

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
March 26, 2008
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Crystal Alvarez.

Applicant: Housing Authority of the City of Fresno

Allocation Amount Requested: Tax-exempt \$6,000,000

Project Name: Yosemite Village Apartments
Project Address: 811 W. California Avenue
Project City, County, Zip Code: Fresno, Fresno, 93706

Project Sponsor Information:
Name: YEC L.P. (Silvercrest, Inc. and Housing Authority of the City of Fresno)
Principals: Kay Koelsch, Rueben Scott, Preston Prince, John Paul Youel, Morris Kyle, Aaron Osborne and William Leifer,

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: PNC Bank, N.A.
TEFRA Hearing: July 17, 2007

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 68, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Family / Hope VI

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
10% (7 units) restricted to 50% or less of area median income households; and
90% (61 units) restricted to 60% or less of area median income households.
Unit Mix: 1, 2, 3 and 4 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$11,031,122
Estimated Hard Costs per Unit:	\$ 66,032 (\$4,160,152/35 new units) (\$330,000/33 rehab units)
Estimated per Unit Cost:	\$ 162,222 (\$11,031,122/68 units)
Allocation per Unit:	\$ 88,235 (\$6,000,000/68 units)
Allocation per Restricted Rental Unit:	\$ 88,235 (\$6,000,000/68 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 6,000,000	\$ 825,000
Developer Equity	\$ 864,799	\$ 0
LIH Tax Credit Equity	\$ 963,868	\$ 3,212,894
Waiver of School Impact Fees	\$ 0	\$ 93,228
Direct & Indirect Public Funds	<u>\$ 3,202,455</u>	<u>\$ 6,900,000</u>
Total Sources	\$11,031,122	\$11,031,122

Uses of Funds:	
Land Purchase	\$ 2,500,000
On-Site & Off-Site Costs	\$ 734,252
Hard Construction Costs	\$ 3,755,900
Architect & Engineering Fees	\$ 480,000
Contractor Overhead & Profit	\$ 384,356
Developer Fee	\$ 864,799
Cost of Issuance	\$ 80,000
Capitalized Interest	\$ 200,000
Other Soft Costs	<u>\$ 2,031,815</u>
Total Uses	\$11,031,122

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: 90.5 out of 128

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$6,000,000 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	25
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	5
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	7.5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	8
New Construction	10	10	0
Negative Points	NA	NA	NA
Total Points	128	108	90.5

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.