

**MONTEREY COUNTY**  
**HOUSING ADVISORY COMMITTEE AGENDA**  
**Wednesday, April 20, 2016**  
**Monterey County Government Center, Monterey Room, 2<sup>nd</sup> Floor**  
**168 West Alisal Street, Salinas, CA**  
**5:00 p.m. – 6:30 p.m.**

- 1) **Call to Order**
- 2) **Public Comment:**  
The Housing Advisory Committee will receive public comment on items not listed on the agenda within the purview of the Housing Advisory Committee. The Chair may limit the length of individual presentations.
- 3) **Approval of Meeting Minutes**  
March 9, 2016
- 4) **Old Business:**
  - a. Adopt a resolution informing the Board of Supervisors and Planning Commission of the Housing Advisory Committee's recommendation in regard to the Rancho Canada Village project.
- 5) **New Business:**
  - a. Receive a presentation on the Carmel Casitas Affordable Housing Development project from the Applicant and make a recommendation on Inclusionary Housing Ordinance compliance to the Planning Commission and Board of Supervisors.
- 6) **Updates**  
None
- 7) **Committee Member Reports**  
Committee members will report on matters, events and activities as related to HAC goals and advocating for housing.
- 8) **Additions to Future Agendas**  
Committee members may give direction regarding future agenda items.
- 9) **Schedule of Upcoming Meetings**  
May 11, 2016  
July 13, 2016  
September 14, 2016  
November 9, 2016
- 10) **Adjournment**  
The Chair will adjourn the meeting.

**Individuals with a disability who require a modification or accommodation (such as auxiliary aids or services) in order to participate in the public meeting may make these requests to the Economic Development Department by calling (831) 755-5390.**

# HOUSING ADVISORY COMMITTEE MINUTES

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Monterey County Administration Building  
Monterey Room  
168 W. Alisal Street, Salinas, CA

**Wednesday, March 9, 2016, 5:00 PM**

**Members Present:** Karen Araujo, Ignacio “Mog” Cabatu, Margaret Robbins, Wayne Ross, Mark Trabing, and La’Quana Williams

**Members Absent:** Sabino Lopez

**Staff Present:** Jane Barr, Jose Jimenez, Anita Nachor, and Dave Spaur, Luke Connolly (Planning)

**Others Present:** John Anzini, Paul Byrne, Alan Williams, and Jacqui Zischka

**1. Call to Order:**

Mr. Cabatu called the meeting to order at 5:02 p.m.

**2. Public Comment:**

Mr. Cabatu asked for public comment on items not on the agenda, but there was none.

**3. Approval of the January 27, 2016 Meeting Minutes:**

*Action: A motion was made by Ms. Robbins to approve the January 27, 2016 minutes. Mr. Ross seconded the motion.*

**VOTES:**

**AYES:** Araujo, Cabatu, Robbins, Ross, Trabing, and Williams

**NAYS:** None

**ABSTAINED:** None

**4. Old Business:**

None

**5) New Business:**

- a. Receive a report and presentation by Planning on the Rancho Canada Village project.

Luke Connolly gave a presentation on the Rancho Canada Village project. Alan Williams, developer, presented his project and answered questions. Margaret Robbins provided a handout in regard to affordable housing in Carmel Valley. A discussion followed.

## HOUSING ADVISORY COMMITTEE MINUTES

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Monterey County Administration Building  
Monterey Room  
168 W. Alisal Street, Salinas, CA

**Wednesday, March 9, 2016, 5:00 PM**

***Action: A motion was made by Ms. Robbins to approve the 130 unit alternative with a provision that 20% moderate income units be constructed and maintained on site. Ms. Araujo seconded the motion.***

**VOTES:**

**AYES:** Araujo, Robbins, and Ross

**NAYS:** Cabatu, Trabing, Williams

**ABSTAINED:** None

***The motion failed for lack of a majority.***

***Action: A motion was made by Mr. Trabing to approve the existing inclusionary ordinance requirement that 20% of the units be affordable on the following basis: 6% very low, 6% low, and 8% moderate. Mr. Cabatu seconded the motion.***

**VOTES:**

**AYES:** Cabatu, Trabing, Williams

**NAYS:** Araujo, Robbins, and Ross

**ABSTAINED:** None

***The motion failed for lack of majority.***

***Action: A motion was made by Ms. Araujo to approve the 130 unit alternative with a provision that 20% moderate income units be constructed and maintained on site. Mr. Ross seconded the motion.***

**VOTES:**

**AYES:** Araujo, Robbins, and Ross

**NAYS:** Cabatu, Trabing, Williams

**ABSTAINED:** None

***The motion failed for lack of a majority.***

***Action: A motion was made by Ms. Robbins that the Board of Supervisors and the Planning Commission be informed that there were two votes: one to approve the 130 unit alternative with a provision of 20% moderate income housing units on site; the second to approve the existing inclusionary ordinance with provision for 20% of the units on site be affordable to households with incomes at very low(6%of the total units), low (6%of the total units), and moderate (8%of the total units);. that the two votes both failed for lack of a majority; that there was unanimous support for the units***

# HOUSING ADVISORY COMMITTEE MINUTES

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Monterey County Administration Building  
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168 W. Alisal Street, Salinas, CA

**Wednesday, March 9, 2016, 5:00 PM**

*to be built on site rather than allow an in-lieu fee to be paid; and that there was disagreement on the affordability levels. Mr. Ross seconded the motion.*

**VOTES:**

**AYES:** Araujo, Cabatu, Robbins, Ross, and Williams

**NAYS:** Trabing

**ABSTAINED:** None

*Motion passed 5-1.*

*Action: A motion was made by Ms. Araujo to approve to send to the Board of Supervisors and Planning Commission that the committee members would also like to include that the CAP of the 190 units in Carmel Valley's Master Plan was a factor and added additional complexity. Ms. Robbins seconded the motion.*

**VOTES:**

**AYES:** Araujo, Cabatu, Robbins, Ross, Trabing, and Williams

**NAYS:** None

**ABSTAINED:** None

*Motion passed unanimously.*

**6) Updates:**

None

**7) Committee Member Reports:**

Committee members will report on matters, events and activities as related to HAC goals and advocating for housing.

