

**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 Sarah Lester.*

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**Applicant:** California Municipal Finance Authority

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**Allocation Amount Requested:** Tax-exempt \$4,000,000

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**Project Name:** Oak Ridge Senior Apartments  
**Project Address:** 18800 Beatrice Drive  
**Project City, County, Zip Code:** Unincorporated, Sonoma, 95476

The proposed Project is located within a Community Revitalization area, more specifically the Sonoma Valley Redevelopment Area.

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**Project Sponsor Information:**

**Name:** Oak Ridge Apartments, LP (Burbank Housing Development Corporation and Domus Development, LLC)  
**Principals:** John Lowry and Chuck Cornell for Burbank Housing Development Corporation; Monique Hastings, Meea Kang and Jong Limb for Domus Development, LLC

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**Project Financing Information:**

**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Wells Fargo Bank  
**TEFRA Hearing:** February 6, 2007

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**Description of Proposed Project:**

**State Ceiling Pool:** Rural  
**Total Number of Units:** 34, plus 1 manager unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Senior / Federally Assisted At-Risk

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**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project: 100%**  
68% (23 units) restricted to 50% or less of area median income households; and  
32% (11 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 and 2 bedrooms

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**Term of Restrictions:** 55 years

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<b>Estimated Total Development Cost:</b>	\$7,390,894
<b>Estimated Hard Costs per Unit:</b>	\$ 36,332 (\$1,235,274/34 units)
<b>Estimated per Unit Cost:</b>	\$ 217,379 (\$7,390,894/34 units)
<b>Allocation per Unit:</b>	\$ 117,647 (\$4,000,000/34 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 117,647 (\$4,000,000/34 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$4,000,000	\$ 446,402
Deferred Developer Fee	\$ 0	\$ 276,145
LIH Tax Credit Equity	\$ 468,438	\$2,270,086
Direct & Indirect Public Funds	\$2,177,171	\$4,177,171
Other	<u>\$ 745,285</u>	<u>\$ 221,090</u>
Total Sources	\$7,390,894	\$7,390,894

<b>Uses of Funds:</b>	
Acquisition Cost	\$4,500,000
On-Site & Off-Site Costs	\$ 174,000
Hard Construction Costs	\$1,061,274
Architect & Engineering Fees	\$ 131,250
Contractor Overhead & Profit	\$ 96,082
Developer Fee	\$ 790,703
Cost of Issuance	\$ 98,942
Capitalized Interest	\$ 197,420
Other Soft Costs	<u>\$ 341,223</u>
Total Uses	\$7,390,894

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**Legal Questionnaire:**

Staff has reviewed the Applicant's responses to the questions contained in the Legal Status portion of the application. Legal issues disclosed by the Project Sponsor were vetted and were not determined to be grounds to deny the application. No information was disclosed in the application to question the financial viability of the Project or legal integrity of the Applicant.

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**Total Points:** 77.5 out of 128

[See Attachment A]

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**Recommendation:**

Staff recommends that the Committee approve \$4,000,000 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	10
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	0
Leveraging	10	10	10
Community Revitalization Area	15	15	10
Site Amenities	10	10	7.5
Service Amenities	10	10	0
Sustainable Building Methods	8	8	0
New Construction	10	10	0
Negative Points	NA	NA	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>77.5</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.