

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: ABAG Finance Authority for Nonprofit Corporation

Allocation Amount Requested: Tax-exempt \$5,567,517

Project Name: Belovida Santa Clara
Project Address: 1828-1878 Main Street
Project City, County, Zip Code: Santa Clara, Santa Clara, 95050

Project Sponsor Information:
Name: Belovida Santa Clara, L.P. (Core Belovida, LLC and Charities Belovida, LLC)
Principals: David E. Neale and Chris Block

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporations, LLP
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: California Bank & Trust
TEFRA Hearing: February 12, 2008

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 27, plus 1 manager unit
Type: New Construction
Type of Units: Senior

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
100% (27 units) restricted to 50% or less of area median income households; and

Unit Mix: 1 bedroom

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$10,813,023
Estimated Hard Costs per Unit:	\$ 249,796 (\$6,744,482/27 units)
Estimated per Unit Cost:	\$ 400,482 (\$10,813,023/27 units)
Allocation per Unit:	\$ 206,204 (\$5,567,517/27 units)
Allocation per Restricted Rental Unit:	\$ 206,204 (\$5,567,517/27 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$5,567,517	\$ 464,000
LIH Tax Credit Equity	\$ 117,103	\$ 4,909,023
Direct & Indirect Public Funds	<u>\$3,985,981</u>	<u>\$ 5,440,000</u>
Total Sources	\$9,670,601	\$10,813,023

Uses of Funds:	
Land Purchase	\$ 92,000
On-Site & Off-Site Costs	\$ 116,500
Hard Construction Costs	\$ 6,627,982
Architect & Engineering Fees	\$ 510,000
Contractor Overhead & Profit	\$ 500,225
Developer Fee	\$ 1,088,518
Cost of Issuance	\$ 100,900
Capitalized Interest	\$ 356,273
Other Soft Costs	<u>\$ 1,420,625</u>
Total Uses	\$10,813,023

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: 88 out of 128
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$5,567,517 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	3
New Construction	10	10	10
Negative Points	NA	NA	NA
Total Points	128	108	88

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.