Ms. Araujo reported that the subcommittee met and they agreed that the in-lieu fees need to be looked at in detail. Ms. Robbins agreed and added that we should investigate the possibility of development fees rather than in lieu fees. There was a request to see what other counties are doing in this regard and Mr. Trabing offered to contact Stare HCD Policy division and forward a list of the counties and cities that are doing a good job in this regard. Mr. Cabatu requested information on in-lieu fees in regard to how the formula for the fees was calculated.

**8) Additions to Future Agendas:**

Committee members may give direction regarding future agenda items.

Mr. Cabatu requested a special meeting to discuss Inclusionary Housing monitoring. He requested that anyone participating in the Inclusionary Housing rental program be invited to voice their questions and concerns.

# HOUSING ADVISORY COMMITTEE MINUTES

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Monterey County Administration Building  
Monterey Room  
168 W. Alisal Street, Salinas, CA

**Wednesday, March 9, 2016, 5:00 PM**

9) **Schedule of Upcoming Meetings**

May 11, 2016

Mr. Cabatu informed the HAC that he may not be in attendance for the May 11, 2016 HAC Meeting but recommended that the meeting move forward without him.

10) **Adjournment:**

*Action: M. Robbins moved to adjourn the meeting and the motion was seconded by Ms. Williams. The meeting was adjourned at 6:37 PM.*

**MONTEREY COUNTY HOUSING ADVISORY COMMITTEE**

<b>MEETING:</b>	<b>April 20, 2016</b>	<b>AGENDA NO.:</b> 4a
<b>SUBJECT:</b>	<b>Adopt a resolution informing the Board of Supervisors and Planning Commission of the Housing Advisory Committee's recommendation in regard to the Rancho Canada Village project.</b>	
<b>DEPARTMENT:</b>	<b>Economic Development</b>	

**RECOMMENDATION:**

It is recommended that the Housing Advisory Committee adopt a resolution informing the Board of Supervisors and Planning Commission of the Housing Advisory Committee's recommendation in regard to the Rancho Canada Village project.

**DISCUSSION:**

On March 9, 2016, the Housing Advisory Committee met and received a presentation on the Rancho Canada Village project. The item was described on the agenda as receiving a report and a presentation. The staff report included making a recommendation to the Planning Commission and the Board of Supervisors on Inclusionary Housing compliance. The following motions were made at the meeting.

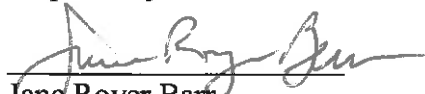
- 1) There was a motion to approve the 130 unit alternative with a provision of 20% moderate income housing units on site. The motion failed for lack of a majority.
- 2) There was a motion to approve application of the existing inclusionary ordinance requirements, with provision that 20% of the units on site be affordable to households with incomes at very low(6%of the total units), low (6%of the total units), and moderate (8%of the total units). That motion also failed for lack of a majority.
- 3) A motion was made and approved (5-1) to inform the Board of Supervisors and the Planning Commission that there was unanimous agreement that the inclusionary units should be built on site rather than allow an in-lieu fee to be paid but there was disagreement on the affordability levels.
- 4) A motion was made and approved unanimously to inform the Board of Supervisors and the Planning Commission that the cap of 190 units in Carmel Valley's Master Plan was a factor which added additional complexity.

Subsequent to the meeting, staff realized that the agenda title did not include action by the Housing Advisory Committee. Therefor, in an abundance of caution per the Brown Act, staff has put the matter on the agenda again as an action item. Staff has prepared a draft resolution which reflects the motions of the HAC from the March 9, 2016 meeting; however, because this matter is on the agenda anew, the HAC may elect to adopt the resolution or make a different recommendation.

**STAFF RECOMMENDATION:**

It is recommended that the HAC adopt a resolution with its recommendation on the Rancho Canada Village project for staff to forward to the Board of Supervisors and Planning Commission.

Prepared by:

  
Jane Royer Barr  
Housing Program Manager

**Housing Advisory Committee of the  
County of Monterey, State of California**

**Resolution No. 2016-1**

**WHEREAS**, Section 18.40.120 of the Monterey County Code established a Housing Advisory Committee which was created for the purpose of advising the Board of Supervisors and Planning Commission on matters related to the Housing Element and the Inclusionary Housing Ordinance.

