

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
May 18, 2011  
Staff Report  
*REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A  
QUALIFIED RESIDENTIAL RENTAL PROJECT*

*Prepared by: Crystal Alvarez*

---

**Applicant:** California Statewide Communities Development Authority

---

**Allocation Amount Requested:**  
**Tax-exempt:** \$5,000,000

---

**Project Information:**  
**Name:** Madera Family Apartments  
**Project Address:** 100 Stadium Road  
**Project City, County, Zip Code:** Madera, Madera, 93637

---

**Project Sponsor Information:**  
**Name:** 100 Stadium Road, L.P. (Corporation for Better Housing)  
**Principals:** Gwendy Silver Egnater, David Sclafani and Robb Tidd

---

**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Private Placement Purchaser:** Hunt Capital Partners, LLC  
**TEFRA Hearing Date:** April 6, 2011

---

**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 39, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Family

The Madera Family Apartments will be located on 2.5 acre parcel along Stadium Road. The project will be located in two 2-story buildings and will include parking spaces for both residents and visitors.

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
100% (39 units) restricted to 50% or less of area median income households.  
**Unit Mix:** 1, 2 & 3 bedrooms

The planned development will include 16 one-bedroom units, 11 two-bedroom units and 12 three-bedroom units. The development will also have an approximate 1,500 square foot community room open to the residents of the development. The project is within close proximity to public transportation and Madera South High School.

**Term of Restrictions:**

**Income and Rent Restrictions:** 55 years

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 9,061,503	
<b>Estimated Hard Costs per Unit:</b>	\$ 137,889	(\$5,377,685 /39 units)
<b>Estimated per Unit Cost:</b>	\$ 232,346	(\$9,061,503 /39 units)
<b>Allocation per Unit:</b>	\$ 128,205	(\$5,000,000 /39 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 128,205	(\$5,000,000 /39 restricted units)

<b>Sources of Funds:</b>	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 5,000,000	\$ 503,191
Developer Equity	\$ 0	\$ 292,299
LIH Tax Credit Equity	\$ 344,526	\$ 2,866,013
Direct & Indirect Public Funds	\$ 3,300,000	\$ 5,400,000
Total Sources	\$ 8,644,526	\$ 9,061,503

<b>Uses of Funds:</b>	
Land Purchase	\$ 350,000
On & Off Site Costs	\$ 1,337,288
Hard Construction Costs	\$ 4,040,397
Architect & Engineering Fees	\$ 278,000
Contractor Overhead & Profit	\$ 398,236
Developer Fee	\$ 785,000
Cost of Issuance	\$ 72,711
Other Soft Costs (Marketing)	\$ 1,799,871
Total Uses	\$ 9,061,503

**Description of Financial Structure and Bond Issuance:**

Hunt Capital Partners, LLC will purchase the \$5,000,000 bond issuance through a private placement. Additional construction financing sources are a \$3,300,000 City of Madera State Home loan and Tax Credit Equity investment from Hunt Capital of \$344,526. The mortgage interest note evidencing the permanent loan will be unrated and carry a 6.5% fixed interest rate and will be amortized over 30 years. The balance of the development costs will be funded from the tax credit equity, City of Madera State Home Loan, Federal Home Loan and the deferred developers fee.

---

**Analyst Comments:**

Not Applicable

---

**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:** 86.3 out of 118

[See Attachment A]

---

**Recommendation:**

Staff recommends that the Committee approve \$5,000,000 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	35
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	8.3
Gross Rents	5	5	5
Large Family Units	5	5	5
Leveraging	10	10	10
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
<b>Total Points</b>	<b>118</b>	<b>98</b>	<b>86.3</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.