

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: California Municipal Finance Authority

Allocation Amount Requested: Tax-exempt \$5,762,000

Project Name: Rohlffs Concordia Manor Apartments
Project Address: 2400 Fair Drive
Project City, County, Zip Code: Napa, Napa, 94558

Project Sponsor Information:
Name: Rohlffs Manor Associates I, LP (EAH Bay Area Community, LLC)
Principals: JoAnne Fabian, Mary Murtagh and Matt Steinle

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Union Bank of California, N.A.
TEFRA Hearing: February 19, 2008

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 145, plus 1 manager's unit
Type: Acquisition and Rehabilitation
Type of Units: Senior

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
60% (87 units) restricted to 50% or less of area median income households; and
40% (58 units) restricted to 60% or less of area median income households.
Unit Mix: Studio, 1 and 2 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$8,405,490
Estimated Hard Costs per Unit:	\$ 16,544 (\$2,398,887/145 units)
Estimated per Unit Cost:	\$ 57,969 (\$8,405,490/145 units)
Allocation per Unit:	\$ 39,738 (\$5,762,000/145 units)
Allocation per Restricted Rental Unit:	\$ 39,738 (\$5,762,000/145 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$5,762,000	\$4,829,880
Developer Equity	\$ 251,000	\$ 251,000
LIH Tax Credit Equity	\$ 264,506	\$2,631,760
Direct & Indirect Public Funds	\$ 392,000	\$ 392,000
Other	<u>\$ 300,850</u>	<u>\$ 300,850</u>
Total Sources	\$6,970,356	\$8,405,490

Uses of Funds:	
Acquisition Cost	\$2,315,000
On-Site & Off-Site Costs	\$ 10,000
Hard Construction Costs	\$2,388,887
Architect & Engineering Fees	\$ 380,000
Contractor Overhead & Profit	\$ 319,029
Developer Fee	\$ 707,854
Relocation	\$ 105,200
Cost of Issuance	\$ 189,310
Capitalized Interest	\$ 263,287
Other Soft Costs (Marketing, etc.)	<u>\$1,726,923</u>
Total Uses	\$8,405,490

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: 62.5 out of 128

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$5,762,000 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	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	2.5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	0
New Construction	10	10	0
Negative Points	NA	NA	0
Total Points	128	108	62.5

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.