

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**March 26, 2008**  
**Staff Report**  
***REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A***  
***QUALIFIED RESIDENTIAL RENTAL PROJECT***

*Prepared by Sarah Lester.*

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**Applicant:** Housing Authority of the County of Sacramento

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**Allocation Amount Requested:** Tax-exempt \$9,000,000

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**Project Name:** **The Corsair Park Apartments**  
**Project Address:** Watt Avenue  
**Project City, County, Zip Code:** North Highland, Sacramento, 95660

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**Project Sponsor Information:**  
**Name:** Corsair Sacramento, LP (Pacific Housing, Inc.; and Anton Corsair, LLC)  
**Principals:** Mark A. Weise, Steven L. Eggert and Peter Geremia

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**Project Financing Information:**  
**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Union Bank of California, N.A.  
**TEFRA Hearing:** January 29, 2008

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 111, plus 1 manager's unit  
**Type:** New Construction  
**Type of Units:** Senior

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project: 100%**  
21% (23 units) restricted to 50% or less of area median income households; and  
79% (88 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 and 2 bedrooms

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**Term of Restrictions:** 55 years

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<b>Estimated Total Development Cost:</b>	\$16,168,398	
<b>Estimated Hard Costs per Unit:</b>	\$ 73,614	(\$8,171,132/111 units)
<b>Estimated per Unit Cost:</b>	\$ 145,661	(\$16,168,398/111 units)
<b>Allocation per Unit:</b>	\$ 81,081	(\$9,000,000/111 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 81,081	(\$9,000,000/111 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 9,000,000	\$ 7,100,000
Deferred Developer Fee	\$ 0	\$ 474,418
LIH Tax Credit Equity	\$ 2,632,230	\$ 5,742,531
Direct & Indirect Public Funds	\$ 2,100,000	\$ 2,100,000
Other (NOI & Co. Fees)	<u>\$ 751,449</u>	<u>\$ 751,449</u>
Total Sources	\$14,483,679	\$16,168,398

<b>Uses of Funds:</b>	
Land Purchase	\$ 2,040,000
Hard Construction Costs	\$ 8,171,132
Architect & Engineering Fees	\$ 319,725
Contractor Overhead & Profit	\$ 749,645
Developer Fee	\$ 1,684,718
Cost of Issuance	\$ 181,250
Capitalized Interest	\$ 849,625
Other Soft Costs (Marketing, etc.)	<u>\$ 2,172,303</u>
Total Uses	\$16,168,398

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**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.

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**Total Points:** 67.5 out of 128  
[See Attachment A]

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**Recommendation:**

Staff recommends that the Committee approve \$9,000,000 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	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]	0
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	2.5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	0
New Construction	10	10	10
Negative Points	NA	NA	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>67.5</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.