

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 26, 2007
Executive Summary
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Walter Akiyama.

Applicant: California Municipal Finance Authority

Allocation Amount Requested: Tax-exempt \$8,000,000

Project Name: Calipatria Family Apartments

Project Address: East Avenue and Bonita Place
Project City, County, Zip Code: Calipatria, Imperial, 92233

Project Sponsor Information:

Name: Calipatria Family Apartments, L.P.
(Chelsea Investment Corporation and Pacific Southwest
Community Development Corporation)

Principals: Jack K. Jaynes, Michael T. Walsh, Kimberly Collins,
Marco Antonio Reyes, Richard W. Maches and
James J. Schmid

Project Financing Information:

Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not applicable
Credit Enhancement Provider: Not applicable
Private Placement Purchaser: Bank of America, N.A.
TEFRA Hearing: August 14, 2007

Description of Proposed Project:

State Ceiling Pool: Rural
Total Number of Units: 71, plus 1 manager unit
Type: New Construction
Type of Units: Family

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
100% (71 units) restricted to 50% or less of area median income households.
Unit Mix: 1, 2 and 3 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$15,183,848
Estimated Hard Costs per Unit:	\$ 135,623 (\$9,629,236/71 units)
Estimated per Unit Cost:	\$ 213,857 (\$15,183,848/71 units)
Allocation per Unit:	\$ 112,676 (\$8,000,000/71 units)
Allocation per Restricted Rental Unit:	\$ 112,676 (\$8,000,000/71 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 8,000,000	\$ 1,418,956
Developer Equity	\$ 1,170,610	\$ 354,914
LIH Tax Credit Equity	\$ 2,853,238	\$ 5,706,476
AHP Subsidy	\$ 360,000	\$ 360,000
Direct & Indirect Public Funds	\$ 2,800,000	\$ 7,143,502
Other	<u>\$ 0</u>	<u>\$ 200,000</u>
Total Sources	\$15,183,848	\$15,183,848

Uses of Funds:	
Land Purchase	\$ 610,000
On-Site & Off-Site Costs	\$ 2,475,393
Hard Construction Costs	\$ 7,153,843
Architect & Engineering Fees	\$ 414,000
Contractor Overhead & Profit	\$ 1,282,349
Developer Fee	\$ 1,200,000
Cost of Issuance	\$ 198,721
Capitalized Interest	\$ 359,249
Soft Costs	\$ 920,365
Indirect Costs	<u>\$ 569,928</u>
Total Uses	\$15,183,848

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: 83 out of 128

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$8,000,000 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	0
Exceeding Minimum Income Restrictions: Non-Mixed Income Project Mixed Income Project	35	15	35
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	5
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	0
Service Amenities	10	10	10
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	0
Total Points	128	108	83

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.