

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
September 23, 2009  
Staff Report  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A  
QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: Richard Fischer

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**Applicant:** Housing Authority of the County of Santa Barbara

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**Allocation Amount Requested:**  
**Tax-exempt:** \$6,600,000

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**Project Information:**  
**Name:** Aparicio Apartments (Scattered Site)  
**Project Addresses:** 332 Ellwood Beach, 127 Orange, 145 Orange, 301 Ellwood Beach, 120 Magnolia  
**Project City, County, Zip Code:** Goleta, Santa Barbara, 93117

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**Project Sponsor Information:**  
**Name:** Aparicio Community Apartments, L.P. (Housing Authority of the County of Santa Barbara and Surf Development Company)  
**Principals:** Frederick C. Lamont, Robert P. Havlicek for the Housing Authority of the County of Santa Barbara and Raymond F. Down, Barbara Hauter, Frederick C. Lamont and Robert P. Havlicek for Surf Development Company

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**Project Financing Information:**  
**Bond Counsel:** Quint & Thimmig LLP  
**Underwriter:** Not Applicable  
**Private Placement Purchaser:** US Bank National Association  
**TEFRA Hearing Date:** August 18, 2009

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 53, plus 1 manager unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Family

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
15% (8 units) restricted to 50% or less of area median income households.  
85% (45 units) restricted to 60% or less of area median income households.  
**Unit Mix:** Studio, 1 & 2 bedrooms

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

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$	13,432,613	
<b>Estimated Hard Costs per Unit:</b>	\$	54,057	(\$2,865,000 /53 units)
<b>Estimated per Unit Cost:</b>	\$	253,446	(\$13,432,613 /53 units)
<b>Allocation per Unit:</b>	\$	124,528	(\$6,600,000 /53 units)
<b>Allocation per Restricted Rental Unit:</b>	\$	124,528	(\$6,600,000 /53 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 6,600,000	\$ 2,250,000
Deferred Developer Fee	\$ 746,850	\$ 746,850
LIH Tax Credit Equity	\$ 937,439	\$ 3,124,797
Direct & Indirect Public Funds	\$ 5,148,324	\$ 7,310,966
<b>Total Sources</b>	<b>\$ 13,432,613</b>	<b>\$ 13,432,613</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 7,100,000
Hard Construction Costs	\$ 2,865,000
Architect & Engineering Fees	\$ 100,000
Contractor Overhead & Profit	\$ 385,000
Developer Fee	\$ 1,493,700
Cost of Issuance	\$ 200,000
Construction Contingency	\$ 250,000
Capitalized Interest	\$ 250,000
Other Soft Costs (Marketing, etc.)	\$ 788,913
<b>Total Uses</b>	<b>\$ 13,432,613</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:** 65 out of 118  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$6,600,000 in tax exempt bond allocation on a carryforward basis.  
 The CDLAC bond issuance deadline shall be 1) the project specific California Tax Credit Allocation Committee closing deadline for January 27, 2010 TCAP/Exchange awards or 2) August 25, 2010 for those applicants unsuccessful in obtaining a TCAP/Exchange award on January 27, 2010.

**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:	35	15	28
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	10
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	4
Service Amenities	10	10	0
New Construction	10	10	0
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>65</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.