

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	<u>\$29,326,849</u>	<u>\$ 29,326,849</u>
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
Other Soft Costs	<u>\$ 2,073,725</u>
Total Uses	\$100,853,969

[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].

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: 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:

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: 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]	0
Large Family Units	5	5	5
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
New Construction	10	10	0
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.