

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**September 24, 2008**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by: Richard Fischer*

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**Applicant:** City of Los Angeles

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**Allocation Amount Requested:** **Tax-exempt:** \$3,750,000

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**Project Information:**

**Name:** Tres Lomas Garden Apartments  
**Project Address:** 4343 Toland Way  
**Project City, County, Zip Code:** Los Angeles, Los Angeles, 90041

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**Project Sponsor Information:**

**Name:** Eagle Rock Senior Housing Partners, L.P. (National Community Renaissance of California)  
**Principals:** Jeffrey S. Burum, Rebecca F. Clark and Richard Whittingham

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**Project Financing Information:**

**Bond Counsel:** Kutak Rock LLP  
**Credit Enhancement Provider:** Not applicable  
**Private Placement Purchaser:** Housing Capital Company  
**TEFRA Hearing:** January 23, 2008

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**Description of Proposed Project:**

**State Ceiling Pool:** General  
**Total Number of Units:** 45, plus 1 manager's unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Senior Citizens/Federally Assisted At-Risk

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**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
96% (43 units) restricted to 50% or less of area median income households.  
4% (2 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 bedroom

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**Term of Restrictions:** 55 years

<b>Estimated Total Development Cost:</b>	\$7,233,388	
<b>Estimated Hard Costs per Unit:</b>	\$36,192	(\$1,628,652 / 45 units)
<b>Estimated per Unit Cost:</b>	\$160,742	(\$7,233,388 / 45 units)
<b>Allocation per Unit:</b>	\$83,333	(\$3,750,000 / 45 units)
<b>Allocation per Restricted Rental Unit:</b>	\$83,333	(\$3,750,000 / 45 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 3,750,000	\$ 801,000
Taxable Bond Proceeds	\$	\$
Developer Equity	\$	\$ 141,000
LIH Tax Credit Equity	\$ 865,064	\$ 1,831,357
Direct & Indirect Public Funds	\$ 2,225,251	\$ 3,988,570
Other (Seller Carry-back Note)	\$	\$ 471,461
<b>Total Sources</b>	<b>\$ 6,840,315</b>	<b>\$ 7,233,388</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 3,810,000
On & Off Site Costs	\$ 100,000
Hard Construction Costs	\$ 1,528,652
Architect & Engineering Fees	\$ 132,000
Contractor Overhead & Profit	\$ 71,584
Developer Fee	\$ 342,000
Relocation	\$ 316,616
Cost of Issuance	\$ 59,350
Capitalized Interest	\$ 147,938
Other Soft Costs	\$ 725,248
<b>Total Uses</b>	<b>\$ 7,233,388</b>

**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:** 100.5 out of 138  
[See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$3,750,000 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	35
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	0
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	10
Exceeding Minimum Term of Restrictions	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	7.5
Service Amenities	10	10	5
New Construction	10	10	0
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>100.5</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.