

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 26, 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 \$2,700,000

Project Name: 525 Orange Apartments
Project Address: 525 Orange Avenue
Project City, County, Zip Code: Coronado, San Diego, 92118

Project Sponsor Information:
Name: San Diego Interfaith Housing Corporation
Principals: Matthew B. Jumper

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: Not applicable
Credit Enhancement Provider: Not applicable
Private Placement Purchaser: Red Capital Community Development Company, LLC
TEFRA Hearing: June 19, 2007

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 16, with no manager unit
Type: Acquisition and Rehabilitation
Type of Units: Family

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
100% (16 units) restricted to 50% or less of area median income households.
Unit Mix: Studio, 1 and 2 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$5,591,431
Estimated Hard Costs per Unit:	\$ 127,891 (\$2,046,263/16 units)
Estimated per Unit Cost:	\$ 349,464 (\$5,591,431/16 units)
Allocation per Unit:	\$ 168,750 (\$2,700,000/16 units)
Allocation per Restricted Rental Unit:	\$ 168,750 (\$2,700,000/16 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$2,700,000	\$ 0
Deferred Developer Fee	\$ 0	\$ 98,059
LIH Tax Credit Equity	\$ 655,290	\$1,866,306
Direct & Indirect Public Funds	<u>\$1,892,141</u>	<u>\$3,627,066</u>
Total Sources	\$5,247,431	\$5,591,431

Uses of Funds:	
Land Purchase	\$1,575,743
On-Site & Off-Site Costs	\$ 277,175
Hard Construction Costs	\$1,769,088
Architect & Engineering Fees	\$ 329,600
Contractor Overhead & Profit	\$ 130,912
Developer Fee	\$ 565,000
Relocation	\$ 237,367
Cost of Issuance	\$ 147,970
Capitalized Interest	\$ 122,250
Other Soft Costs	<u>\$ 436,326</u>
Total Uses	\$5,591,431

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: 83 out of 128
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$2,700,000 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	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	10
Service Amenities	10	10	5
Sustainable Building Methods	8	8	8
New Construction	10	10	0
Negative Points	NA	NA	NA
Total Points	128	108	83

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.