

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 Brady Hill

Applicant: Housing Authority of the County of Riverside

Allocation Amount Requested: Tax-exempt \$11,200,000

Project Name: Mission Village Senior Apartments
Project Address: 8989 Mission Boulevard
Project City, County, Zip Code: Riverside, Riverside, 92509

Project Sponsor Information:

Name: Mission Village Senior Apartments, L.P.
(Southern California Housing Development Corporation of the Inland Empire and Workforce Homebuilders LLC)
Principals: Rebecca F. Clark, Rick Whittingham for Southern California Housing Development Corporation of the Inland Empire; D. Anthony Mize for Workforce Homebuilders LLC

Project Financing Information:

Bond Counsel: Stradling, Yocca, Carlson & Rauth
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: U.S Bank National Association
TEFRA Hearing: March 18, 2008

Description of Proposed Project:

State Ceiling Pool: General
Total Number of Units: 101, plus 1 manager unit
Type: New Construction
Type of Units: Senior

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
59% (60 units) restricted to 50% or less of area median income households; and
41% (41 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:	\$20,224,843
Estimated Hard Costs per Unit:	\$ 110,855 (\$11,196,400/101 units)
Estimated per Unit Cost:	\$ 200,246 (\$20,224,843/101 units)
Allocation per Unit:	\$ 110,891 (\$11,200,000/101 units)
Allocation per Restricted Rental Unit:	\$ 110,891 (\$11,200,000/101 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$11,200,000	\$ 2,884,680
Deferred Developer Fee	\$ 0	\$ 200,000
LIH Tax Credit Equity	\$ 3,571,237	\$ 7,142,473
AHP Subsidy	\$ 0	\$ 754,357
Direct & Indirect Public Funds	<u>\$ 4,317,079</u>	<u>\$ 9,243,334</u>
Total Sources	\$19,088,316	\$20,224,844

Uses of Funds:	
New Construction	\$15,112,648
Architectural	\$ 662,423
Survey & Engineering	\$ 35,000
Contingency Costs	\$ 843,132
Construction Period Expenses	\$ 448,000
Permanent Financing Expenses	\$ 136,540
Legal Fees	\$ 115,000
Capitalized Reserves	\$ 216,341
Reports & Studies	\$ 29,000
Developer Costs	\$ 1,400,000
Other	<u>\$ 1,226,759</u>
Total Uses	\$20,224,843

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: 85.7 out of 128
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$11,200,000 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]	3.7
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	7
New Construction	10	10	10
Negative Points	NA	NA	0
Total Points	128	108	85.7

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.