

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**May 28, 2008**  
**Staff Report**  
***REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A***  
***QUALIFIED RESIDENTIAL RENTAL PROJECT***

*Prepared by Richard C. Fischer .*

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**Applicant:** California Statewide Communities Development Authority

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**Allocation Amount Requested:** Tax-exempt \$17,100,000

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**Project Name:** Woodside Apartments  
**Project Address:** 2557 Alvin Avenue  
**Project City, County, Zip Code:** San Jose, Santa Clara, 95121

The proposed Project is located in a Community Revitalization Area, more specifically the West Evergreen Redevelopment Project Area.

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**Project Sponsor Information:**

**Name:** Woodside SJC LP (Woodside SJC MGP LLC and Woodside SJC COGP LLC [KDF])  
**Principals:** Jonathan B. Webb and William W. Hirsch for Woodside SJC -MGP, LLC; Mark E. Hyatt, Fruchbom Investment Trust, Fruchbom Trust, Chris M. Burns, Heidi K. Bass, JC Wartell Nongrantor Trust, RT Harper Nongrantor Trust, Wartell Children Nongrantor Trust and RK Leach Investments, Inc. for Woodside SJC, COGP LLC.,

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**Project Financing Information:**

**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Citibank, N.A.  
**Credit Enhancement Provider:** Citibank, N.A.  
**TEFRA Hearing:** April 28, 2008

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**Description of Proposed Project:**

**State Ceiling Pool:** General  
**Total Number of Units:** 105, plus 1 manager unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Family

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**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project: 100%**  
10% (11 units) restricted to 50% or less of area median income households; and  
90% (94 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1- and 2-bedrooms

**Term of Restrictions:** 55 years

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<b>Estimated Total Development Cost:</b>	\$23,516,435
<b>Estimated Hard Costs per Unit:</b>	\$ 18,347 (\$1,926,466/105 units)
<b>Estimated per Unit Cost:</b>	\$ 223,966 (\$23,516,435/105 units)
<b>Allocation per Unit:</b>	\$ 162,857 (\$17,100,000/105 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 162,857 (\$17,100,000/105 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$17,100,000	\$15,100,000
Deferred Developer Fee	\$ 0	\$ 1,983,007
LIH Tax Credit Equity	\$ 3,350,976	\$ 6,433,428
Direct & Indirect Public Funds	<u>\$ 0</u>	<u>\$ 0</u>
Total Sources	\$20,450,976	\$23,516,435

<b>Uses of Funds:</b>	
Acquisition Cost	\$16,632,500
Hard Construction Costs	\$ 1,926,466
Architect & Engineering Fees	\$ 35,000
Contractor Overhead & Profit	\$ 165,126
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 718,425
Capitalized Interest	\$ 846,196
Other Soft Costs	<u>\$ 692,722</u>
Total Uses	\$23,516,435

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**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.

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**Total Points:** 60.5 out of 128  
[See Attachment A]

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**Recommendation:**

Staff recommends that the Committee approve \$17,100,000 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	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	0
Leveraging	10	10	0
Community Revitalization Area	15	15	15
Site Amenities	10	10	7.5
Service Amenities	10	10	5
Sustainable Building Methods	8	8	3
New Construction	10	10	0
Negative Points	NA	NA	NA
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>60.5</b>

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.