**WHEREAS**, in the regular course of their business, the Housing Advisory Committee met on March 9, 2016;

**WHEREAS**, the March 9 agenda contained an item described as receiving a report and presentation on the Rancho Canada Village project;

**WHEREAS**, the staff report for the agenda item also included making a recommendation to the Planning Commission and the Board of Supervisors on Inclusionary Housing compliance in regard to the Rancho Canada Village project;

**WHEREAS**, on March 9, 2016, the Housing Advisory Committee met and received a presentation on the Rancho Canada Village project and voted on several motions;

**WHEREAS**, due to the discrepancy between the agenda title and staff report for the March 9, 2016 meeting and, in an abundance of caution per the Brown Act, the matter was put back on the Housing Advisory Committee agenda as an action item for the Committee's April 20, 2016 meeting, and the Committee considered the item again at its April 20, 2016 meeting.

**NOW THEREFORE, IT IS RESOLVED THAT:**

The Housing Advisory Committee provides the following information to the Planning Commission and the Board of Supervisors:

***That the Board of Supervisors and the Planning Commission be informed:***

***A. There were two motions in regard to the project:***

- 1) To approve the 130 unit alternative with a provision of 20% moderate income housing units on site; and***
- 2) To approve application of the existing inclusionary ordinance with provision for 20% of the units on site be affordable to households with incomes at very low(6%of the total units), low (6%of the total units), and moderate (8%of the total units);***  
***Both votes both failed for lack of a majority; and***

***B There is unanimous agreement that:***

- 1) The inclusionary units should be built on site rather than allow an in-lieu fee to be paid;***
- 2) There is disagreement on the affordability levels; and***

**3) *The cap of 190 units in Carmel Valley's Master Plan is a factor which adds additional complexity.***

PASSED AND ADOPTED this 20th day of April, 2016, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: \_\_\_\_\_  
Jane Royer Barr,  
Housing Program Manager,  
Economic Development Department

Dated: \_\_\_\_\_



## **MONTEREY COUNTY HOUSING ADVISORY COMMITTEE**

<b>MEETING:</b>	<b>April 20, 2016</b>	<b>AGENDA NO.:</b>	<b>5a</b>
<b>SUBJECT:</b>	<b>Receive a presentation on the Carmel Casitas Affordable Housing Development project from the Applicant and make a recommendation on Inclusionary Housing Ordinance compliance to the Planning Commission and Board of Supervisors.</b>		
<b>DEPARTMENT:</b>	<b>Economic Development</b>		

### **RECOMMENDATION:**

It is recommended that the Housing Advisory Committee (HAC) receive a presentation on the Carmel Casitas Affordable Housing Development project from the Applicant and make a recommendation on Inclusionary Housing Ordinance compliance to the Planning Commission and Board of Supervisors.

### **DISCUSSION:**

#### **Overview:**

This project was originally proposed in the mid-2000's but did not proceed due to lack of water for the project. According to the Terrex Development Corporation, the developer, water is now available from the Malposa Water Company. While a project would not normally be considered by the HAC at this stage of development, the developer requested feedback to assist with their current decision to buy water rights for the project. They are concerned that the water rights may be sold quickly and thus no longer be available in the future.

#### **Description of the Project**

Carmel Casitas would be located on two parcels of land totaling 8.58 acres located on Carmel Valley Road and Val Verde Drive. Many of the details of the unit mix, affordability, design, and layout have yet to be determined. The developer plans on holding a series of design charrettes to present various proposals and seek public comment. The current zoning on the property (LDR - Low Density Residential) will need to be changed. It is unknown if the project will seek a change in the zoning to HDR – High Density Residential or make use of the Affordable Housing Overlay. In either case, a general plan amendment will be necessary.

#### **Compliance Requirements:**

The project is subject to the County's Inclusionary Housing Ordinance and the General Plan. The former requires that the project provide 20% of the total number of proposed units as Inclusionary Units, with 6% affordable for very low income, 6% for low income, and 8% for moderate income households. The latter requires that 25% of the project be affordable on the same basis with an additional 5% affordable for workforce income households. If the property is rezoned with an affordable housing overlay, the affordability requirements would be: 10% for very low income, 15% for low income, and 15% for moderate income households, 20% for workforce I income, and 40% for workforce II income households.

#### **Proposed Compliance:**

The Applicant is still in pre-development and has not yet proposed affordability levels. However, the developer is considering taking on affordable obligations of other projects at this site

