

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 22, 2010
Staff Report
*REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT*

Prepared by: Brady Hill

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested:
Tax-exempt: \$7,032,000

Project Information:
Name: Campus Commons Apartments
Project Address: 16 Campus Drive
Project City, County, Zip Code: Arcadia, Los Angeles, 91007

Project Sponsor Information:
Name: Arcadia Campus Commons Associates, a California limited Partnership (Community Revitalization and Development Corporation and Arcadia Campus Commons Associates, LLC)
Principals: David Rutledge and Bert Meyer for Community Revitalization and Development Corporation; Michael J. Conway, Jr., Steven L. Froberg, Elizabeth Lane Davies and Katherine Bree Comstock for Arcadia Campus Commons Associates, LLC

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: US Bank National Association
Private Placement Purchaser: US Bank National Association
TEFRA Hearing Date: August 17, 2010

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 42, plus 1 manager unit
Type: New Construction
Type of Units: Senior Citizens

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
31% (13 units) restricted to 50% or less of area median income households.
69% (29 units) restricted to 60% or less of area median income households.
Unit Mix: 1 & 2 bedrooms

Term of Restrictions:
Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$ 12,462,371	
Estimated Hard Costs per Unit:	\$ 156,448	(\$6,570,810 /42 units)
Estimated per Unit Cost:	\$ 296,723	(\$12,462,371 /42 units)
Allocation per Unit:	\$ 167,429	(\$7,032,000 /42 units)
Allocation per Restricted Rental Unit:	\$ 167,429	(\$7,032,000 /42 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 7,032,000	\$ 2,212,550
Deferred Developer Fee	\$ 1,265,880	\$ 261,273
LIH Tax Credit Equity	\$ 964,491	\$ 3,088,548
Direct & Indirect Public Funds	\$ 3,200,000	\$ 6,900,000
Total Sources	\$ 12,462,371	\$ 12,462,371

Uses of Funds:	
Land Purchase	\$ 1,800,000
Hard Construction Costs	\$ 6,570,810
Architect & Engineering Fees	\$ 195,000
Contractor Overhead & Profit	\$ 468,000
Developer Fee	\$ 1,265,880
Cost of Issuance	\$ 35,000
Capitalized Interest	\$ 1,281,783
Other Soft Costs	\$ 845,898
Total Uses	\$ 12,462,371

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: 69.9 out of 118
 [See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$7,032,000 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]	6.9
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	0
New Construction	10	10	10
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
Total Points	118	98	69.9

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.