

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

Prepared by: Crystal Alvarez

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested:

Tax-exempt: \$1,825,000

Taxable:

The amount of allocation requested is supplemental to the \$27,500,000 of allocation the Project received on May 27,2009.

Project Information:

Name: Ridgeway Apartments
Project Address: 141 Donahue Street
Project City, County, Zip Code: Marin, Marin, 94543

Project Sponsor Information:

Name: Ridgeway Marin, L.P. (Pacific Housing, Inc. and Anton Ridgeway, LLC)
Principals: Mark A. Wiese, Steven L. Eggert and Peter H. Geremia

Project Financing Information:

Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: MMA Financial / Freddi Mac
TEFRA Hearing Date: April 28, 2009

Description of Proposed Project:

State Ceiling Pool: General
Total Number of Units: 223, plus 2 manager units
Type: Acquisition and Rehalitation
Type of Units: Family

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
20% (45 units) restricted to 50% or less of area median income households.
80% (178 units) restricted to 60% or less of area median income households.
Unit Mix: 1, 2 & 3 bedrooms

Term of Restrictions:

Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$	40,529,903	
Estimated Hard Costs per Unit:	\$	17,253	(\$3,847,500 /223 units)
Estimated per Unit Cost:	\$	181,748	(\$40,529,903 /223 units)
Allocation per Unit:	\$	131,502	(\$29,325,000 /223 units)
Allocation per Restricted Rental Unit:	\$	131,502	(\$29,325,000 /223 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 29,325,000	\$ 28,330,000
Deferred Developer Fee	\$ 0	\$ 403,959
Developer Equity	\$ 2,483,956	\$ 0
LIH Tax Credit Equity	\$ 7,310,947	\$ 9,311,988
NOI During Lease Up	\$ 0	\$ 2,483,956
Total Sources	\$ 39,119,903	\$ 40,529,903

Uses of Funds:	
Acquisition Costs	\$ 28,500,000
Hard Construction Costs	\$ 3,847,500
Architect & Engineering Fees	\$ 100,000
Contractor Overhead & Profit	\$ 337,500
Developer Fee	\$ 2,500,000
Relocation	\$ 400,000
Cost of Issuance	\$ 928,912
Capitalized Interest	\$ 2,205,769
Other Soft Costs	\$ 1,710,222
Total Uses	\$ 40,529,903

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.

Recommendation:

Staff recommends that the Committee approve \$1,825,000 in tax exempt bond allocation.