

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 Brady Hill.

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested: Tax-exempt \$6,000,000

Project Name: **Coventry Place Apartments**
Project Address: 3101 Coventry Place
Project City, County, Zip Code: Bakersfield, Kern, 93304-5374

Project Sponsor Information:
Name: Coventry Apartments L.P. (Coventry GP LLC)
Principals: Shaoul J. Levy

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not applicable
Credit Enhancement Provider: Not applicable
Private Placement Purchaser: Citigroup (FKA Capmark Capital Management LLC)
TEFRA Hearing: February 28, 2007

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 87, 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%
63% (55 units) restricted to 50% or less of area median income households; and
37% (32 units) restricted to 60% or less of area median income households.
Unit Mix: 2 and 3 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$10,368,748
Estimated Hard Costs per Unit:	\$ 15,172 (\$1,320,000/87 units)
Estimated per Unit Cost:	\$ 119,181 (\$10,368,748/87 units)
Allocation per Unit:	\$ 68,966 (\$6,000,000/87 units)
Allocation per Restricted Rental Unit:	\$ 68,966 (\$6,000,000/87 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 6,000,000	\$ 4,000,000
Deferred Developer Fee	\$ 1,080,795	\$ 1,080,795
Deferred Contractor Fee	\$ 184,800	\$ 184,800
LIH Tax Credit Equity	\$ 982,990	\$ 2,982,990
Seller Carryback	<u>\$ 2,120,163</u>	<u>\$ 2,120,163</u>
Total Sources	\$10,368,748	\$10,368,748

Uses of Funds:	
Acquisition Cost	\$ 7,100,000
Hard Construction Costs	\$ 1,320,000
Architect & Engineering Fees	\$ 20,000
Contractor Overhead & Profit	\$ 184,800
Developer Fee	\$ 1,080,795
Cost of Issuance	\$ 200,000
Capitalized Interest	\$ 100,000
Other Soft Costs	<u>\$ 363,153</u>
Total Uses	\$10,368,748

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: 63 out of 128

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$6,000,000 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	0
Site Amenities	10	10	5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	3
New Construction	10	10	0
Negative Points	NA	NA	0
Total Points	128	108	63

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.