO					\$0
<b>TOTAL</b>					<b>\$927,696</b>

Rental Income Differential	\$927,696
Less Vacancy	5.0%
Net Rental Income	\$881,311
Available for debt service @ 1.15 DSC ratio:	\$766,358

Loan term (years) 15  
Interest rate (annual) 6.0%  
DSC ratio 1.15

Loan amount per TCAC  
underwriting standards: \$7,568,005

Actual Tranche B  
loan amount: \$9,043,226

Comments or additional information as necessary:

**15 YEAR PROJECT CASH FLOW PROJECTIONS** - Refer to TCAC Regulation Sections 10322(h)(22), 10325(f)(5), 10326(g)(4), 10327(f) and (g).

REVENUE	MULTIPLIER	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Gross Rent	1.025	\$1,260,240	\$1,291,746	\$1,324,040	\$1,357,141	\$1,391,069	\$1,425,846	\$1,461,492	\$1,498,029	\$1,535,480	\$1,573,867	\$1,613,214	\$1,653,544	\$1,694,883	\$1,737,255	\$1,780,686
Less Vacancy	5.00%	-63,012	-64,587	-66,202	-67,857	-69,553	-71,292	-73,075	-74,901	-76,774	-78,693	-80,661	-82,677	-84,744	-86,863	-89,034
Rental Subsidy	1.025	962,544	986,608	1,011,273	1,036,555	1,062,468	1,089,030	1,116,256	1,144,162	1,172,766	1,202,086	1,232,138	1,262,941	1,294,515	1,326,878	1,360,049
Less Vacancy	5.00%	-48,127	-49,330	-50,564	-51,828	-53,123	-54,452	-55,813	-57,208	-58,638	-60,104	-61,607	-63,147	-64,726	-66,344	-68,002
Miscellaneous Income	1.025	6,900	7,073	7,249	7,431	7,616	7,807	8,002	8,202	8,407	8,617	8,833	9,053	9,280	9,512	9,750
Less Vacancy	5.00%	-345	-354	-362	-372	-381	-390	-400	-410	-420	-431	-442	-453	-464	-476	-487
<b>Total Revenue</b>		<b>\$2,118,200</b>	<b>\$2,171,155</b>	<b>\$2,225,434</b>	<b>\$2,281,070</b>	<b>\$2,338,096</b>	<b>\$2,396,549</b>	<b>\$2,456,462</b>	<b>\$2,517,874</b>	<b>\$2,580,821</b>	<b>\$2,645,341</b>	<b>\$2,711,475</b>	<b>\$2,779,262</b>	<b>\$2,848,743</b>	<b>\$2,919,962</b>	<b>\$2,992,961</b>
<b>EXPENSES</b>																
Operating Expenses:	1.035															
Administrative		\$111,518	\$115,421	\$119,461	\$123,642	\$127,969	\$132,448	\$137,084	\$141,882	\$146,848	\$151,988	\$157,307	\$162,813	\$168,511	\$174,409	\$180,514
Management		64,260	66,509	68,837	71,246	73,740	76,321	78,992	81,757	84,618	87,580	90,645	93,818	97,101	100,500	104,017
Utilities		133,000	137,655	142,473	147,459	152,621	157,962	163,491	169,213	175,136	181,265	187,610	194,176	200,972	208,006	215,286
Payroll & Payroll Taxes		388,281	401,871	415,936	430,494	445,561	461,156	477,296	494,002	511,292	529,187	547,709	566,879	586,719	607,254	628,508
Insurance		31,350	32,447	33,583	34,758	35,975	37,234	38,537	39,886	41,282	42,727	44,222	45,770	47,372	49,030	50,746
Maintenance		178,700	184,955	191,428	198,128	205,062	212,240	219,668	227,356	235,314	243,550	252,074	260,897	270,028	279,479	289,261
Other Operating Expenses		62,420	64,605	66,866	69,206	71,628	74,135	76,730	79,416	82,195	85,072	88,050	91,131	94,321	97,622	101,039
<b>Total Operating Expenses</b>		<b>\$969,529</b>	<b>\$1,003,463</b>	<b>\$1,038,584</b>	<b>\$1,074,934</b>	<b>\$1,112,557</b>	<b>\$1,151,496</b>	<b>\$1,191,799</b>	<b>\$1,233,512</b>	<b>\$1,276,685</b>	<b>\$1,321,369</b>	<b>\$1,367,616</b>	<b>\$1,415,483</b>	<b>\$1,465,025</b>	<b>\$1,516,301</b>	<b>\$1,569,371</b>
Tenant Internet Expense*	1.035	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Amenities	1.035	41,800	43,263	44,777	46,344	47,966	49,645	51,383	53,181	55,043	56,969	58,963	61,027	63,163	65,373	67,661
Replacement Reserve		36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Real Estate Taxes	1.020	45,839	46,756	47,691	48,645	49,618	50,610	51,622	52,655	53,708	54,782	55,877	56,995	58,135	59,298	60,484
<b>Total Expenses</b>		<b>\$1,093,168</b>	<b>\$1,129,481</b>	<b>\$1,167,052</b>	<b>\$1,205,923</b>	<b>\$1,246,141</b>	<b>\$1,287,752</b>	<b>\$1,330,804</b>	<b>\$1,375,348</b>	<b>\$1,421,435</b>	<b>\$1,469,119</b>	<b>\$1,518,457</b>	<b>\$1,569,505</b>	<b>\$1,622,322</b>	<b>\$1,676,972</b>	<b>\$1,733,516</b>
