

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

December 16, 2009

Consideration of an Issuance Period Extension for Brookwood Terrace Apartments and Orvieto Family Apartments to January 29, 2010
(Agenda Item No. 5)

ACTION:

Grant a Qualified Residential Rental Program award of carryforward allocation to the City of San Jose for Brookwood Terrace Apartments and Orvieto Family Apartments.

BACKGROUND:

On November 18, 2009, the Committee extended the issuance deadline for Brookwood Terrace Apartments and Orvieto Family Apartments (the "Projects") through December 31, 2009 to provide each project with adequate time to take advantage of the GSE Bond Program.

The Committee was also informed that if the GSE Bond Program did not materialize as projected by December 4, 2009, the Applicant would abandon the alternative path and proceed as originally planned – and, if necessary, seek another extension from the Committee to issue bonds by the end of January 2010, in accordance with the original plan of finance.

The Applicant is now requesting such extension in addition to a carryforward allocation for the Projects so that bonds may be issued under the original plan of finance.

RECOMMENDATIONS:

Staff recommends:

- 1) Approval of a carryforward allocation to the City of San Jose for Brookwood Terrace Apartments in the amount of \$13,600,000 and Orvieto Family Apartments in the amount of \$14,200,000; and
- 2.) Staff also recommends the approval of an issuance expiration date of January 29, 2010 for both projects.

Prepared by Richard Fischer