

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 \$6,300,000

Project Name: Amistad House Apartments
Project Address: 2050 Delaware Street
Project City, County, Zip Code: Berkeley, Alameda, 94709

Project Sponsor Information:
Name: Amistad House L.P. (Satellite Housing, Inc.)
Principals: Ryan Chao and Scott Smith

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Firm
Credit Enhancement Provider: Not applicable
Private Placement Purchaser: U.S. Bank N.A.
TEFRA Hearing: June 10, 2008

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 59, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Senior/Federally Assisted At-Risk

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
12% (7 units) restricted to 50% or less of area median income households; and
88% (52 units) restricted to 60% or less of area median income households.
Unit Mix: Studio and 1-bedroom

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$ 12,397,658
Estimated Hard Costs per Unit:	\$ 17,498 (\$1,032,383/59 units)
Estimated per Unit Cost:	\$ 210,130 (\$12,397,658/59 units)
Allocation per Unit:	\$ 106,780 (\$6,300,000/59 units)
Allocation per Restricted Rental Unit:	\$ 106,780 (\$6,300,000/59 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 6,300,000	\$ 3,822,718
Developer Equity	\$ 337,439	\$ 337,439
Deferred Developer Fee	\$ 611,938	\$ 611,938
LIH Tax Credit Equity	\$ 258,003	\$ 2,997,846
Seller-Note and Replacement Res.	<u>\$ 4,890,278</u>	<u>\$ 4,627,717</u>
Total Sources	\$12,397,658	\$12,397,658

Uses of Funds:	
Land Purchase	\$ 9,000,709
Hard Construction Costs	\$ 1,032,383
Architect & Engineering Fees	\$ 88,000
Contractor Overhead & Profit	\$ 73,736
Developer Fee	\$ 1,099,377
Cost of Issuance	\$ 220,102
Other Soft Costs (Marketing, etc.)	<u>\$ 883,351</u>
Total Uses	\$12,397,658

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: 84 out of 148
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$6,300,000 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	20
Exceeding Minimum Income Restrictions: Non-Mixed Income Project Mixed Income Project	35	15	26
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	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	10
Sustainable Building Methods	8	8	8
New Construction	10	10	0
Negative Points	NA	NA	NA
Total Points	148	128	84

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.