

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 5, 2007
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Sarah Lester.

Applicant: Housing Authority of the City of San Diego

Allocation Amount Requested: Tax-exempt \$6,000,000

Project Name: **Boulevard Apartments**
Project Address: 3137 El Cajon Blvd.
Project City, County, Zip Code: San Diego, San Diego, 92104

Project Sponsor Information:
Name: To be formed LP (S.V.D.P Management, Inc.)
Principals: Father Joe Carroll and Bob Fischer

Project Financing Information:
Bond Counsel: Quint & Thimmig, LLP
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Bank of America, N.A.
TEFRA Hearing: July 24, 2007

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 23, 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% (23 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:	\$11,750,459
Estimated Hard Costs per Unit:	\$ 279,272 (\$6,423,259/23 units)
Estimated per Unit Cost:	\$ 510,890 (\$11,750,459/23 units)
Allocation per Unit:	\$ 260,870 (\$6,000,000/23 units)
Allocation per Restricted Rental Unit:	\$ 260,870 (\$6,000,000/23 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 6,000,000	\$ 0
Developer Equity/Soft Financing	\$ 2,278,836	\$ 2,307,286
LIH Tax Credit Equity	\$ 1,502,073	\$ 4,291,638
Direct & Indirect Public Funds	\$ 760,000	\$ 2,841,535
Other (Land Note)	<u>\$ 1,210,000</u>	<u>\$ 1,210,000</u>
Total Sources	\$11,750,459	\$11,750,459

Uses of Funds:	
Land Purchase	\$ 1,210,000
On-Site & Off-Site Costs	\$ 218,012
Hard Construction Costs	\$ 6,205,247
Architect & Engineering Fees	\$ 461,724
Contractor Overhead & Profit	\$ 811,495
Developer Fee	\$ 1,288,544
Cost of Issuance	\$ 113,885
Capitalized Interest	\$ 514,023
Other Soft Costs (Permits, Mrkg., etc)	<u>\$ 927,529</u>
Total Uses	\$11,750,459

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: 82 out of 128
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$6,000,000 in tax-exempt bond allocation on a carryforward basis.

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]	10
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	10
Service Amenities	10	10	0
Sustainable Building Methods	8	8	2
New Construction	10	10	10
Negative Points	NA	NA	0
Total Points	128	108	82

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.