

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: Crystal Alvarez

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**Applicant:** County of Orange

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**Allocation Amount Requested:**  
**Tax-exempt:** \$7,775,000

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**Project Information:**  
**Name:** Emerald Cove Senior Apartments  
**Project Address:** 18191 Parktree Circle  
**Project City, County, Zip Code:** Huntington Beach, Orange, 92648

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**Project Sponsor Information:**  
**Name:** Jamboree Housing Corporation  
**Principals:** Laura Archuleta, David Wood, Richard Amerian and Scott Darrell

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**Project Financing Information:**  
**Bond Counsel:** Stradling, Yocca, Carlson & Rauth  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** U.S. Bank National Association  
**TEFRA Hearing Date:** May 12, 2009

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 162, plus 2 manager units  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Senior Citizens

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
70% (114 units) restricted to 50% or less of area median income households.  
30% (48 units) restricted to 60% or less of area median income households.  
**Unit Mix:** Studio & 1 bedroom

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

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$	14,908,822	
<b>Estimated Hard Costs per Unit:</b>	\$	17,353	(\$2,811,184 /162 units)
<b>Estimated per Unit Cost:</b>	\$	92,030	(\$14,908,822 /162 units)
<b>Allocation per Unit:</b>	\$	47,994	(\$7,775,000 /162 units)
<b>Allocation per Restricted Rental Unit:</b>	\$	47,994	(\$7,775,000 /162 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 7,775,000	\$ 3,067,612
Developer Equity	\$ 265,171	\$ 265,171
LIH Tax Credit Equity	\$ 536,406	\$ 3,576,039
Direct & Indirect Public Funds	\$ 6,332,245	\$ 8,000,000
<b>Total Sources</b>	<b>\$ 14,908,822</b>	<b>\$ 14,908,822</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 8,040,000
Hard Construction Costs	\$ 2,811,184
Architect & Engineering Fees	\$ 250,000
Contractor Overhead & Profit	\$ 488,400
Developer Fee	\$ 775,000
Relocation	\$ 500,000
Cost of Issuance	\$ 369,309
Capitalized Interest	\$ 388,750
Other Soft Costs (Marketing, etc.)	\$ 1,286,179
<b>Total Uses</b>	<b>\$ 14,908,822</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:** 68 out of 118  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$7,775,000 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	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	0
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	10
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>118</b>	<b>98</b>	<b>68</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.