**STAFF RECOMMENDATION:**

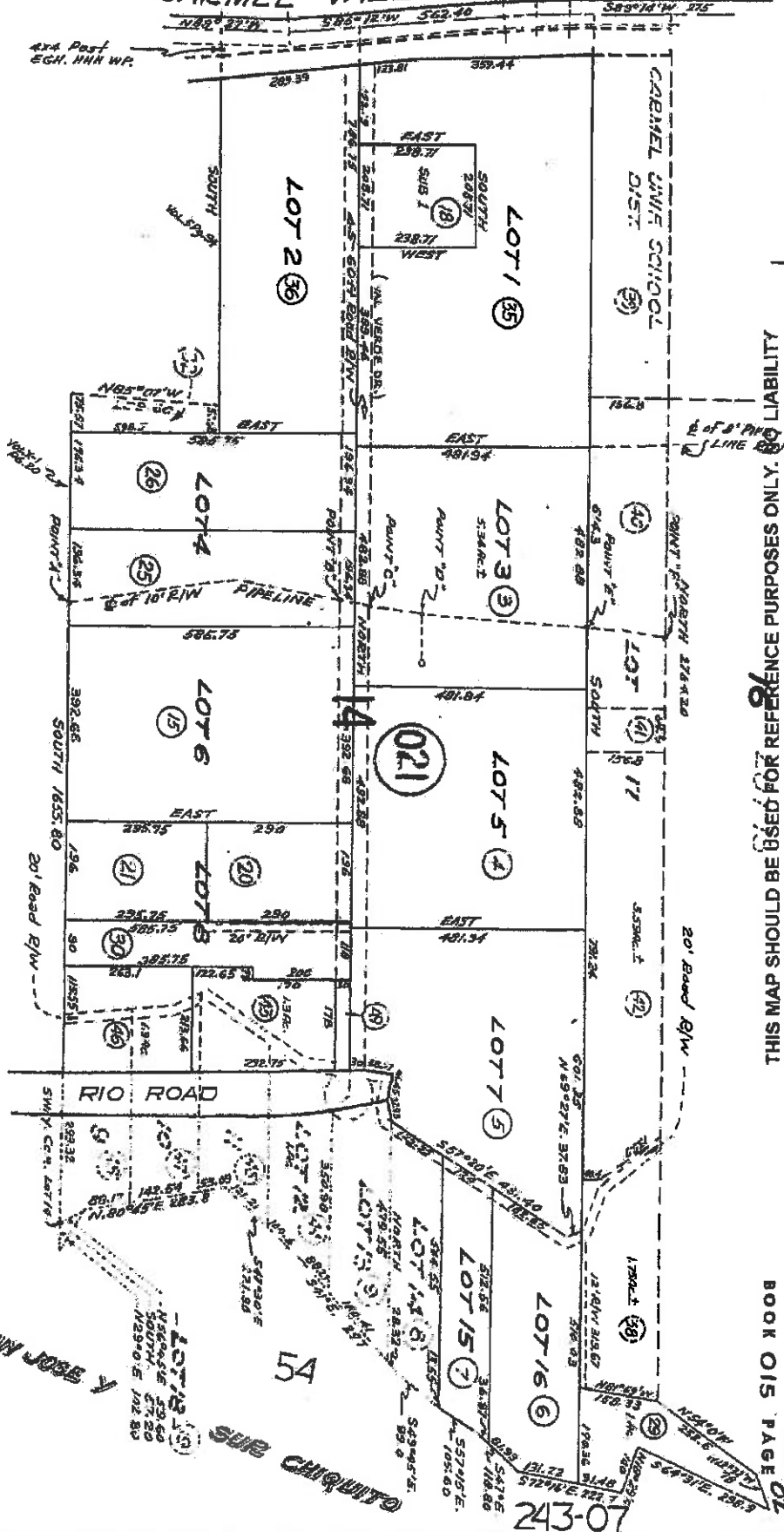
It is recommended that the HAC receive the presentation and discuss the merits of the property. The HAC may make a recommendation to the Board of Supervisors based upon their deliberations in regard to their preliminary support of the project and, if defined, affordability levels.

Prepared by:



Jane Royer Barr  
Housing Program Manager

# CARMEL VALLEY ROAD



THIS MAP SHOULD BE USED FOR REFERENCE PURPOSES ONLY. LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. PARCELS MAY NOT BE SUBJECT TO TAX EXEMPTION AREA WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

COUNTY OF MONTEREY  
ASSESSOR'S MAP  
BOOK 015 PAGE 02

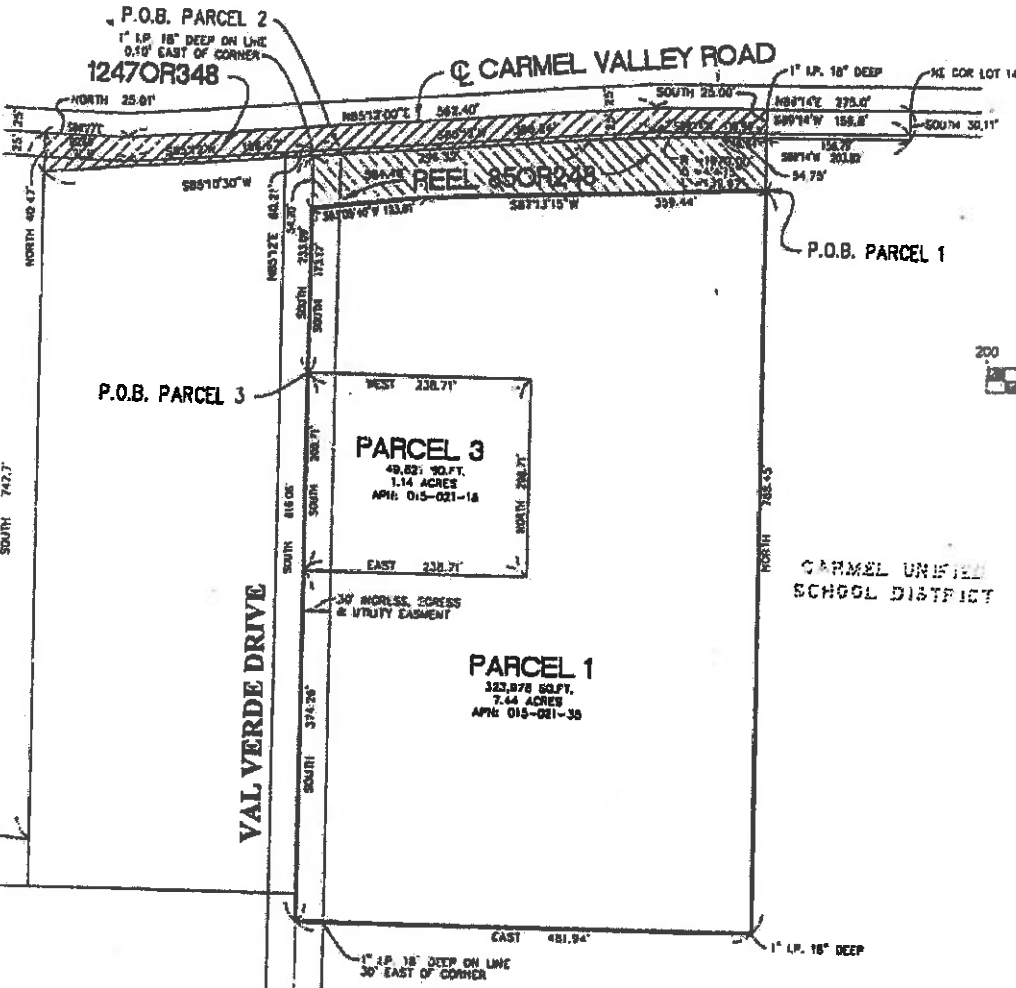
ASSR'S MAP - SUBDIVISION OF LOT 14  
HAYTON PARETTON  
RANCHO CANADA DE LA SEGUNDA

