

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**July 25, 2007**  
**Executive Summary**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by Crystal Alvarez.*

---

**Applicant:** California Statewide Community Development Agency

---

**Allocation Amount Requested:** Tax-exempt \$23,000,000

---

**Project Name:** Seasons Apartments  
**Project Address:** 10371 & 10383 Bruceville Road  
**Project City, County, Zip Code:** Elk Grove, Sacramento, 95758

---

**Project Sponsor Information:**  
**Name:** Season Apartments, L.P. (Seasons Associates, LLC, Hearthstone Housing Foundation, Inc., and Pyrate Capital Company, LLC)  
**Principals:** Jim Zaccheo for Seasons Associates, LLC; William D. Pennington, and Dane Hillyard for Seasons Associates, LLC, and Pyrate Capital Company, LLC; Coco Basquez, Juan Maldonado, and Bryon Rodriguez for Heathstone Housing Foundation, Inc.; John Burkett for Pyrate Capital Company

---

**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe, L.P.  
**Underwriter:** Not applicable  
**Private Placement Purchaser:** Citigroup  
**TEFRA Hearing:** June 27, 2007

---

**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 220, plus 2 manager units  
**Type:** New Construction  
**Type of Units:** Senior

---

**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project: 100%**  
20% (45 units) restricted to 50% or less of area median income households; and  
80% (175 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 and 2 bedrooms

---

**Term of Restrictions:** 55 years

---

<b>Estimated Total Development Cost:</b>	\$ 42,517,587
<b>Estimated Hard Costs per Unit:</b>	\$ 100,582 (\$22,128,068/220 units)
<b>Estimated per Unit Cost:</b>	\$ 193,261 (\$42,517,587/220 units)
<b>Allocation per Unit:</b>	\$ 104,545 (\$23,000,000/220 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 104,545 (\$23,000,000/220 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$23,000,000	\$14,723,982
Deferred Developer Fee	\$ 2,500,000	\$ 1,345,007
LIH Tax Credit Equity	\$ 7,187,530	\$16,618,541
Direct & Indirect Public Funds	\$ 9,100,000	\$ 9,100,000
Others Soft Costs	\$ 730,057	\$ 730,057
Total Sources	\$42,517,587	\$42,517,587

<b>Uses of Funds:</b>	
Land Purchase	\$ 3,616,800
Hard Construction Costs	\$22,128,068
Architect & Engineering Fees	\$ 1,069,000
Contractor Overhead & Profit	\$ 1,097,990
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 57,500
Capitalized Interest	\$ 2,362,100
Other Soft Costs	\$ 9,686,129
Total Uses	\$42,517,587

---

**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:** 62 out of 128  
[See Attachment #A]

---

**Recommendation:**

Staff recommends that the Committee approve \$23,000,000 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	N/A
Exceeding Minimum Income Restrictions: Non-Mixed Income Project Mixed Income Project	35	15	30
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	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	0
Sustainable Building Methods	8	8	2
New Construction	10	10	10
Negative Points	NA	NA	N/A
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>62</b>

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.