

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
January 23, 2008
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Brady Hill .

Applicant: ABAG Finance Authority for Nonprofit Corporations

Allocation Amount Requested: Tax-exempt \$3,700,000

Project Name: Fair Plaza Senior Apartments

Project Address: 35 West Clover St.
Project City, County, Zip Code: Woodland, Yolo, 95695

Project Sponsor Information:

Name: Fair Plaza Senior Apartments, L.P.
(USA Properties Fund, Inc. and Riverside Charitable Corporation)

Principals: Geoffrey C. Brown, Edward R. Herzog, Michael J. McCleery and Karen McCurdy for USA Properties Fund, Inc.; Kenneth S. Robertson, Penny M. LaRue, Trisha Hockings and Stewart Hall for Riverside Charitable Corporation

Project Financing Information:

Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not applicable
Credit Enhancement Provider: Not applicable
Private Placement Purchaser: Citicorp Municipal Mortgage Inc.
TEFRA Hearing: November 6, 2007

Description of Proposed Project:

State Ceiling Pool: General
Total Number of Units: 67, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Senior

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
10% (7 units) restricted to 50% or less of area median income households; and
90% (60 units) restricted to 60% or less of area median income households.

Unit Mix: 1 bedroom

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$7,167,831
Estimated Hard Costs per Unit:	\$ 13,118 (\$878,900/67 units)
Estimated per Unit Cost:	\$ 106,983 (\$7,167,831/67 units)
Allocation per Unit:	\$ 55,224 (\$3,700,000/67 units)
Allocation per Restricted Rental Unit:	\$ 55,224 (\$3,700,000/67 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$3,700,000	\$3,700,000
LIH Tax Credit Equity	\$2,174,789	\$2,174,789
Direct & Indirect Public Funds	<u>\$1,293,042</u>	<u>\$1,293,042</u>
Total Sources	\$7,167,831	\$7,167,831

Uses of Funds:	
Acquisition Cost	\$4,850,000
On-Site & Off-Site Costs	\$ 182,500
Hard Construction Costs	\$ 696,400
Contractor Overhead & Profit	\$ 55,930
Developer Fee	\$ 404,513
Relocation	\$ 97,500
Cost of Issuance	\$ 155,000
Capitalized Interest	\$ 143,529
Other Soft Costs	<u>\$ 582,459</u>
Total Uses	\$7,167,831

Legal Questionnaire:

The Staff has reviewed the Applicant's responses to the questions contained in the Legal Status portion of the application. No information was disclosed to question the financial viability or legal integrity of the Applicant.

Total Points: 60.5 out of 128
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$3,700,000 in tax-exempt bond allocation.

ATTACHMENT A

EVALUATION SCORING:

Point Criteria	Maximum Points Allowed for Non-Mixed Income Projects	Maximum Points Allowed for Mixed Income Projects	Points Scored
Federally Assisted At-Risk Project or HOPE VI Project	20	20	0
Exceeding Minimum Income Restrictions: Non-Mixed Income Project Mixed Income Project	35	15	25
Gross Rents	5	5	5
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	0
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	7.5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	3
New Construction	10	10	0
Negative Points	NA	NA	NA
Total Points	128	108	60.5

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