LOT 15 01

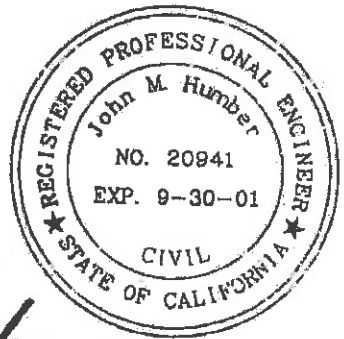
53

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**NOTE:**  
PROPERTY CONFIGURATION IS BASED ON RECORDED DEEDS AND IS NOT REPRESENTATIVE OF A FIELD SURVEY



DATE 8-21, 2000

**JOHN M. HUMBER**  
R.C.E. NO. 20941, EXPIRES 9-30-01

134 Central Avenue  
Salinas CA 93901  
Tel: 831 757-2927  
Fax: 831 757-6876

**SANDIS HUMBER JONES**  
CIVIL ENGINEERS SURVEYORS PLANNERS

DATE: 7/17/00  
SCALE: 1"=200'  
DRAWN BY: DCE  
APPROVED BY: JMH  
DRAWING NO.: 400106.02

**LAND OF JAMES B. LANE, M.D.  
INC. PROFIT SHARING PLAN, ET AL**

SHEET  
**1**  
OF 1 SHEETS

12-1-00

# TERREX DEVELOPMENT CORP.

1043 STUART STREET, SUITE 220, LAFAYETTE, CA 94549  
TEL: 925.284.6464 FAX: 925.284.2313 TDD: 711.925.284.6464

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## Carmel Casitas Affordable Housing Development

In 2004, Carmel Valley architect, Paul Byrne designed a development known as “Carmel Casitas” to help meet the affordable housing needs of the Carmel area community. The 8.4 acre site abuts Carmel Valley Road, adjacent to Carmel Middle School, just east of Carmel Rancho Shopping center. While the development was supported by the Monterey County Planning Department, it failed to obtain water allocations, so the plan was shelved. Twelve years later, water is now available from the Malpaso Water Company and affordable housing advocate, Terrex Development has dusted off the project and is planning to see it through to completion.

Terrex and its partners have the property under contract, and they have brought Paul Byrne back as principal architect. Terrex and its sister company, TerraCorp Financial develop, own and manage affordable housing throughout Northern California, with their principal offices being in Lafayette, CA. Their most recent project was the recapitalization and rehabilitation of Gabilan Plaza Apartments, a 45 year-old, 200-unit property in Salinas.

Gabilan Plaza was an at-risk, affordable housing community owned by the United Brotherhood of Carpenters and Joiners of America Local 925 Housing Sponsorship Corp. (HSC). The HSC is a non-profit affordable housing provider headquartered in Marina. In 2014, the HSC joint-ventured with Terrex to recapitalize and renovate the property, preserving its affordability for another 55 years. In the process, Terrex helped the HSC extract equity which it intends to invest in the Carmel Casitas project.

The development team’s resumes are provided for the Committee’s information on the backgrounds of the individuals entrusted with designing, financing and constructing the project.

The developers recognize the sensitivity of the project, and the necessity of involving local representation and participation. They feel that the inclusion of Paul Byrne, the HSC and another Carmel-area local, Richard Weber as the project’s civil engineer will be instrumental in making the project a success. The group has been meeting with local officials and interested members of the community, seeking input on how to best design and deliver the project.

The number of units has yet to be determined, as the team feels that it is more productive to obtain community feedback before becoming tied to a specific plan. However, to provide a starting point, Paul has determined that approximately 150 units could be built on the site, while maintaining a two story height limit. Like Gabilan Plaza, Carmel Casitas is

planned to be 1, 2 and 3 bedroom units for working families. The goal is to provide local housing for local workers and their families, which presently must commute long distances to their places of employment.

While the details of design and layout will be done in conjunction with public feedback, the project is planned to have appealing architecture and large, open community spaces. It will have a playground as well as an enclosed "tot lot" and a community room for resident functions. Similar to the photos of Gabilan Plaza and Woodbridge Village, the unit interiors will feature stainless EnergyStar rated appliances, wood cabinetry and granite counters. Resource efficiency is a top priority, with LEED certification being a planned objective. Plumbing fixtures, landscaping and irrigation designed to utilize the minimum amount of water possible. South-oriented roofs will have photovoltaic solar collectors with the goal of providing 100% of site electric needs.

