

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 16, 2008
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Richard C. Fischer .

Applicant: California Municipal Finance Authority

Allocation Amount Requested: Tax-exempt \$15,500,000

Project Name: **Altenheim Senior Housing Phase II Apartments**
Project Address: 1720 MacArthur Boulevard
Project City, County, Zip Code: Oakland, Alameda, 94602

Project Sponsor Information:
Name: New Altenheim Partners, L.P. (Altenheim Housing Corporation)
Principals: Daniel Lopez, James M. Buckley and Joanna Michel

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not applicable
Private Placement Purchaser: US Bank, N.A.
TEFRA Hearing: April 29, 2008

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 80, plus 1 manager unit
Type: New Construction
Type of Units: Senior/ Special Needs

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
100% (80 units) restricted to 50% or less of area median income households.
Unit Mix: Studio and 1- bedroom

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$26,495,920
Estimated Hard Costs per Unit:	\$ 184,502 (\$14,760,179/80 units)
Estimated per Unit Cost:	\$ 331,199 (\$26,495,920/80 units)
Allocation per Unit:	\$ 193,750 (\$15,500,000/80 units)
Allocation per Restricted Rental Unit:	\$ 193,750 (\$15,500,000/80 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$15,500,000	\$ 711,100
Developer Equity	\$ 0	\$ 1,200,000
Deferred Developer Fee	\$ 1,144,341	\$ 1,144,341
Deferred Costs to Permanent	\$ 1,578,873	\$ 0
LIH Tax Credit Equity	\$ 50,000	\$ 9,132,000
Direct & Indirect Public Funds	<u>\$ 8,222,706</u>	<u>\$14,308,479</u>
Total Sources	\$26,495,920	\$26,495,920

Uses of Funds:	
Land Purchase	\$ 2,312,069
On-Site & Off-Site Costs	\$ 695,784
Hard Construction Costs	\$14,064,395
Architect & Engineering Fees	\$ 1,391,266
Contractor Overhead & Profit	\$ 684,618
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 348,488
Capitalized Interest	\$ 620,954
Other Soft Costs	<u>\$ 3,878,346</u>
Total Uses	\$26,495,920

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: 90.5 out of 148

Recommendation:

Staff recommends that the Committee approve \$15,500,000 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
Exceeding Minimum Term of Restrictions	10	10	10
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	7.5
Service Amenities	10	10	5
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	NA
Total Points	148	128	90.5

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.