

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
May 26, 2010  
Staff Report  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A  
QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: Richard Fischer

---

**Applicant:** California Statewide Communities Development Authority

---

**Allocation Amount Requested:**

**Tax-exempt:** \$898,100

The amount of allocation requested is supplemental to the \$9,101,900 of allocation the Project received on December 16, 2009.

---

**Project Information:**

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

---

**Project Sponsor Information:**

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

---

**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:** April 20, 2010

---

**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

---

**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

---

**Term of Restrictions:**

**Income and Rent Restrictions:** 55 years

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 20,289,302	
<b>Estimated Hard Costs per Unit:</b>	\$ 35,644	(\$4,954,515 /139 units)
<b>Estimated per Unit Cost:</b>	\$ 145,966	(\$20,289,302 /139 units)
<b>Allocation per Unit:</b>	\$ \$71,942	(\$898,100 /139 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 71,942	(\$898,100 /139 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 10,000,000	\$ 9,101,900
Developer Equity	\$ 2,412,205	\$ 0
Deferred Developer Fee	\$ 0	\$ 979,768
LIH Tax Credit Equity	\$ 2,610,592	\$ 4,941,129
Other ( Seller Note)	\$ 5,266,505	\$ 5,266,505
<b>Total Sources</b>	<b>\$ 20,289,302</b>	<b>\$ 20,289,302</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 7,780,000
Rehabilitation Costs	\$ 7,436,220
Relocation	\$ 140,000
Architectural	\$ 74,750
Survey & Engineering	\$ 7,225
Contingency Costs	\$ 25,298
Construction Period Expenses	\$ 716,395
Permanent Financing Expenses	\$ 351,262
Legal Fees	\$ 195,000
Capitalized Reserves	\$ 816,962
Reports & Studies	\$ 15,000
Other (Marketing, Fees)	\$ 336,358
Developer Costs	\$ 2,394,832
<b>Total Uses</b>	<b>\$ 20,289,302</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.

**Recommendation:**

Staff recommends that the Committee approve \$898,100 in tax exempt bond allocation.