

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
January 27, 2010  
Staff Report  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A  
QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: Brady Hill

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**Applicant:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**

**Tax-exempt:** \$17,570,000  
**Taxable:** \$3,000,000

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**Project Information:**

**Name:** Brookside Crossing Apartments  
**Project Address:** 5301 and 5322 Feather River Drive  
**Project City, County, Zip Code:** Stockton, San Joaquin, 95219

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**Project Sponsor Information:**

**Name:** To Be Formed California Limited Partnership  
(Fair Forty MT, LLC)  
**Principals:** David Fisher, Bart Robertson and Donnie Garibaldi

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**Project Financing Information:**

**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Hutchinson, Shockey, Erly & Co.  
**Credit Enhancement Provider:** East West Bank  
**Private Placement Purchaser:** Not Applicable  
**TEFRA Hearing Date:** June 23, 2009

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**Description of Proposed Project:**

**State Ceiling Pool:** Mixed Income  
**Total Number of Units:** 216, plus 2 manager units  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Family

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**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 20%  
20% (44 units) restricted to 50% or less of area median income households.  
**Unit Mix:** 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>	\$	24,626,960	
<b>Estimated Hard Costs per Unit:</b>	\$	10,139	(\$2,190,000 /216 units)
<b>Estimated per Unit Cost:</b>	\$	114,014	(\$24,626,960 /216 units)
<b>Allocation per Unit:</b>	\$	\$81,343	(\$17,570,000 /216 units)
<b>Allocation per Restricted Rental Unit:</b>	\$	399,318	(\$17,570,000 /44 restricted units)

<b>Sources of Funds:</b>	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 17,570,000	\$ 17,570,000
Taxable Bond Proceeds	\$ 3,000,000	\$ 3,000,000
Deferred Developer Fee	\$ 4,056,960	\$ 4,056,960
<b>Total Sources</b>	<b>\$ 24,626,960</b>	<b>\$ 24,626,960</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 18,300,000
Rehabilitation Costs	\$ 2,595,000
Survey & Engineering	\$ 10,000
Contingency Costs	\$ 130,000
Construction Period Expenses	\$ 2,499,255
Permanent Financing Expenses	\$ 947,955
Legal Fees	\$ 95,000
Reports & Studies	\$ 27,750
Other (Marketing, etc)	\$ 22,000
<b>Total Uses</b>	<b>\$ 24,626,960</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:** 50.1 out of 98

[See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$17,570,000 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	0
Exceeding Minimum Income Restrictions:	35	15	6
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	0
Large Family Units	5	5	0
Leveraging	10	10	6.1
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	8
Negative Points	-10	-10	0
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>50.1</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.