

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 5, 2007
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Crystal Alvarez.

Applicant: California Statewide Communities Development Agency

Allocation Amount Requested: Tax-exempt \$15,190,000

Project Name: **Campus Pointe Apartments**
Project Address: N. Chestnut Avenue and E. Shaw Avenue
Project City, County, Zip Code: Fresno, Fresno, 93725

Project Sponsor Information:
Name: C Pointe Market Associates, L.P. (Apartment Renovation Group XVIII, LLC, Kashian Enterprises, L.P., Professional Constructors, Inc.)
Principals: David W. Fisher, Edward M. Kashian, Alan Friis, Rick Churchill, Brenda Friis

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Citigroup Global Markets, Inc.
TEFRA Hearing: October 23, 2007

Description of Proposed Project:
State Ceiling Pool: Mixed Income
Total Number of Units: 143, plus 1 manager unit
Type: New Construction
Type of Units: Family

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 20%
20% (29 units) restricted to 50% or less of area median income households;
Unit Mix: 1 and 2 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$18,898,000
Estimated Hard Costs per Unit:	\$ 110,027 (\$15,734,000/143 units)
Estimated per Unit Cost:	\$ 132,154 (\$18,898,000/143 units)
Allocation per Unit:	\$ 106,223 (\$15,190,000/143 units)
Allocation per Restricted Rental Unit:	\$ 523,793 (\$15,190,000/29 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$15,190,000	\$15,190,000
Developer Equity	<u>\$ 3,708,000</u>	<u>\$ 3,708,000</u>
Total Sources	\$18,898,000	\$18,898,000

Uses of Funds:	
Land Purchase	\$ 40,000
On-Site & Off-Site Costs	\$ 1,150,000
Hard Construction Costs	\$14,584,000
Architect & Engineering Fees	\$ 175,000
Contractor Overhead & Profit	\$ 1,120,000
Cost of Issuance	\$ 500,000
Capitalized Interest	\$ 650,000
Other Soft Costs	<u>\$ 679,000</u>
Total Uses	\$18,898,000

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: 51.5 out of 108

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$15,190,000 in tax-exempt bond allocation on a carryforward basis.

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	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	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	2.5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	0
Total Points	128	108	51.5

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.