

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**March 25, 2009**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by: Brady Hill*

---

**Applicant:** California Statewide Communities Development Authority

---

**Allocation Amount Requested:**  
**Tax-exempt:** \$5,000,000

---

**Project Information:**  
**Name:** Moonlight Apartments f/k/a Ty Del I & II Apartments  
**Project Address:** 425 & 455 West Chestnut Street  
**Project City, County, Zip Code:** Dixon, Solano, 95620

---

**Project Sponsor Information:**  
**Name:** Moonlight Housing Partners, LP (Moonlight Housing Management, LLC and Hearthstone Housing Foundation)  
**Principals:** Stephen R. Whyte for Moonlight Housing Management, LLC; Socorro Vasquez and Juan Maldonado for Hearthstone Housing Foundation

---

**Project Financing Information:**  
**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Bonneville Multifamily / Lewiston State Bank  
**TEFRA Hearing:** February 10, 2009

---

**Description of Proposed Project:**  
**State Ceiling Pool:** Rural  
**Total Number of Units:** 55  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Family/Federally Assisted At-Risk

---

**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
20% (11 units) restricted to 50% or less of area median income households.  
80% (44 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 & 2 bedrooms

---

**Term of Restrictions:**  
**Income and Rent Restrictions:** 55 years

<b>Estimated Total Development Cost:</b>	\$	7,827,740	
<b>Estimated Hard Costs per Unit:</b>	\$	25,620	(\$1,409,094 /55 units)
<b>Estimated per Unit Cost:</b>	\$	142,323	(\$7,827,740 /55 units)
<b>Allocation per Unit:</b>	\$	90,909	(\$5,000,000 /55 units)
<b>Allocation per Restricted Rental Unit:</b>	\$	90,909	(\$5,000,000 /55 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 5,000,000	\$ 3,900,000
Deferred Developer Fee	\$ 232,325	\$ 232,325
LIH Tax Credit Equity	\$ 794,167	\$ 1,894,167
Direct & Indirect Public Funds	\$ 1,658,919	\$ 1,658,919
Other	\$ 142,329	\$ 142,329
<b>Total Sources</b>	<b>\$ 7,827,740</b>	<b>\$ 7,827,740</b>

<b>Uses of Funds:</b>	
Acquisition Cost	\$ 4,250,000
Hard Construction Costs	\$ 1,409,094
Contingency	\$ 148,638
Architect & Engineering Fees	\$ 20,000
Contractor Overhead & Profit	\$ 103,400
Developer Fee	\$ 865,161
Relocation	\$ 10,000
Cost of Issuance	\$ 185,500
Financing Placement	\$ 206,100
Capitalized Interest	\$ 49,508
Operating & Private RA Reserves	\$ 375,709
Other Soft Costs	\$ 204,630
<b>Total Uses</b>	<b>\$ 7,827,740</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:** 62.5 out of 128  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$5,000,000 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	10
Exceeding Minimum Income Restrictions:	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	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	7.5
Service Amenities	10	10	0
New Construction	10	10	0
Sustainable Building Methods	8	8	0
Negative Points	-10	-10	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>62.5</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.