

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
December 16, 2009  
Staff Report  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A  
QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: Richard Fischer

---

**Applicant:** California Municipal Finance Authority

---

**Allocation Amount Requested:**  
**Tax-exempt:** \$25,000,000

---

**Project Information:**  
**Name:** Station District Family Housing Phase I  
**Project Address:** NW Corner of 11th Street and Cheeves Way  
**Project City, County, Zip Code:** Union City, Alameda, 94587

---

**Project Sponsor Information:**  
**Name:** To Be Formed Limited Partnership (Mid-Peninsula Housing Coalition)  
**Principals:** Matthew O. Franklin, C. Mark Battey, Richard Slaton and  
Therese A. Freeman

---

**Project Financing Information:**  
**Bond Counsel:** Quint & Thimmig LLP  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Union Bank of California, N.A.  
**TEFRA Hearing Date:** October 27, 2009

---

**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 99, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Family

---

**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
100% (99 units) restricted to 50% or less of area median income households.  
**Unit Mix:** 1, 2 & 3 bedrooms

---

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

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 43,897,560	
<b>Estimated Hard Costs per Unit:</b>	\$ 309,985	(\$30,688,544 /99 units)
<b>Estimated per Unit Cost:</b>	\$ 443,410	(\$43,897,560 /99 units)
<b>Allocation per Unit:</b>	\$ 252,525	(\$25,000,000 /99 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 252,525	(\$25,000,000 /99 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 25,000,000	\$ 6,864,000
Deferred Costs	\$ 1,199,726	\$ 0
LIH Tax Credit Equity	\$ 1,162,925	\$ 11,630,410
Direct & Indirect Public Funds	\$ 16,534,910	\$ 28,403,150
<b>Total Sources</b>	<b>\$ 43,897,561</b>	<b>\$ 46,897,560</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 1,655,283
On & Off Site Costs	\$ 1,456,984
Hard Construction Costs	\$ 29,231,560
Architect & Engineering Fees	\$ 1,050,000
Contractor Overhead & Profit	\$ 1,757,119
Developer Fee	\$ 1,400,000
Cost of Issuance	\$ 496,880
Capitalized Interest	\$ 376,427
Other Soft Costs (Marketing, etc.)	\$ 6,473,307
<b>Total Uses</b>	<b>\$ 43,897,560</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:** 118 out of 118  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$25,000,000 in tax exempt bond allocation on a carryforward basis.

**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]	10
Gross Rents	5	5	5
Large Family Units	5	5	5
Leveraging	10	10	10
Community Revitalization Area	15	15	15
Site Amenities	10	10	10
Service Amenities	10	10	10
New Construction	10	10	10
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>118</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.