

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: John Weir

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**Applicant:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**  
**Tax-exempt:** \$2,808,171

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**Project Information:**  
**Name:** Orange Villas Apartments  
**Project Address:** 440-450 & 225 Orange Ave.  
**Project City, County, Zip Code:** Coronado, San Diego, 92118

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**Project Sponsor Information:**  
**Name:** San Diego Interfaith Housing Foundation  
**Principals:** Matthew B. Jumper

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**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Wells Fargo Bank, N.A.  
**TEFRA Hearing:** September 16, 2008

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 18 plus 0 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:** 100%  
67% (12 units) restricted to 50% or less of area median income households.  
33% (6 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>	\$	5,682,277	
<b>Estimated Hard Costs per Unit:</b>	\$	164,185	(\$2,955,331 /18 units)
<b>Estimated per Unit Cost:</b>	\$	315,682	(\$5,682,277 /18 units)
<b>Allocation per Unit:</b>	\$	156,010	(\$2,808,171 /18 units)
<b>Allocation per Restricted Rental Unit:</b>	\$	156,010	(\$2,808,171 /18 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 2,808,171	\$ 879,733
Deferred Developer Fee	\$ 635,280	\$ 71,764
LIH Tax Credit Equity	\$ 225,000	\$ 1,860,780
Direct & Indirect Public Funds	\$ 2,013,826	\$ 2,870,000
<b>Total Sources</b>	<b>\$ 5,682,277</b>	<b>\$ 5,682,277</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 20,000
On & Off Site Costs	\$ 690,000
Hard Construction Costs	\$ 2,265,331
Architect & Engineering Fees	\$ 522,000
Contractor Overhead & Profit	\$ 416,267
Developer Fee	\$ 690,018
Relocation	\$ 30,000
Cost of Issuance	\$ 122,500
Capitalized Interest	\$ 143,750
Other Soft Costs	\$ 782,411
<b>Total Uses</b>	<b>\$ 5,682,277</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:** 87.9 out of 118  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$2,808,171 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	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	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	10
Service Amenities	10	10	3.3
New Construction	10	10	6.6
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>87.9</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.