

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**December 3, 2008**  
**Staff Report**  
***REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A***  
***QUALIFIED RESIDENTIAL RENTAL PROJECT***

*Prepared by Brady Hill.*

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**Applicant:** San Francisco Redevelopment Agency

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**Allocation Amount Requested:** Tax-exempt \$24,000,000  
**PROJECT ORIGINALLY RECEIVED ALLOCATION ON JULY 16, 2008. APPLICANT REQUESTED AWARD BE DEFERRED TO DECEMBER 3 ALLOCATION MEETING**

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**Project Name:** Armstrong Place Senior Housing Apartments  
**Project Address:** 5600 Third Street  
**Project City, County, Zip Code:** San Francisco, San Francisco, 94124

The proposed Project is located in a Community Revitalization area, more specifically in the Bayview Hunters Point Project Area B.

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**Project Sponsor Information:**  
**Name:** BRIDGE Housing Corporation  
**Principals:** Carol Galante, Lydia Tan, Susan Johnson, D. Valentine

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**Project Financing Information:**  
**Bond Counsel:** Curls Bartling P.C. Attorneys at Law  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Wells Fargo Bank, N.A.  
**TEFRA Hearing:** May 29, 2008

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 115, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Senior

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project: 100%**  
100% (115 units) restricted to 50% or less of area median income households.  
**Unit Mix:** Studio and 1 bedrooms

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**Term of Restrictions:** 55 years

<b>Estimated Total Development Cost:</b>	\$38,159,914
<b>Estimated Hard Costs per Unit:</b>	\$234,024.00 ( \$26,912,729 / 115 units)
<b>Estimated per Unit Cost:</b>	\$331,825.00 ( \$38,159,914 / 115 units)
<b>Allocation per Unit:</b>	\$208,696.00 ( \$24,000,000 / 115 units)
<b>Allocation per Restricted Rental Unit:</b>	\$208,696.00 ( \$24,000,000 / restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$24,000,000	\$0
Developer Equity	\$1,646	\$1,646
LIH Tax Credit Equity	\$250,000	\$16,458,881
Direct & Indirect Public Funds	<u>\$11,964,187</u>	<u>\$21,699,387</u>
Total Sources	\$36,215,833	\$38,159,914

<b>Uses of Funds:</b>	
Land Purchase	\$5,228
On-Site & Off-Site Costs	\$998,449
Hard Construction Costs	\$25,914,280
Architect & Engineering Fees	\$1,547,520
Contractor Overhead & Profit	\$3,320,510
Developer Fee	\$1,400,000
Cost of Issuance	\$399,500
Capitalized Interest	\$1,205,968
Other Soft Costs	<u>\$3,368,459</u>
Total Uses	\$38,159,914

**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:** 113 of 138

[See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$24,000,000 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	10
Exceeding Minimum Term of Restrictions	10	10	10
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	15
Site Amenities	10	10	10
Service Amenities	10	10	0
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	0
<b>Total Points</b>	<b>138</b>	<b>118</b>	<b>113</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.