

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 Sarah Lester.

Applicant: ABAG Finance Authority for Nonprofit Corporations

Allocation Amount Requested: Tax-exempt \$13,500,000

Project Name: **Vintage Square at Westpark Senior Apartments**
Project Address: 2351 Wharton Lane
Project City, County, Zip Code: Roseville, Placer, 95747

Project Sponsor Information:
Name: Westpark Seniors, LP (USA Properties Fund, Inc. and
Riverside Charitable Corporation)
Principals: Geoffrey C. Brown, Edward R. Herzog, Michael J.
McCleery, Karen McCurdy, Kenneth S. Robertson,
Penny M. LaRue, Trisha Hockings and Stewart Hall

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: U.S. Bank National Association
TEFRA Hearing: February 6, 2008

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 150, plus 2 manager unit's
Type: New Construction
Type of Units: Senior

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
50% (75 units) restricted to 50% or less of area median income households; and
50% (75 units) restricted to 60% or less of area median income households.
Unit Mix: 1 and 2 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$22,498,600
Estimated Hard Costs per Unit:	\$ 95,131 (\$14,269,589/150 units)
Estimated per Unit Cost:	\$ 149,991 (\$22,498,600/150 units)
Allocation per Unit:	\$ 90,000 (\$13,500,000/150 units)
Allocation per Restricted Rental Unit:	\$ 90,000 (\$13,500,000/150 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$13,500,000	\$ 6,800,000
Developer Note	\$ 0	\$ 900,000
LIH Tax Credit Equity	\$ 3,723,711	\$ 9,309,278
Direct & Indirect Public Funds	\$ 1,500,000	\$ 1,500,000
Other (Master Dev. Subsidy)	<u>\$ 0</u>	<u>\$ 3,989,322</u>
Total Sources	\$18,723,711	\$22,498,600

Uses of Funds:	
On-Site & Off-Site Costs	\$ 1,875,261
Hard Construction Costs	\$12,394,328
Architect & Engineering Fees	\$ 767,000
Contractor Overhead & Profit	\$ 643,931
Developer Fee	\$ 1,500,000
Cost of Issuance	\$ 160,000
Capitalized Interest	\$ 632,813
Other Soft Costs	<u>\$ 4,525,267</u>
Total Uses	\$22,498,600

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: 69.1 out of 128
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$13,500,000 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]	0
Large Family Units	5	5	0
Leveraging	10	10	7.1
Community Revitalization Area	15	15	0
Site Amenities	10	10	0
Service Amenities	10	10	10
Sustainable Building Methods	8	8	2
New Construction	10	10	10
Negative Points	NA	NA	0
Total Points	128	108	69.1

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.