

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
March 21, 2007
Executive Summary
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Richard Fischer.

Applicant: City of Santa Rosa

Allocation Amount Requested: Tax-exempt \$3,620,000
Taxable Debt: \$750,000

Project Name: Alderbrook Heights Apartments
Project Address: 2220-2260 Brookwood Lane and
APN 03-300-066
Project City, County, Zip Code: Santa Rosa, Sonoma, 95404

Project Sponsor Information:
Name: Alderbrook Properties L.P. (Christopherson Homes and
Casa Major)
Principals: George Casey, Jeffrey Owen, Vic Trione, Mark Trione
and Robert E. Graham

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Hutchinson, Shockey, Erley & Co.
Credit Enhancement Provider: First Community Bank
TEFRA Hearing: February 13, 2007

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 39, plus 1 manager unit
Type: New Construction
Type of Units: Family

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
10% (4 units) restricted to 50% or less of area median income households; and
90% (35 units) restricted to 60% or less of area median income households.
Unit Mix: 1-, and 2-bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$6,178,873
Estimated Hard Costs per Unit:	\$ 122,209 (\$4,766,136/39 units)
Estimated per Unit Cost:	\$ 158,433 (\$6,178,873/39 units)
Allocation per Unit:	\$ 92,821 (\$3,620,000/39 units)
Allocation per Restricted Rental Unit:	\$ 92,821 (\$3,620,000/39 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$3,620,000	\$3,620,000
Taxable Bond Proceeds	\$ 270,000	\$ 270,000
Developer Equity	\$ 1,873	\$ 1,873
LIH Tax Credit Equity	\$2,287,000	\$2,287,000
Direct & Indirect Public Funds	<u>\$ 0</u>	<u>\$ 0</u>
Total Sources	\$6,178,873	\$6,178,873

Uses of Funds:	
Land Purchase	\$ 548,864
On-Site & Off-Site Costs	\$1,409,394
Hard Construction Costs	\$3,213,344
Architect & Engineering Fees	\$ 186,837
Contractor Overhead & Profit	\$ 189,619
Cost of Issuance	\$ 142,858
Capitalized Interest	\$ 108,000
Other Soft Costs	<u>\$ 379,960</u>
Total Uses	\$6,178,873

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: 66.5 out of 128

[See Attachment #A]

Recommendation:

Staff recommends that the Committee approve \$3,620,000 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	NA
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]	10
Large Family Units	5	5	0
Leveraging	10	10	6
Community Revitalization Area	15	15	0
Site Amenities	10	10	2.5
Service Amenities	10	10	0
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	NA
Total Points	128	108	66.5

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.