

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 25, 2007
Executive Summary
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Crystal Alvarez.

Applicant: California Statewide Community Development Agency

Allocation Amount Requested: Tax-exempt \$5,650,000

Project Name: JE Wall Victoria Manor
Project Address: 4660 Victoria Avenue
Project City, County, Zip Code: Riverside, Riverside, 92507

Project Sponsor Information:
Name: J.E Wall Victoria Manor Preservation, L.P. (J.E. Wall Victoria Manor Corporation and Centerline Capital Group)
Principals: Pastor Jesse Wall, Marc D. Schnitzer, Leonard W. Cotton and Robert L. Levy

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe, LLP
Underwriter: Not applicable
Private Placement Purchaser: Centerline Capital Group
TEFRA Hearing: June 19, 2007

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 111, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Senior, Federally Assisted At-Risk

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
20.70% (23 units) restricted to 50% or less of area median income households; and
79.30% (88 units) restricted to 60% or less of area median income households.
Unit Mix: 1 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$ 11,688,871
Estimated Hard Costs per Unit:	\$ 27,857 (\$3,092,139/111 units)
Estimated per Unit Cost:	\$ 105,305 (\$11,688,871/111 units)
Allocation per Unit:	\$ 50,900 (\$5,650,000/111 units)
Allocation per Restricted Rental Unit:	\$ 50,900 (\$5,650,000/111 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 5,650,000	\$ 3,835,193
Developer Equity	\$ 0	\$ 350,000
LIH Tax Credit Equity	\$ 1,495,881	\$ 3,768,495
Direct & Indirect Public Funds	\$ 3,585,183	\$ 3,585,183
Other	<u>\$ 150,000</u>	<u>\$ 150,000</u>
Total Sources	\$10,881,064	\$11,688,871

Uses of Funds:	
Land Purchase	\$ 6,475,000
Hard Construction Costs	\$ 3,092,139
Architect & Engineering Fees	\$ 80,000
Contractor Overhead & Profit	\$ 203,808
Developer Fee	\$ 975,000
Relocation	\$ 132,000
Cost of Issuance	\$ 218,702
Capitalized Interest	\$ 165,263
Other Soft Costs	<u>\$ 346,959</u>
Total Uses	\$11,688,871

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: 73 out of 128

[See Attachment #A]

Recommendation:

Staff recommends that the Committee approve \$5,650,000 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	20
Exceeding Minimum Income Restrictions: Non-Mixed Income Project Mixed Income Project	35	15	30
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	0
Community Revitalization Area	15	15	5
Site Amenities	10	10	5
Service Amenities	10	10	5
Sustainable Building Methods	8	8	3
New Construction	10	10	0
Negative Points	NA	NA	N/A
Total Points	128	108	73

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.