Other local developers which have affordable housing requirements have responded favorably to the idea of allowing their allocated affordable units to be built in Carmel Casitas. The advantage to the community is that the residents would be closer to services, public transit and to their jobs. Including affordable housing in the Carmel Valley community will reduce traffic on Highway 1 and other primary transit corridors. Clustering it near services and the highway also lessens the traffic impact versus scattering it to outlying areas where there are few jobs.

An additional community benefit is higher utilization of affordable units. The central location will result in increased occupancy and accessibility of housing. When affordable housing is located out in the country, the occupants must then commute to their jobs and social functions. This presents a burden for residents, many of whom rely on transit or rideshares to reach their destinations. Many workers in outer-lying areas earn too much to qualify for affordable units, which makes it difficult to keep them rented.

This project will be asset to Carmel Valley. It will be a well-designed community, constructed with quality materials and workmanship, and the end result will be indistinguishable from the surrounding market-rate housing. TerraCorp's communities are continuously 100% occupied, with waiting lists. The reason being that they are well-designed and properly maintained. Bad debt losses are under 0.2% due to rigid screening criteria and effective management practices.

So far, the responses from the public and the Monterey County Planning Department have been very favorable. In addition to the MC HAC, informal meetings have been held with the Monterey County Land Use Committee, and will also be held with the Carmel Valley Association and the Carmel Unified School District.

Following these meetings, the developers will hold a series of design charrettes wherein they will present various proposals and invite public comments in a series of open studio meetings. Input will be sought on the site design, architectural and other aspects of the

project, with adjustments made along the way in response to community needs and aesthetic desires. The charrette dates will be announced in late April / early May.

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## Carmel Casitas Affordable Housing Development

Density Bonus requests and non-compliant zoning issues are unknown until the site design has been completed.

**The Current Zoning** for our 2 parcels is LDR/B-6-D-S allows:

The Carmel Valley Master Plan 27.3.8B Permits: 4 units per acre for	36 units
The Carmel Valley Master Plan 27.3.9 Permits: twice the normal density for	72 units
The State provides a 25% increase for affordable housing for	<b><u>90 units</u></b>

**The Current Zoning** for our 2 parcels has the following parking requirements:

For a 150 unit design:

1. 319 parking spaces
2. Total includes 150 covered
3. Total includes 6 handicap accessible

The proposed 150 unit design is currently providing:

1. 225 parking spaces
2. 0 covered
3. Total includes 6 handicap accessible



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## Carmel Casitas Affordable Housing Development

The unit mix will be a combination of 1-, 2-, and 3-bedroom apartments. The affordability mix will be influenced by a number of factors including maintaining the affordability levels of any inclusionary housing units that are transferred to the site, the requirements of state financing agencies, and the potential inclusion of units targeted to specific workforce populations in Carmel Valley. The developer will look to the community for input on specific housing needs during the planned design charette and other public meetings to determine the best unit mix and affordability levels for the site.

**Basic Development Budget**

<b>New Construction - Development Sources</b>	<b>Amount</b>
1st Mortgage (Perm Amount)	\$ 10,339,465
GP Equity	\$ 100
LIHTC Investor Capital	\$ 19,872,218
2nd Mortgage - Soft Note	\$ 15,598,433
Construction Period Loan	\$ 16,681,035.25
<b>Total Sources</b>	<b>\$ 62,491,250</b>

<b>New Construction - Development Costs</b>	<b>Cost</b>
Land and Acquisition	2,050,000
Water Rights	2,400,000
Construction	45,375,000
Construction Contingency	4,537,500
Architectural / Engineering	1,500,000
Construction Interest	1,065,000
Perm Financing Fees	75,000
Legal Fees	100,000
Appraisal	5,000
Capitalized Reserve Funding	600,000
Market Study	5,000
Phase I ESA	10,000
Other Costs	4,768,750
<b>Total Development Cost</b>	<b>\$ 62,491,250</b>

# CARMEL VALLEY ROAD AFFORDABLE HOUSING

## DEVELOPMENT TEAM

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### **TERREX DEVELOPMENT CORP. / TERRACORP FINANCIAL, INC.**

Matthew Locati founded TerraCorp Financial, Inc. in 1991 to provide real estate management, brokerage and lending services. Since 2004, TerraCorp's operations have focused on affordable multifamily housing management and consulting. As a component of providing property management for a variety of subsidized housing project types, TerraCorp has performed all initial tenant Low Income Housing Tax Credit (LIHTC) certifications and coordinated the tenant relocations and renovations for four projects totaling 459 households.

Terrex Land Development Company, which later became Terrex Development Corp. was formed in 1989 to provide real property entitlement and consulting services, Terrex's first LIHTC project, Woodbridge Village, a 50-unit senior property in St. Helena, CA was acquired in November 2012 by securing \$5,300,000 under CalHFA's New Issue Bond Program and \$2,900,000 in 4% LIHTC equity. Terrex completed the \$3,000,000 renovation on schedule and within budget.

In 2014, Terrex joint-ventured the recapitalization and rehabilitation of Gabilan Plaza Apartments, a 200-unit affordable housing community in Salinas, CA. Gabilan Plaza was an at-risk property, aging out of its HUD Section 236 subsidy and Rent Supplement programs. The nonprofit owner (The United Brotherhood of Carpenters and Joiners of America Local 925 Housing Sponsorship Corp.) partnered with Terrex to recapitalize and renovate the property, preserving its affordability for 55 years.

