

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
November 17, 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:** \$32,587,016

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**Project Information:**  
**Name:** NoHo Senior Artists Colony Apartments  
**Project Address:** 10747 Magnolia Boulevard  
**Project City, County, Zip Code:** North Hollywood, Los Angeles, 91601

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**Project Sponsor Information:**  
**Name:** NoHo Senior Artists Colony, L.P. (Western Community Housing, Inc., NoHo Senior Artists Colony, LLC and John M. Huskey)  
**Principals:** Graham Epsley-Jones, Sandra Gibbons, David Connelly and Leanne Truofreh for Western Community Housing, Inc.; John M. Huskey, Kasey Burke, George Russo and Rutzel Castillo for NoHo Senior Artists Colony, LLC.

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**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Private Placement Purchaser:** Red Mortgage Capital, LLC for FHA/GNMA  
**TEFRA Hearing Date:** September 14, 2010

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**Description of Proposed Project:**  
**State Ceiling Pool:** Mixed Income  
**Total Number of Units:** 125, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Senior Citizens

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 22%  
22% (27 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>	\$ 42,569,186	
<b>Estimated Hard Costs per Unit:</b>	\$ 148,564	(\$18,570,454 /125 units)
<b>Estimated per Unit Cost:</b>	\$ 340,553	(\$42,569,186 /125 units)
<b>Allocation per Unit:</b>	\$ 260,696	(\$32,587,016 /125 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 1,206,927	(\$32,587,016 /27 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 32,587,016	\$ 32,587,016
Developer Equity	\$ 1,321,376	\$ 1,321,376
LIH Tax Credit Equity	\$ 412,159	\$ 2,060,794
Direct & Indirect Public Funds	\$ 6,600,000	\$ 6,600,000
Other (Deferred Developer Fee)	\$ 1,648,635	\$
<b>Total Sources</b>	<b>\$ 42,569,186</b>	<b>\$ 42,569,186</b>

<b>Uses of Funds:</b>	
Land Purchase	\$ 8,551,376
On & Off Site Costs	\$ 225,000
Hard Construction Costs	\$ 18,345,454
Architect & Engineering Fees	\$ 1,985,000
Contractor Overhead & Profit	\$ 2,176,883
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 1,949,538
Capitalized Interest	\$ 1,473,582
Other Soft Costs (Marketing, etc.)	\$ 5,362,353
<b>Total Uses</b>	<b>\$ 42,569,186</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:** 71 out of 98  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$32,587,016 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	5
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	15
Site Amenities	10	10	5
Service Amenities	10	10	10
New Construction	10	10	10
Sustainable Building Methods	8	8	0
Negative Points	-10	-10	0
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>71</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.