

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
May 26, 2010  
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:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**

**Tax-exempt:** \$241,185

The amount of allocation requested is supplemental to the \$4,318,815 of allocation the Project received on January 27, 2010.

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**Project Information:**

**Name:** Rolling Hills Apartments  
**Project Address:** 971-999 Las Tablas Drive  
**Project City, County, Zip Code:** Templeton, Sna Luis Obispo, 93405

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**Project Sponsor Information:**

**Name:** Peoples' Self Help Housing Corporation  
**Principals:** Jeannette Duncan, Scott Smith and Maura Shannon

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**Project Financing Information:**

**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Rabobank, N.A.  
**TEFRA Hearing Date:** November 11, 2009

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**Description of Proposed Project:**

**State Ceiling Pool:** Rural  
**Total Number of Units:** 52, plus 1 manager unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Family/Federally Assisted At-Risk

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**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
88% (46 units) restricted to 50% or less of area median income households.  
12% (6 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1, 2 & 3 bedrooms

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**Term of Restrictions:**

**Income and Rent Restrictions:** 55 years

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 9,645,261	
<b>Estimated Hard Costs per Unit:</b>	\$ 37,019	(\$1,925,000 /52 units)
<b>Estimated per Unit Cost:</b>	\$ 185,486	(\$9,645,261 /52 units)
<b>Allocation per Unit:</b>	\$ \$87,692	(\$241,185 /52 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 87,692	(\$241,185 /52 restricted units)

<b>Sources of Funds:</b>	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 4,560,000	\$ 1,254,000
Taxable Bond Proceeds	\$	\$
Deferred Developer Fee	\$	\$
LIH Tax Credit Equity	\$ 150,000	\$ 1,737,173
Direct & Indirect Public Funds	\$ 3,804,459	\$ 6,423,221
Other (Replacement Reserves Draw)	\$ 230,867	\$ 230,867
Total Sources	\$ 8,745,326	\$ 9,645,261

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 5,147,000
On & Off Site Costs	\$ 0
Hard Construction Costs	\$ 1,655,500
Architect & Engineering Fees	\$ 75,000
Contractor Overhead & Profit	\$ 269,500
Developer Fee	\$ 724,555
Relocation	\$ 60,000
Cost of Issuance	\$ 250,689
Capitalized Interest	\$ 377,794
Other Soft Costs	\$ 1,085,223
Total Uses	\$ 9,645,261

**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.

**Recommendation:**

Staff recommends that the Committee approve \$241,185 in tax exempt bond allocation.