

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
January 26, 2011
Staff Report
*REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT*

Prepared by: Sarah Lester

Applicant: City of Los Angeles

Allocation Amount Requested:
Tax-exempt: \$9,600,000

Project Information:
Name: NoHo Senior Villas Apartments
Project Address: 5525-5525 1/2, 5529,5535-5539 Klump Avenue
Project City, County, Zip Code: North Hollywood, Los Angeles, 91601

Project Sponsor Information:
Name: NoHo Senior Villas, LP (Clifford Beers Housing, Inc. and Path Ventures)
Principals: James Bonar (for Clifford Beers Housing, Inc.) and John Molloy (for Path Ventures)

Project Financing Information:
Bond Counsel: Kutak Rock LLP
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Citibank, N.A.
TEFRA Hearing Date: December 17, 2010

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 48, plus 1 manager unit
Type: New Construction
Type of Units: Senior Citizens/Special Needs

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
73% (35 units) restricted to 50% or less of area median income households.
27% (13 units) restricted to 60% or less of area median income households.
Unit Mix: 1 bedroom

Term of Restrictions:
Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$ 17,618,001	
Estimated Hard Costs per Unit:	\$ 151,719	(\$7,282,519 /48 units)
Estimated per Unit Cost:	\$ 367,042	(\$17,618,001 /48 units)
Allocation per Unit:	\$ 200,000	(\$9,600,000 /48 units)
Allocation per Restricted Rental Unit:	\$ 200,000	(\$9,600,000 /48 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 9,600,000	\$ 0
Deferred Developer Fee	\$ 100	\$ 100
LIH Tax Credit Equity	\$ 955,000	\$ 4,754,711
Direct & Indirect Public Funds	\$ 4,991,955	\$ 11,677,690
Other	\$ 2,070,946	\$ 1,185,500
Total Sources	\$ 17,618,001	\$ 17,618,001

Uses of Funds:	
Land Purchase	\$ 2,130,000
On & Off Site Costs	\$ 314,058
Hard Construction Costs	\$ 6,968,461
Architect & Engineering Fees	\$ 841,000
Contractor Overhead & Profit	\$ 580,737
Developer Fee	\$ 1,869,100
Cost of Issuance	\$ 313,600
Capitalized Interest	\$ 773,100
Other Soft Costs	\$ 3,827,945
Total Uses	\$ 17,618,001

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: 87.5 out of 118
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$9,600,000 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	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	7.5
Service Amenities	10	10	5
New Construction	10	10	10
Sustainable Building Methods	8	8	5
Negative Points	-10	-10	0
Total Points	118	98	87.5

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.