

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
January 26, 2011  
Staff Report  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A  
QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: Crystal Alvarez

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**Applicant:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**  
**Tax-exempt:** \$22,000,000

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**Project Information:**  
**Name:** McCreery Courtyards Apartments  
**Project Address:** 7173 McCreery Avenue  
**Project City, County, Zip Code:** San Jose, Santa Clara, 95116

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**Project Sponsor Information:**  
**Name:** San Jose Pacific Associates, a California L.P. (Central Valley Coalition for Affordable Housing and Roope, LLC)  
**Principals:** Christina Alley, Jennifer Bertuccio and Caleb Roope

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**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Citibank, N.A.  
**Credit Enhancement Provider:** Citibank, N.A. / Freddie Mac  
**TEFRA Hearing Date:** December 14, 2010

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 92, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Family

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
100% (92 units) restricted to 50% or less of area median income households.  
**Unit Mix:** 2 & 3 bedrooms

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

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 36,833,017	
<b>Estimated Hard Costs per Unit:</b>	\$ 240,732	(\$22,147,350 /92 units)
<b>Estimated per Unit Cost:</b>	\$ 400,359	(\$36,833,017 /92 units)
<b>Allocation per Unit:</b>	\$ 239,130	(\$22,000,000 /92 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 239,130	(\$22,000,000 /92 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 22,000,000	\$ 5,200,000
HCD Multifamily Housing Family	\$ 0	\$ 9,200,000
Deferred Developer Fee	\$ 1,050,414	\$ 0
LIH Tax Credit Equity	\$ 2,162,603	\$ 10,813,017
Direct & Indirect Public Funds	\$ 7,900,000	\$ 7,900,000
HCD Infill Grant Funds	\$ 3,720,000	\$ 3,720,000
Total Sources	\$ 36,833,017	\$ 36,833,017

<b>Uses of Funds:</b>	
Land Purchase	\$ 6,750,000
On & Off Site Costs	\$ 2,148,402
Hard Construction Costs	\$ 19,998,948
Architect & Engineering Fees	\$ 625,000
Contractor Overhead & Profit	\$ 1,567,357
Developer Fee	\$ 1,200,000
Cost of Issuance	\$ 792,000
Capitalized Interest	\$ 1,600,000
Marketing	\$ 2,151,310
Total Uses	\$ 36,833,017

**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:** 80 out of 118  
[See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$22,000,000 in tax exempt bond allocation.

**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	0
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]	10
Gross Rents	5	5	5
Large Family Units	5	5	5
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	0
New Construction	10	10	10
Sustainable Building Methods	8	8	0
Negative Points	-10	-10	0
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>80</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.