

**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 Crystal Alvarez.*

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**Applicant:** California Statewide Communities Development Authority

**Allocation Amount Requested:** Tax-exempt \$15,210,000

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**Project Name:** Tanager Springs Apartments  
**Project Address:** 2121 South Maple  
**Project City, County, Zip Code:** Fresno, CA 93725

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**Project Sponsor Information:**  
**Name:** SADI, LLC  
**Principals:** Salim Karimi, Mansukh Sanathara, Gary Squier

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**Project Financing Information:**  
**Bond Counsel:** Jones Hall  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Capmark  
**TEFRA Hearing:** February 6, 2007

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 78, plus 2 manager units  
**Type:** New Construction  
**Type of Units:** Family

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project: 100%**  
100% (78 units) restricted to 50% or less of area median income households.

**Unit Mix:** 2, 3, 4 bedrooms

**Term of Restrictions:** 55 years

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<b>Estimated Total Development Cost:</b>	\$ 21,728,177
<b>Estimated Hard Costs per Unit:</b>	\$ 156,646 (\$12,218,411/78 units)
<b>Estimated per Unit Cost:</b>	\$ 278,566.37 (\$21,728,177/78 units)
<b>Allocation per Unit:</b>	\$ 195,000 (\$15,210,000/78 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 195,000 (\$15,210,000/78 units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$15,210,000	\$1,632,000
Developer Equity	\$2,500,000	\$2,075,000
LIH Tax Credit Equity	\$1,918,177	\$10,049,177
Direct & Indirect Public Funds	<u>\$2,100,000</u>	<u>\$797,200</u>
Total Sources	\$21,728,177	\$21,728,177

<b>Uses of Funds:</b>	
Land Purchase	\$ 895,119
On-Site & Off-Site Costs	\$ 1,775,000
Hard Construction Costs	\$ 10,443,411
Architect & Engineering Fees	\$ 270,000
Contractor Overhead & Profit	\$ 1,620,000
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 125,647
Capitalized Interest	\$ 1,316,000
Other Soft Costs	<u>\$ 2,783,000</u>
Total Uses	\$21,728,177

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**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.

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**Total Points:** 90 out of 128  
[See Attachment #A]

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**Recommendation:**

Staff recommends that the Committee approve \$15,210,000 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]	10
Large Family Units	5	5	5
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	5
Sustainable Building Methods	8	8	5
New Construction	10	10	10
Negative Points	NA	NA	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>90</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.