

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 22, 2009
Staff Report
*REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT*

Prepared by: Crystal Alvarez

Applicant: California Municipal Finance Authority

Allocation Amount Requested:
Taxable: \$2,725,696

Project Information:
Name: Oakridge Apartments
Project Address: 10 Willowood Drive
Project City, County, Zip Code: Oakdale, Stanislaus, 95361

Project Sponsor Information:
Name: Oakridge Apartments, L.P. (Pacific Southwest Community Development Corporation and CIC Oakridge, LLC)
Principals: James J. Schmid, Robert Laing, Lynn Harrington Schmid and Tony Reyes

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Bonneville Mortgage Company
TEFRA Hearing Date: March 16, 2009

Description of Proposed Project:
State Ceiling Pool: Rural
Total Number of Units: 40, plus 0 manager units
Type: Acquisition and Rehalitation
Type of Units: Family/Federally Assisted At-Risk

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
70% (28 units) restricted to 50% or less of area median income households.
30% (12 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

Details of Project Financing:

Estimated Total Development Cost:	\$	5,481,241	
Estimated Hard Costs per Unit:	\$	21,089	(\$843,575 /40 units)
Estimated per Unit Cost:	\$	137,031	(\$5,481,241 /40 units)
Allocation per Unit:	\$	68,142	(\$2,725,696 /40 units)
Allocation per Restricted Rental Unit:	\$	68,142	(\$2,725,696 /40 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 2,725,696	\$ 1,361,470
Deferred Developer Fee	\$ 394,213	\$ 118,771
LIH Tax Credit Equity	\$ 1,083,332	\$ 1,403,000
Direct & Indirect Public Funds	\$ 1,278,000	\$ 2,598,000
Total Sources	\$ 5,481,241	\$ 5,481,241

Uses of Funds:	
Acquisition Costs	\$ 2,770,000
On & Off Site Costs	\$ 961,676
Relocation	\$ 199,982
Architectural	\$ 50,000
Survey & Engineering	\$ 14,500
Contingency Costs	\$ 126,170
Construction Period Expenses	\$ 274,185
Permanent Financing Expenses	\$ 185,298
Legal Fees	\$ 55,000
Capitalized Reserves	\$ 109,625
Reports & Studies	\$ 21,000
Other (Marketing, etc)	\$ 87,993
Developer Costs	\$ 625,812
Total Uses	\$ 5,481,241

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: 72.5 out of 128
 [See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$2,725,696 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	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
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	0
Negative Points	-10	-10	0
Total Points	128	108	72.5

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.