

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**March 21, 2007**  
**Executive Summary**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by Richard Fischer.*

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**Applicant:** City of Los Angeles

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**Allocation Amount Requested:** Tax-exempt \$750,000

The amount of allocation requested is supplemental to the \$4,000,000 of allocation the Project received in September 2003. According to the Project Sponsor, additional allocation is needed to ensure that 51% of the costs are paid by bond proceeds in order to secure leverage of the low-income housing tax credits.

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**Project Name:** Vista Monterey Apartments  
**Project Address:** 4651 Huntington Drive North  
**Project City, County, Zip Code:** Los Angeles, Los Angeles, 90032

Located in Los Angeles Eastside State Enterprise Zone.

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**Project Sponsor Information:**  
**Name:** 4651 Huntington, L.P. (New Economics for Women and New Capital, LLC)  
**Principals:** Bea Stotzer, Maggie Cervantes, Maria Rodriguez, Miguel Escobar, Joan Kradin

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**Project Financing Information:**  
**Bond Counsel:** Kutak Rock, LLP  
**Underwriter:** Not applicable  
**Credit Enhancement Provider:** Not applicable  
**Private Placement Purchaser:** Hanmi Bank  
**TEFRA Hearing:** December 20, 2006

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 47, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Senior

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project: 100%**  
80.9% (38 units) restricted to 50% or less of area median income households; and  
19.1% (9 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1- bedroom

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**Term of Restrictions:** 55 years

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<b>Estimated Total Development Cost:</b>	\$8,985,687
<b>Estimated Hard Costs per Unit:</b>	\$ 120,950 (\$5,684,632/47 units)
<b>Estimated per Unit Cost:</b>	\$ 191,185 (\$8,985,687/47 units)
<b>Allocation per Unit:</b>	\$ 101,064 (\$4,750,000/47 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 101,064 (\$4,750,000/47 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$4,750,000	\$1,335,897
Deferred Cost/ Developer Fee	\$ 233,047	\$ 297,204
LIH Tax Credit Equity	\$ 300,000	\$2,844,250
Direct & Indirect Public Funds	<u>\$3,702,640</u>	<u>\$4,508,336</u>
Total Sources	\$8,985,687	\$8,985,687

<b>Uses of Funds:</b>	
Land Purchase	\$ 479,844
On-Site & Off-Site Costs	\$ 45,912
Hard Construction Costs	\$5,638,720
Architect & Engineering Fees	\$ 300,693
Contractor Overhead & Profit	\$ 328,747
Developer Fee	\$ 635,800
Cost of Issuance	\$ 233,535
Capitalized Interest	\$ 208,000
Other Soft Costs	<u>\$1,114,436</u>
Total Uses	\$8,985,687

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**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.

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**Total Points:** 105.2 out of 128  
[See Attachment #A]

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**Recommendation:**

Staff recommends that the Committee approve \$750,000 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	NA
Exceeding Minimum Income Restrictions: Non-Mixed Income Project Mixed Income Project	35	15	35
Gross Rents	5	5	5
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	2.2
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	15
Site Amenities	10	10	10
Service Amenities	10	10	10
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	NA
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>105.2</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.