

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: Sarah Lester

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested:
Tax-exempt: \$6,364,507

Project Information:
Name: Heritage Oak Senior Apartments
Project Address: 730 Old Stockton Road
Project City, County, Zip Code: Oakdale, Stanislaus, 95361

Project Sponsor Information:
Name: Oakdale Heritage Oak Seionrs, LP (Central Valley Coalition for Affordable Housing and Chris Alley)
Principals: Christina Alley, Renee Downum, Sid McIntyre, Jennifer Bertuccio, Alen Jenkins and Steve Simmons

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: Chase Bank
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: JPMorgan Chase Bank, N.A.
TEFRA Hearing Date: November 9, 2010

Description of Proposed Project:
State Ceiling Pool: Rural
Total Number of Units: 49, plus 1 manager unit
Type: New Construction
Type of Units: Senior Citizens

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
96% (47 units) restricted to 50% or less of area median income households.
4% (2 units) restricted to 60% or less of area median income households.
Unit Mix: 1 & 2 bedrooms

Term of Restrictions:
Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$ 11,136,183	
Estimated Hard Costs per Unit:	\$ 144,617	(\$7,086,250 /49 units)
Estimated per Unit Cost:	\$ 227,269	(\$11,136,183 /49 units)
Allocation per Unit:	\$ 129,888	(\$6,364,507 /49 units)
Allocation per Restricted Rental Unit:	\$ 129,888	(\$6,364,507 /49 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 6,364,507	\$ 916,760
LIH Tax Credit Equity	\$ 1,090,890	\$ 3,636,301
Direct & Indirect Public Funds	\$ 2,300,000	\$ 5,500,000
Other	\$ 1,380,786	\$ 1,083,122
Total Sources	\$ 11,136,183	\$ 11,136,183

Uses of Funds:	
Land Purchase	\$ 250,000
Hard Construction Costs	\$ 7,086,250
Architect & Engineering Fees	\$ 230,000
Contractor Overhead & Profit	\$ 500,000
Developer Fee	\$ 1,380,786
Cost of Issuance	\$ 30,000
Capitalized Interest	\$ 651,469
Other Soft Costs	\$ 1,007,678
Total Uses	\$ 11,136,183

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 out of 118

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$6,364,507 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]	0
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	10
Service Amenities	10	10	0
New Construction	10	10	10
Sustainable Building Methods	8	8	0
Negative Points	-10	-10	0
Total Points	118	98	70

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.