

**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 C. Fischer*

---

**Applicant:** California Statewide Communities Development Authority

---

**Allocation Amount Requested:** **Tax-exempt:** \$8,450,000

---

**Project Information:**

**Name:** New Hope Homes Apartments  
**Project Address:** 1150 New York Street  
**Project City, County, Zip Code:** Long Beach, Los Angeles, 90813

---

**Project Sponsor Information:**

**Name:** New Hope Home, L.P. (New Hope Home, Inc.)  
**Principals:** Reverend R.R. English, Alisha Wade and Debra English Johnson

---

**Project Financing Information:**

**Bond Counsel:** Orrick, Herrington and Sutcliff LLP  
**Underwriter:** Hutchinson, Shockey, Erley & Co.  
**Credit Enhancement Provider:** Centerline Capital Group-Freddie Mac  
**Private Placement Purchaser:** Not applicable  
**TEFRA Hearing:** August 19, 2008

---

**Description of Proposed Project:**

**State Ceiling Pool:** General  
**Total Number of Units:** 139, plus 1 manager's unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Senior Citizens/Federal At-Risk

---

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
20.1% (28 units) restricted to 50% or less of area median income households.  
79.9% (111 units) restricted to 60% or less of area median income households.  
**Unit Mix:** Studio and 1-bedroom

---

**Term of Restrictions:** 55 years

<b>Estimated Total Development Cost:</b>	\$17,246,728	
<b>Estimated Hard Costs per Unit:</b>	\$35,904	(\$4,990,720 / 139 units)
<b>Estimated per Unit Cost:</b>	\$124,077	(\$17,246,728 / 139 units)
<b>Allocation per Unit:</b>	\$60,791	(\$8,450,000 / 139 units)
<b>Allocation per Restricted Rental Unit:</b>	\$60,791	(\$8,450,000 / 139 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 8,450,000	\$ 4,217,453
Taxable Bond Proceeds	\$	\$
Deferred Developer Equity	\$	\$ 1,638,113
LIH Tax Credit Equity	\$ 2,806,728	\$ 5,401,162
Direct & Indirect Public Funds	\$	\$
Other( Owner Equity, Interest Income)	\$ 5,990,000	\$ 5,990,000
<b>Total Sources</b>	<u>\$ 17,246,728</u>	<u>\$ 17,246,728</u>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 7,530,000
Hard Construction Costs	\$ 4,990,720
Architect & Engineering Fees	\$ 151,750
Contractor Overhead & Profit	\$ 627,200
Developer Fee	\$ 2,030,951
Relocation	\$ 140,000
Cost of Issuance	\$ 541,484
Capitalized Interest	\$ 443,625
Other Soft Costs	\$ 790,998
<b>Total Uses</b>	<u>\$ 17,246,728</u>

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

**Recommendation:**

Staff recommends that the Committee approve \$8,450,000 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	30
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	0
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
<b>Total Points</b>	<b>128</b>	<b>0</b>	<b>85.5</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.