

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.

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested: Tax-exempt 21,600,000

Project Name: Shadows Apartments
Project Address: 1901-1989 Los Feliz Drive
Project City, County, Zip Code: Thousand Oaks, Ventura, 91362

Located in Thousand Oaks Boulevard Redevelopment Project.

Project Sponsor Information:
Name: Shadows TC Investors, LLC
Principals: Michael Ortiz

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Capmark Securities Inc.
Credit Enhancement Provider: Capmark Finance Inc.
Private Placement Purchaser: Not Applicable
TEFRA Hearing: November 14, 2006

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 147, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Family

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
10% (15 units) restricted to 50% or less of area median income households; and
90% (132 units) restricted to 60% or less of area median income households.
Unit Mix: 1- and 2-bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$ 35,844,623
Estimated Hard Costs per Unit:	\$ 15,102 (\$2,200,000/147 units)
Estimated per Unit Cost:	\$ 243,841 (\$35,844,623/147 units)
Allocation per Unit:	\$ 146,939 (\$21,600,000/147 units)
Allocation per Restricted Rental Unit:	\$ 146,939 (\$21,600,000/147 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$18,000,000	\$12,400,000
Subordinate Tax-Exempt Bonds	\$ 3,600,000	\$ 3,600,000
Deferred Developer Fee	\$ 2,000,000	\$ 1,749,805
LIH Tax Credit Equity	\$ 5,344,623	\$11,194,818
Direct & Indirect Public Funds	<u>\$ 6,900,000</u>	<u>\$ 6,900,000</u>
Total Sources	\$35,844,623	\$35,844,623

Uses of Funds:	
Acquisition Cost	\$28,460,111
Hard Construction Costs	\$ 2,220,000
Architect & Engineering Fees	\$ 70,200
Contractor Overhead & Profit	\$ 310,800
Developer Fee	\$ 2,500,000
Relocation	\$ 250,000
Cost of Issuance	\$ 617,821
Capitalized Interest	\$ 216,000
Other Soft Costs	<u>\$ 1,199,691</u>
Total Uses	\$35,844,623

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: 72.5 out of 128
[See Attachment #A]

Recommendation:

Staff recommends that the Committee approve \$21,600,000 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	25
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]	10
Large Family Units	5	5	0
Leveraging	10	10	0
Community Revitalization Area	15	15	15
Site Amenities	10	10	7.5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	0
New Construction	10	10	0
Negative Points	NA	NA	NA
Total Points	128	108	72.5

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.