

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
July 22, 2009  
Staff Report  
*REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A  
QUALIFIED RESIDENTIAL RENTAL PROJECT*

*Prepared by: Richard Fischer*

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**Applicant:** City of Los Angeles

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**Allocation Amount Requested:**  
**Tax-exempt:** \$10,000,000

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**Project Information:**  
**Name:** Toberman Village Apartments  
**Project Address:** 201-204 North Palos Verdes Street  
**Project City, County, Zip Code:** Los Angeles, Los Angeles, 90731

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**Project Sponsor Information:**  
**Name:** Vista Alegre, L.P. (New Economics For Women)  
**Principals:** Maggie Cervantes

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**Project Financing Information:**  
**Bond Counsel:** Kutak Rock LLP  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** NARA Bank  
**TEFRA Hearing:** February 4, 2009

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 48, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Family

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
67% (32 units) restricted to 50% or less of area median income households.  
33% (16 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1, 2 & 3 bedrooms

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**Term of Restrictions:**  
**Income and Rent Restrictions:** 55 years

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$	16,522,195	
<b>Estimated Hard Costs per Unit:</b>	\$	205,900	(\$9,883,180 /48 units)
<b>Estimated per Unit Cost:</b>	\$	344,212	(\$16,522,195 /48 units)
<b>Allocation per Unit:</b>	\$	208,333	(\$10,000,000 /48 units)
<b>Allocation per Restricted Rental Unit:</b>	\$	208,333	(\$10,000,000 /48 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 10,000,000	\$ 1,111,816
LIH Tax Credit Equity	\$ 1,615,165	\$ 5,383,883
Direct & Indirect Public Funds	\$ 4,875,640	\$ 10,026,496
Deferred Costs	\$ 31,390	\$ 0
<b>Total Sources</b>	<b>\$ 16,522,195</b>	<b>\$ 16,522,195</b>

<b>Uses of Funds:</b>	
Land Purchase	\$ 1,893,402
On-Site & Off-Site Costs	\$ 834,290
Hard Construction Costs	\$ 9,048,890
Architect & Engineering Fees	\$ 1,231,000
Contractor Overhead & Profit	\$ 479,955
Developer Fee	\$ 791,500
Cost of Issuance	\$ 208,535
Capitalized Interest	\$ 720,000
Other Soft Costs (Marketing, etc.)	\$ 1,314,623
<b>Total Uses</b>	<b>\$ 16,522,195</b>

**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:** 82.5 out of 118  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$10,000,000 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:	35	15	35
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	10
Gross Rents	5	5	5
Large Family Units	5	5	5
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	7.5
Service Amenities	10	10	0
New Construction	10	10	10
Sustainable Building Methods	8	8	0
Negative Points	-10	-10	0
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>82.5</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.