

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: Sarah Lester

Applicant: City of Los Angeles

Allocation Amount Requested: Tax-exempt: \$6,250,000

Project Information:

Name: Columbus Square Apartments
Project Address: 8557, 8561, 8565, 8601, 8605, 8609, 8613 Columbus Avenue
Project City, County, Zip Code: North Hills (Los Angeles), Los Angeles, 91343

Project Sponsor Information:

Name: Columbus Preservation, LP (Jamboree Housing and Columbus Preservation Partners, LLC)
Principals: Laura Archuleta for Jamboree Housing, William E. Szymczak and Jon LaLanne for Columbus Preservation Partners, LLC

Project Financing Information:

Bond Counsel: Kutak Rock LLP
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Union Bank of California, N.A.
TEFRA Hearing: August 13, 2008

Description of Proposed Project:

State Ceiling Pool: General
Total Number of Units: 63, plus 1 manager's unit
Type: Acquisition and Rehabilitation
Type of Units: Senior Citizens/Federally Assisted At-Risk

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
100% (63 units) restricted to 50% or less of area median income households.
0% (0 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:	\$11,746,727	
Estimated Hard Costs per Unit:	\$49,789	(\$3,136,685 / 63 units)
Estimated per Unit Cost:	\$186,456	(\$11,746,727 / 63 units)
Allocation per Unit:	\$99,206	(\$6,250,000 / 63 units)
Allocation per Restricted Rental Unit:	\$99,206	(\$6,250,000 / 63 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 6,250,000	\$ 2,500,000
Taxable Bond Proceeds	\$ 0	\$
Deferred Developer Fee	\$ 630,627	\$ 487,093
LIH Tax Credit Equity	\$ 2,516,100	\$ 3,559,634
Direct & Indirect Public Funds	\$ 2,350,000	\$ 5,200,000
Other	\$ 0	\$
Total Sources	\$ 11,746,727	\$ 11,746,727

Uses of Funds:	
Acquisition Costs	\$ 6,000,000
On & Off Site Costs	\$ 0
Hard Construction Costs	\$ 3,136,685
Architect & Engineering Fees	\$ 15,000
Contractor Overhead & Profit	\$ 202,511
Developer Fee	\$ 1,200,000
Relocation	\$ 347,920
Cost of Issuance	\$ 297,000
Capitalized Interest	\$ 225,000
Other Soft Costs	\$ 322,611
Total Uses	\$ 11,746,727

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: 95.5 out of 128

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$6,250,000 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	0
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	10
New Construction	10	10	0
Sustainable Building Methods	8	8	3
Negative Points	-10	-10	0
Total Points	128	108	95.5

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.