

**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:** California Statewide Communities Development Authority

**Allocation Amount Requested:** Tax-exempt \$12,452,000

Taxable Debt: \$7,000,000

The amount of allocation requested is supplemental to the \$11,195,000 of allocation the Project received in July 9, 2003 and \$12,305,000 awarded on Sept. 24, 2003. According to the Project Sponsor, additional allocation is needed due to increased construction and soft costs.

---

**Project Name:**

**Project Address:** Vineyard Creek Apartments  
802 Airport Boulevard  
**Project City, County, Zip Code:** Santa Rosa, Sonoma, 95403

---

**Project Sponsor Information:**

**Name:** Vineyard Creek, L.P.  
(OSL of Vineyard Creek LLC; Airport Business Center;  
and Casa Major, Inc.)  
**Principals:** Robert Graham, William P. Gallaher, Larry Wasem,  
Rich Coombs

---

**Project Financing Information:**

**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Hutchinson, Shockey, Early & Company  
**Credit Enhancement Provider:** Collateral Mortgage Capital, LLC / Fannie Mae  
**Private Placement Purchaser:** Not applicable  
**TEFRA Hearing:** December 5, 2006

---

**Description of Proposed Project:**

**State Ceiling Pool:** Mixed Income  
**Total Number of Units:** 232, plus no manager unit  
**Type:** New Construction  
**Type of Units:** Family

---

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project: 20%**  
20% (47 units) restricted to 50% or less of area median income households.  
**Unit Mix:** 1, 2 and 3 bedrooms

---

**Term of Restrictions:** 55 years

---

<b>Estimated Total Development Cost:</b>	\$48,406,620
<b>Estimated Hard Costs per Unit:</b>	\$ 123,607 (\$28,676,850/232 units)
<b>Estimated per Unit Cost:</b>	\$ 208,649 (\$48,406,620/232 units)
<b>Allocation per Unit:</b>	\$ 154,966 (\$35,952,000/232 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 764,936 (\$35,952,000/47 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$35,952,000	\$35,952,000
Original - \$11,195,000 (7/9/03)		
Supplemental - \$12,305,000 (9/24/03)		
Supplemental - \$12,452,000 (3/21/07)		
Taxable Bond Proceeds	\$ 7,000,000	\$ 7,000,000
Developer Equity	\$ 4,514,620	\$ 4,514,620
Direct & Indirect Public Funds	<u>\$ 940,000</u>	<u>\$ 940,000</u>
Total Sources	\$48,406,620	\$48,406,620

<b>Uses of Funds:</b>	
Land Purchase	\$ 5,845,000
On-Site & Off-Site Costs	\$ 3,825,500
Hard Construction Costs	\$24,851,350
Architect & Engineering Fees	\$ 5,175,000
Contractor Overhead & Profit	\$ 1,050,000
Cost of Issuance	\$ 1,414,770
Capitalized Interest	\$ 2,500,000
Other Soft Costs	<u>\$ 3,745,000</u>
Total Uses	\$48,406,620

---

**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:** 51.7 out of 108  
See Attachment A

---

**Recommendation:**

Staff recommends that the Committee approve \$12,452,000 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	6
Gross Rents	5	5	0
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	7.2
Community Revitalization Area	15	15	0
Site Amenities	10	10	2.5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	6
New Construction	10	10	10
Negative Points	NA	NA	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>51.7</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.