

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
May 27, 2009
Staff Report
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: Richard Fischer

Applicant: Housing Authority of the City of San Diego

Allocation Amount Requested:
Tax-exempt: \$9,664,172

Project Information:
Name: Village Green Apartments
Project Address: 4140, 4150 & 4155 Bonillo Drive
Project City, County, Zip Code: San Diego, SanDiego, 92115

Project Sponsor Information:
Name: Wakeland Village Green, L.P. (Wakeland Village Green Apts., LLC and Wakeland Housing and Development Corporation)
Principals: Kenneth L. Sauder and Joan Edelman

Project Financing Information:
Bond Counsel: Quint & Thimmig LLP
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: US Bank National Association
TEFRA Hearing: October 7, 2008

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 92, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Family

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
11% (10 units) restricted to 50% or less of area median income households.
89% (82 units) restricted to 60% or less of area median income households.
Unit Mix: 2 & 3 bedrooms

Term of Restrictions:
Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$ 20,081,379	
Estimated Hard Costs per Unit:	\$ 30,215	(\$2,779,759 /92 units)
Estimated per Unit Cost:	\$ 218,276	(\$20,081,379 /92 units)
Allocation per Unit:	\$ 105,045	(\$9,664,172 /92 units)
Allocation per Restricted Rental Unit:	\$ 105,045	(\$9,664,172 /92 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 9,664,172	\$ 6,069,511
Developer Equity	\$ 229,136	\$ 229,136
Deferred Developer Fee	\$ 0	\$ 300,000
Solar Rebates and tax credits	\$ 0	\$ 88,000
LIH Tax Credit Equity	\$ 1,050,743	\$ 5,253,714
Direct & Indirect Public Funds	\$ 7,800,000	\$ 7,953,542
Deferred Pmnt. Public Sector Soft Debt	\$ 187,476	\$ 187,476
Total Sources	\$ 18,931,527	\$ 20,081,379

Uses of Funds:	
Acquisition Costs	\$ 11,576,493
On & Off Site Costs	\$ 233,775
Hard Construction Costs	\$ 2,545,984
Architect & Engineering Fees	\$ 105,000
Contractor Overhead & Profit	\$ 467,000
Developer Fee	\$ 1,200,000
Relocation	\$ 568,691
Cost of Issuance	\$ 88,701
Capitalized Interest	\$ 641,032
Other Soft Costs (Marketing, etc.)	\$ 2,654,703
Total Uses	\$ 20,081,379

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: 83.9 out of 118

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$9,664,172 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:	35	15	25
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	5.9
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	10
Site Amenities	10	10	10
Service Amenities	10	10	10
New Construction	10	10	0
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
Total Points	118	98	83.9

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.