

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**November 17, 2010**  
**Revised Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by: Brady Hill*

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**Applicant:** California Housing Finance Agency

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**Allocation Amount Requested:**  
**Tax-exempt:** \$13,115,000

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**Project Information:**  
**Name:** LA Pro I Apartments  
**Project Address:** Various (please see below)  
**Project City, County, Zip Code:** Various (please see below)

Site A: 253 N. Jaunita Avenue, Los Angeles, Los Angeles County, 90004
Site B: 251 S. Berendo Street, Los Angeles, Los Angeles County, 90004
Site C: 2802 W. 8th Street, Los Angeles, Los Angeles County, 90005
Site D: 922 S. Lake Street, Los Angeles, Los Angeles County, 90006
Site E: 1011-1025 N. Cummings Street, Los Angeles, Los Angeles County, 90033

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**Project Sponsor Information:**  
**Name:** LA PRO I Preservation Limited Partnership (LINC-Torrance Associates LLC and LA Pro I Preservation Partners LLC)  
**Principals:** Hunter L. Johnson and Karen Maeshima for LINC-Torrance Associates LLC; Jon Lalanne, Nidia Vasquez, Julia Arisiaga, Paul Fujii, Christian Szymczak, Irene Rivas, Candice Sullivan-Speare, Chia Yin Li and William Szymczak for LA Pro I Preservation Partners LLC

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**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** HUD, PNC Multifamily, MAP Lender  
**TEFRA Hearing Date:** June 22, 2010

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 119, plus 5 manager units  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Family

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
34% (41 units) restricted to 50% or less of area median income households.  
66% (78 units) restricted to 60% or less of area median income households.  
**Unit Mix:** Studio, 1 & 2 bedrooms

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

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 19,827,264	
<b>Estimated Hard Costs per Unit:</b>	\$ 40,219	(\$4,786,108 /119 units)
<b>Estimated per Unit Cost:</b>	\$ 166,616	(\$19,827,264 /119 units)
<b>Allocation per Unit:</b>	\$ 110,210	(\$13,115,000 /119 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 110,210	(\$13,115,000 /119 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 13,115,000	\$ 13,115,000
Developer Equity / Deferred Fee	\$ 2,222,755	\$ 1,539,733
LIH Tax Credit Equity	\$ 4,489,509	\$ 5,172,531
<b>Total Sources</b>	<b>\$ 19,827,264</b>	<b>\$ 19,827,264</b>

<b>Uses of Funds:</b>	
Acquisition Cost	\$ 9,720,000
Hard Construction Costs	\$ 4,786,108
Construction Contingency Reserve	\$ 436,568
Architect & Engineering Fees	\$ 51,500
Contractor Overhead & Profit	\$ 670,054
Developer Fee	\$ 2,222,755
Relocation	\$ 502,200
Cost of Issuance	\$ 133,393
Capitalized Interest	\$ 365,475
Other Soft Costs	\$ 939,211
<b>Total Uses</b>	<b>\$ 19,827,264</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:** 64.9 out of 128  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$13,115,000 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	10
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]	0
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	0
Community Revitalization Area	15	15	4.3
Site Amenities	10	10	7.6
Service Amenities	10	10	0
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>64.9</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.