

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
December 16, 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:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**  
**Tax-exempt:** \$9,101,900

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**Project Information:**  
**Name:** New Hope Home Apartments  
**Project Address:** 1150 East New York Street  
**Project City, County, Zip Code:** Long Beach, Los Angeles, 90813

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**Project Sponsor Information:**  
**Name:** New Hope Home, L.P. (New Hope Home, Inc.)  
**Principals:** Reverend R.R. English, Alisha Wade and Debra English Johnson

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**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Hutchinson, Shockey Erley & Co.  
**Credit Enhancement Provider:** PNC Bank, N.A (HUD 221d4 & GNMA)  
**TEFRA Hearing Date:** November 10, 2009

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 139, plus 1 manager unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Senior Citizens/Federally Assisted At-Risk

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
20% (28 units) restricted to 50% or less of area median income households.  
80% (111 units) restricted to 60% or less of area median income households.  
**Unit Mix:** Studio & 1 bedroom

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

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 18,931,396	
<b>Estimated Hard Costs per Unit:</b>	\$ 41,515	(\$5,770,520 /139 units)
<b>Estimated per Unit Cost:</b>	\$ 136,197	(\$18,931,396 /139 units)
<b>Allocation per Unit:</b>	\$ 65,481	(\$9,101,900 /139 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 65,481	(\$9,101,900 /139 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 9,101,900	\$ 9,101,900
Developer Equity	\$ 2,069,119	\$
LIH Tax Credit Equity	\$ 2,528,924	\$ 4,598,043
Other (Seller Note and Capitalized Reserves)	\$ 5,231,453	\$ 5,231,453
<b>Total Sources</b>	<b>\$ 18,931,396</b>	<b>\$ 18,931,396</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 7,780,000
Hard Construction Costs	\$ 5,770,520
Architect & Engineering Fees	\$ 81,975
Contractor Overhead & Profit	\$ 414,400
Developer Fee	\$ 2,044,418
Relocation	\$ 140,000
Cost of Issuance	\$ 376,262
Capitalized Interest	\$ 607,324
Other Soft Costs (Marketing,etc)	\$ 1,716,497
<b>Total Uses</b>	<b>\$ 18,931,396</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:** 70.5 out of 128  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$9,101,900 in tax exempt bond allocation on a carryforward basis.

**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	20
Exceeding Minimum Income Restrictions:	35	15	30
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	0
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	7.5
Service Amenities	10	10	5
New Construction	10	10	0
Sustainable Building Methods	8	8	3
Negative Points	-10	-10	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>70.5</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.