

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 Sarah Lester.

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested: Tax-exempt \$1,350,000

Project Name: San Jacinto Vista Apartments
Project Address: 98 E. Jarvis Street
Project City, County, Zip Code: Perris, Riverside, 92571

Project Sponsor Information:
Name: Mecca Avenue 66 Community Partners, LP
(Mecca Avenue 66 Partners, LLC)
Principals: Wilfred N. Cooper, Jr.

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: US Bank, National Association
TEFRA Hearing: December 11, 2007

Description of Proposed Project:
State Ceiling Pool: Rural
Total Number of Units: 47, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Family / Federally Assisted At-Risk

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
32% (15 units) restricted to 50% or less of area median income households; and
68% (32 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:	\$2,807,204
Estimated Hard Costs per Unit:	\$ 12,510 (\$587,950/47 units)
Estimated per Unit Cost:	\$ 59,728 (\$2,807,204/47 units)
Allocation per Unit:	\$ 28,723 (\$1,350,000/47 units)
Allocation per Restricted Rental Unit:	\$ 28,723 (\$1,350,000/47 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$1,350,000	\$ 630,000
RD Subordinate Loan	\$ 642,214	\$ 642,214
LIH Tax Credit Equity	\$ 794,438	\$1,514,438
Deferred Developer Fee	<u>\$ 20,552</u>	<u>\$ 20,552</u>
Total Sources	\$2,807,204	\$2,807,204

Uses of Funds:	
Land Purchase	\$ 249,660
Hard Construction Costs	\$ 587,950
Other Acquisition Cost	\$ 992,614
Developer Fee	\$ 321,211
Cost of Issuance	\$ 86,932
Third Party Reports	\$ 41,506
Profit/OH/Insurance	\$ 89,368
Tax Credit Fees	\$ 21,865
Other Soft Costs (Marketing, etc.)	<u>\$ 416,158</u>
Total Uses	\$2,807,204

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: 65 out of 128
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$1,350,000 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	10
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	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	0
Sustainable Building Methods	8	8	0
New Construction	10	10	0
Negative Points	NA	NA	0
Total Points	128	108	65

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.