

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 15, 2010
Staff Report
*REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT*

Prepared by: Richard Fischer

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested:
Tax-exempt: \$22,000,000

Project Information:
Name: La Vida at Campus Pointe
Project Address: 3143 East Maotian Way
Project City, County, Zip Code: Fresno, Fresno, 93710

Project Sponsor Information:
Name: C Pointe Senior Associates, L.P. (Apartment Renovation Group XIX, LLC; Kashian Enterprises, L.P.; Michael Milhaupt)
Principals: David W. Fisher, Edward M. Kashian, Jeanne C. Kashian and Michael Mihaupt

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: Hutchinson Shockley, Erly & Co.
Credit Enhancement Provider: Bank of the West
Private Placement Purchaser: Not Applicable
TEFRA Hearing Date: June 24, 2010

Description of Proposed Project:
State Ceiling Pool: Mixed Income
Total Number of Units: 137, with no manager units
Type: New Construction
Type of Units: Senior Citizens

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 20%
20% (28 units) restricted to 50% 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:	\$ 24,509,000	
Estimated Hard Costs per Unit:	\$ 103,620	(\$14,196,000 /137 units)
Estimated per Unit Cost:	\$ 178,898	(\$24,509,000 /137 units)
Allocation per Unit:	\$ 160,584	(\$22,000,000 /137 units)
Allocation per Restricted Rental Unit:	\$ 785,714	(\$22,000,000 /28 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 22,000,000	\$ 22,000,000
Developer Equity	\$ 2,509,000	\$ 2,509,000
Total Sources	\$ 24,509,000	\$ 24,509,000

Uses of Funds:	
Land Purchase	\$ 0
On & Off Site Costs	\$ 1,500,000
Hard Construction Costs	\$ 12,696,000
Architect & Engineering Fees	\$ 1,230,000
Contractor Overhead & Profit	\$ 1,250,000
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 600,000
Capitalized Interest	\$ 600,000
Other Soft Costs	\$ 4,133,000
Total Uses	\$ 24,509,000

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: 51.5 out of 98
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$22,000,000 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	5
Large Family Units	5	5	0
Leveraging	10	10	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	2.5
Service Amenities	10	10	10
New Construction	10	10	10
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
Total Points	118	98	51.5

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.