<b>Cash Flow Prior to Debt Service</b>		<b>\$1,025,032</b>	<b>\$1,041,674</b>	<b>\$1,058,382</b>	<b>\$1,075,146</b>	<b>\$1,091,955</b>	<b>\$1,108,797</b>	<b>\$1,125,659</b>	<b>\$1,142,526</b>	<b>\$1,159,386</b>	<b>\$1,176,222</b>	<b>\$1,193,018</b>	<b>\$1,209,757</b>	<b>\$1,226,421</b>	<b>\$1,242,990</b>	<b>\$1,259,445</b>
<b>MUST PAY DEBT SERVICE</b>																
Prudential		866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458	866,458
Santa Clara County DSR		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Issuer Monitoring Fee		7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
<b>Total Debt Service</b>		<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>	<b>\$885,458</b>
<b>Cash Flow After Debt Service</b>		<b>\$139,574</b>	<b>\$156,216</b>	<b>\$172,924</b>	<b>\$189,688</b>	<b>\$206,497</b>	<b>\$223,339</b>	<b>\$240,201</b>	<b>\$257,068</b>	<b>\$273,928</b>	<b>\$290,764</b>	<b>\$307,560</b>	<b>\$324,299</b>	<b>\$340,963</b>	<b>\$357,532</b>	<b>\$373,987</b>
Percent of Gross Revenue		6.26%	6.84%	7.38%	7.90%	8.39%	8.85%	9.29%	9.70%	10.08%	10.44%	10.78%	11.09%	11.37%	11.63%	11.87%
25% Debt Service Test		15.76%	17.64%	19.53%	21.42%	23.32%	25.22%	27.13%	29.03%	30.94%	32.84%	34.73%	36.62%	38.51%	40.38%	42.24%
Debt Coverage Ratio		1.158	1.176	1.195	1.214	1.233	1.252	1.271	1.290	1.309	1.328	1.347	1.366	1.385	1.404	1.422
<b>OTHER FEES**</b>																
GP Partnership Management Fee	1.035	\$25,000	\$25,875	\$26,781	\$27,718	\$28,688	\$29,692	\$30,731	\$31,807	\$32,920	\$34,072	\$35,265	\$36,499	\$37,777	\$39,099	\$40,467
LP Asset Management Fee	1.035	5,000	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814	7,053	7,300	7,555	7,820	8,093
<b>Total Other Fees</b>		<b>30,000</b>	<b>31,050</b>	<b>32,137</b>	<b>33,262</b>	<b>34,426</b>	<b>35,631</b>	<b>36,878</b>	<b>38,168</b>	<b>39,504</b>	<b>40,887</b>	<b>42,318</b>	<b>43,799</b>	<b>45,332</b>	<b>46,919</b>	<b>48,561</b>
Remaining Cash Flow		\$109,574	\$125,166	\$140,787	\$156,427	\$172,072	\$187,708	\$203,323	\$218,900	\$234,424	\$249,877	\$265,242	\$280,500	\$295,631	\$310,613	\$325,426
Deferred Developer Fee**		\$0														
Residual or Soft Debt Payments**		98,616	112,649	126,708	140,784	154,864	168,938	182,991	197,010	210,981	224,889	238,718	252,450	266,068	279,552	292,883
Seller Carryback	54.29%	\$53,539	\$61,157	\$68,790	\$76,432	\$84,076	\$91,716	\$99,346	\$106,957	\$114,542	\$122,092	\$129,600	\$137,055	\$144,448	\$151,769	\$159,006
County -- Stanford GUP Loan	36.57%	\$36,064	\$41,196	\$46,337	\$51,485	\$56,634	\$61,780	\$66,920	\$72,047	\$77,156	\$82,242	\$87,299	\$92,321	\$97,301	\$102,232	\$107,107
City of Palo Alto Loan	9.14%	\$9,014	\$10,296	\$11,581	\$12,868	\$14,155	\$15,441	\$16,725	\$18,007	\$19,284	\$20,555	\$21,819	\$23,074	\$24,319	\$25,551	\$26,770
Incentive Management Fee		5,479	6,258	7,039	7,821	8,604	9,385	10,166	10,945	11,721	12,494	13,262	14,025	14,782	15,531	16,271
<b>Cash Flow to Partners</b>		<b>5,479</b>	<b>6,258</b>	<b>7,039</b>	<b>7,821</b>	<b>8,604</b>	<b>9,385</b>	<b>10,166</b>	<b>10,945</b>	<b>11,721</b>	<b>12,494</b>	<b>13,262</b>	<b>14,025</b>	<b>14,782</b>	<b>15,531</b>	<b>16,271</b>
	100.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

\*9% and 4% + state credit applications should include the cost of tenant internet service if requested in the Points System site amenity section.

\*\*Other Fees and all payments made from cash flow after must pay debt should be completed according to the terms of the partnership agreement (or equivalent ownership entity terms). Please re-order line items consistent with any "order of priority" terms. **These items are to be completed when submitting an updated application for the Carryover, Readiness, Final Reservation, and Placed-in-Service deadlines.**