The recapitalization involved Terrex coordinating a RAD conversion to project-base 51 tenant vouchers at the site. By stabilizing the rental income on these units, Terrex was able to secure a \$16,970,000 HUD 221(d)(4) mortgage, a \$13,100,000 tax exempt bond, and \$13,165,000 in tax credit equity.

The \$13,000,000 renovation at Gabilan Plaza was completed on schedule in 6 ½ months, and included substantial building systems upgrades and improvements to the energy and water efficiency of the property, as well as improvements to unit interiors, building exteriors, and landscaping. Gabilan Plaza achieved 100% qualified occupancy on all units within less than one month of renovation completion.

Terrex and TerraCorp employ approximately fifty people, with eight core managers working at the corporate offices in Lafayette, California. In addition, Terrex has three key individuals retained long-term as contract team members. Terrex's primary development team members' biographies are provided below.

# CARMEL VALLEY ROAD AFFORDABLE HOUSING

## DEVELOPMENT TEAM

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### MATTHEW LOCATI – PRESIDENT, TERREX & TERRACORP

Matthew Locati has 26 years' experience in the design, development, management, renovation, and new construction of conventional and subsidized housing. After graduating from Cal Poly, San Luis Obispo with a B.S. in Business Administration / Finance, he worked as a project manager for Hampstead Pacific Development Corp. where he oversaw residential and commercial projects.

From 1991 onward, while directing TerraCorp's management and brokerage operations, Mr. Locati consulted on a variety of development projects. Assignments included a 1,200 acre resort in Mexico, a subdivision in St. Augustine Beach, Florida, the renovation of the Fox Theater block in downtown Oakland, among others.

Mr. Locati continues to oversee TerraCorp's management operations while serving as Terrex's development lead. He directs the team and its consultants to structure acquisitions, arrange financing and obtain affordable housing subsidies. He also prepares community designs and directs construction activities.

### CAPRI ROTH - PROJECT MANAGER, TERREX

As Terrex's project manager, Ms. Roth coordinates all aspects of its projects. She manages team interface to prepare tax credit, loan, and subsidy applications; works closely with the construction manager to coordinate construction period activities; oversees conversion of projects from construction to permanent financing; and manages the conversion to placed-in-service. She also collaborates with TerraCorp's management team to organize tenant relocations and maximize credit delivery during the income certification process.

Ms. Roth has a background in community and economic development. Her housing-related experience includes working for six years as a development assistant to a national affordable housing consultancy, and preparing applications for numerous mixed-finance affordable communities. During that time, she utilized LIHTC, HUD RHED, FHLB-AHP, USDA and HUD HOPE VI programs to finance the development of over 70 projects. In 2011, Ms. Roth received her MBA from Lehigh University in Bethlehem, PA. Subsequently, she worked as an independent development consultant to The NRP Group, specializing in LIHTC and FHLB-AHP programs until she joined Terrex in 2012.

# CARMEL VALLEY ROAD AFFORDABLE HOUSING

## DEVELOPMENT TEAM

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### **THE UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA, LOCAL 925, HOUSING SPONSORSHIP CORPORATION (PROJECT PARTNER)**

The United Brotherhood of Carpenters and Joiners of America, Local 925, Housing Sponsorship Corporation (The HSC), is a nonprofit affiliate of the United Brotherhood of Carpenters and Joiners of America, Local 605, based in Marina. The organization has a mission of providing housing for low and moderate income families and individuals in accordance with the National Housing Act. The HSC has been providing affordable housing in Monterey County since the early 1970s when it constructed Gabilan Plaza Apartments. In 2014, The HSC partnered with Terrex to recapitalize and rehabilitate Gabilan Plaza to improve resident quality of life and preserve its affordability for decades to come. The HSC plans to use proceeds from the Gabilan Plaza recapitalization to invest in the construction or rehabilitation of affordable housing projects located in the Monterey Bay region.

### **PAUL BYRNE, ARCHITECT LEED AP (ARCHITECT)**

Paul Byrne, Architect LEED AP offers design services across residential, commercial, institutional, and affordable housing projects. The firm has been based in Carmel since 2001 and has received awards and recognition from publications in both the US and abroad, including: This is the Monterey Peninsula, the Wall Street Journal, MC Weekly, and Competitions Magazine.

### **PAUL BYRNE – PRESIDENT**

Mr. Byrne, a 23-year resident of Carmel Valley and Carmel, has over 30 years of design and construction experience. He has taught architecture and design in a variety of university positions. In addition to his practice in Carmel, Mr. Byrne is President and founder of Green Apple Classrooms, a company he launched based around a next generation zero-energy portable classroom that features better ventilation, lighting, and reduced noise and toxic inputs that typically degrade the learning environments in standard portable classrooms.

Mr. Byrne was a finalist in “Concepts” the Monterey Bay AIA Chapter International Affordable Housing Design Competition in 2002. In 2014 the City of Carmel chose him as a “Consultant-on-Demand” Architect of Record for City-wide Projects. He is currently a finalist in the A+ Architizer Design Awards. Mr. Byrne has a Bachelor of Architecture from Cornell University and a Master of Design Studies from Harvard University.

