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 Walter Akiyama.

Applicant: City of Richmond

Allocation Amount Requested: Tax-exempt \$55,000,000

Project Name: Crescent Park Apartments

Project Address: 5000 Hartnett Ave.

Project City, County, Zip Code: Richmond, Contra Costa, 94804

[Located in Community Revitalization area more specifically the Redevelopment Project Area No. 1-A.]

Project Sponsor Information:

Name: Crescent Park EAH, L.P.

(Crescent Park EAH, LLC and EAH, Inc.)

Principals: Mary Murtagh, Peggy Franklin and Michel Farrel

Project Financing Information:

Bond Counsel: Orrick, Herrington & Sutcliffe LLP

Underwriter: Not applicable

Credit Enhancement Provider: Not applicable

Private Placement Purchaser: Union Bank of California

TEFRA Hearing: January 16, 2007

Description of Proposed Project:

State Ceiling Pool: General

Total Number of Units: 377, plus 1 manager unit

Type: Acquisition and Rehabilitation

Type of Units: Family

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 90%

40% (151 units) restricted to 50% or less of area median income households; and 50% (190 units) restricted to 60% or less of area median income households.

Unit Mix: 1, 2, 3 and 4 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$100,853,969		
Estimated Hard Costs per Unit:	\$ 93,508 (\$35,252,574/377 units)		
Estimated per Unit Cost:	\$ 267,517 (\$100,853,969/377 units)		
Allocation per Unit:	\$ 145,889 (\$55,000,000/377 units)		
Allocation per Restricted Rental Unit:	\$ 161,290 (\$55,000,000/341 units)		
Sources of Funds:	<u>Construction</u> <u>Permanent</u>		
Tax-Exempt Bond Proceeds	\$55,000,000 \$ 30,001,000		
Developer Equity	\$ 3,741,092 \$ 3,741,092		
LIH Tax Credit Equity	\$ 7,427,967 \$ 37,785,028		
Other	\$29,326,849 \$ 29,326,849		
Total Sources	\$95,495,908 \$100,853,969		
Uses of Funds:			
Acquisition Cost	\$ 45,500,001		
On-Site & Off-Site Costs	\$ 982,800		
Hard Construction Costs	\$ 34,269,774		
Architect & Engineering Fees	\$ 1,113,625		
Contractor Overhead & Profit	\$ 4,553,779		
Developer Fee	\$ 2,500,000		
Relocation	\$ 1,400,000		
Cost of Issuance	\$ 488,665		
Capitalized Interest	\$ 7,971,600		
*			

[The Project Sponsor has requested an exception to the \$30 million cap per project imposed by Section 17.IV of the CDLAC Procedures on the basis that the project cannot be broken into separate financing components due to HUD contracts/agreements. In accordance with Section 17.IV.B, the Executive Director is recommending that the Committee approve the exception as requested].

Other Soft Costs

Total Uses

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.

\$ 2,073,725

\$100,853,969

Total Points: 82 out of 128 [See Attachment #A]

Recommendation:

Staff recommends that the Committee approve \$55,000,000 in tax-exempt bond allocation.

ATTACHMENT #A

EVALUATION SCORING:

	Maximum	Maximum	
	Points Allowed	Points Allowed	
Point Criteria	for Non-Mixed	for Mixed	Points Scored
	Income	Income	
	Projects	Projects	
Federally Assisted At-Risk Project or HOPE	J		
VI Project	20	20	0
Exceeding Minimum Income Restrictions:		-	
Non-Mixed Income Project	35	15	35
Mixed Income Project		15	33
Witxed illcome Floject			
Gross Rents	5	5	5
Exceeding Minimum Rent Restrictions			
[Allowed if 10 pts not awarded above in	[10]	[10]	0
Federally Assisted At-Risk Project or HOPE	[]	[.]	
VI Project]			
VIIIojectj			
Large Family Units	5	5	5
Large ranning Onics	3	3	3
Leveraging	10	10	0
Community Revitalization Area	15	15	15
Site Amenities	10	10	10
Service Amenities	10	10	10
			-
Sustainable Building Methods	8	8	2
Dustalia Dullaing Medicus			
New Construction	10	10	0
	10	10	Ů
Negative Points	NA	NA	0
Total Points	128	108	82

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.