# CARMEL VALLEY ROAD AFFORDABLE HOUSING

## DEVELOPMENT TEAM

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### **WHITSON ENGINEERS (PROJECT ENGINEER)**

Whitson Engineers is an award winning Civil Engineering and Land Surveying firm with over 35 years of serving the Monterey Bay Area region.

### **RICHARD WEBER, PE, PLS, QSD – PRESIDENT**

Rich Weber, PE, PLS, QSD is President of Whitson Engineers. A Monterey Peninsula resident since 1993, Mr. Weber has over twenty years' of local development experience. In 2006, Rich became a partner in the firm with his main focus geared towards entitling projects for both public and private clients. His commitment is to develop sound, well thought out projects which balance project objectives, the environment and long-term community compatibility.

Over the years, Rich has been Principal-In-Charge on many noteworthy Affordable Housing projects throughout the tri-county area including: Tynan Village and Haciendas Housing with the Housing Authority of the County of Monterey, Lupine Gardens with Interim Incorporated, Pippen Lane, Chinatown and Jessie Street Housing with Mid-Peninsula Housing and the award winning Sherwood Village with the Community Housing Improvement Systems and Planning Association (CHISPA). Rich has been a proud supporter of local non-profit groups and advocacy groups including CHISPA, Legal Services for Seniors and Meals on Wheels.

Mr. Weber received a Bachelor's of Science in Civil Engineering from Santa Clara University. He had served as Chair the University's Engineering Alumni Board of Directors and was awarded their Outstanding Service award in 2005. Mr. Weber is also active with the local industry associations, California Society of Professional Engineers (CSPE), American Public Works Association (APWA), California Land Surveyors Association (CLSA), and American Council of Engineering Companies (ACEC) serving as past President for both CSPE and ACEC.

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## DEVELOPMENT TEAM

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### **BAKER TILLY VIRCHOW KRAUSE LLP (CONSULTANT / ACCOUNTANT)**

Baker Tilly Virchow Krause LLP (Baker Tilly) has been providing accounting, tax, and consulting services to affordable housing developers since the inception of the first affordable housing production program. The firm's clients have benefited from its ability to secure funds for their projects through various competitive funding programs at the federal, state, and local level. Baker Tilly affordable housing clients have received more than \$1 billion in LIHTC equity and more than \$350 million from agency and government funding sources such as the Federal Home Loan Bank, Community Development Block Grants, HOME, NSP, ARRA, IHBD (NAHASDA), New Markets Tax Credits, and HUD development funds. Over the past 24 months, Baker Tilly has assisted in closing transactions that had \$550 million of equity from LIHTC transactions and another \$30 million of historic tax credit equity.

### **DON BERNARDS, CPA – PARTNER, BAKER TILLY**

Mr. Bernards is a partner in the real estate group at Baker Tilly, and a specialist in affordable housing debt and equity structuring. He has been active in the industry for more than twelve years. Mr. Bernards has extensive experience with 4% and 9% LIHTC transactions, including several projects incorporating the RAD program and HUD mixed financing. As the primary accounting and tax credit consultant, Mr. Bernards is responsible for overseeing the financial modeling, funding applications, and financial structuring of LIHTC transactions for Terrex. Don coordinated the finance structuring of both the Gabilan Plaza and Woodbridge projects.

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## DEVELOPMENT TEAM

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### **APPLEGATE & THORNE-THOMSEN (DEVELOPER COUNSEL)**

Formed in 1998, Applegate & Thorne-Thomsen, P.C. serves its clients in all aspects of development, ownership, financing and investment in real estate. The firm has particular expertise and a national reputation in the area of affordable housing and community development, including the syndication of federal low income housing tax credits, federal historic tax credits, new market tax credits, energy credits and state tax credits. Firm attorneys have represented diverse real estate interests, from individual entrepreneurs to tax exempt community development organizations to public housing authorities to Fortune 100 corporations.

### **GLENN GRAFF – ATTORNEY, APPLEGATE & THORNE-THOMSEN**

Mr. Graff has practiced law with Applegate & Thorne-Thomsen since 2001. He concentrates his practice on issues related to the development of real estate with the low-income housing tax credit, the historic rehabilitation tax credit, the new markets tax credit, and the tax credit for investment in alternative energy property.

Glenn is co-chair of the Low Income Housing Tax Credit Committee of the American Bar Association. Mr. Graff also has significant experience in addressing issues related to the taxation of partnerships and LLCs and the taxation of not-for-profit organizations. He represents syndicators, developers, investors and nonprofit organizations in structuring tax-advantaged transactions. He provides counsel to the development team on all LIHTC related matters, with particular focus on transaction financial structure and tax consequence analysis.

### **PAUL DAVIS – ATTORNEY, APPLEGATE & THORNE-THOMSEN**

Mr. Davis has practiced law with Applegate & Thorne-Thomsen since 2003. He concentrates his practice in the area of affordable housing development and finance, representing both developers and equity investors. He has experience with various federal, state and local loan and grant programs that provide financing for the rehabilitation and construction of affordable housing, including the syndication of federal low-income housing tax credits and state donation tax credits, tax increment financing, and multi-tiered private and governmental loan and grant programs, including HOPE VI and other mixed-finance programs.

Paul handled the purchase and sale agreement and entity formations for Woodbridge RAL LP, Woodbridge RAL Inc. and Terrex Development Corp. Mr. Davis continues to serve as Terrex's ongoing lead counsel for all partnership-related negotiations, entity formations and agreements.