

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**September 26, 2012**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by: Richard Fischer*

---

**Applicant:** California Housing Finance Agency

---

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

---

**Project Information:**  
**Name:** Woodbridge Village Apartments  
**Project Address:** 727 Hunt Avenue  
**Project City, County, Zip Code:** St. Helena, Napa, 94574

---

**Project Sponsor Information:**  
**Name:** Woodbridge RAL, LP (Woodbridge RAL , Inc.)  
**Principals:** Matthew Locati  
**Property Management Company:** TerraCorp Financial, Inc.

---

**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** California Housing Finance Agency -HUD  
**Private Placement Purchaser:** US Treasury (NIBP)  
**TEFRA Hearing Date:** August 8, 2012

---

**Description of Proposed Project:**  
**State Ceiling Pool:** Rural  
**Total Number of Units:** 49, plus 1 manager unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Senior Citizens

The Project was originally built in 1978 and consists of 13 one and two-story (elevator served) buildings restricted to seniors 62 and older. The Project has 48 one-bedroom units and one two-bedroom unit. Common area amenities include a central laundry facility, community room/clubhouse, elevators, recreation area/craft room, community garden, courtyard, picnic area and an on-site manager.

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
20% (10 units) restricted to 50% or less of area median income households.  
80% (39 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 & 2 bedrooms

There are no service amenities.

**Term of Restrictions:**

**Income and Rent Restrictions:** 55 years

**Details of Project Financing:**

**Estimated Total Development Cost:** \$ 10,203,014  
**Estimated Hard Costs per Unit:** \$ 48,980 (\$2,400,000 /49 units)  
**Estimated per Unit Cost:** \$ 208,225 (\$10,203,014 /49 units)  
**Allocation per Unit:** \$ 142,857 (\$7,000,000 /49 units)  
**Allocation per Restricted Rental Unit:** \$ 142,857 (\$7,000,000 /49 restricted units)

<b>Sources of Funds:</b>	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 7,000,000	\$ 5,520,000
Taxable Bond Proceeds (Seller's Note)	\$ 800,000	\$ 800,000
Deferred Developer Fee	\$ 0	\$ 329,778
Developer Equity	\$ 100	\$ 100
LIH Tax Credit Equity	\$ 568,567	\$ 2,842,836
Direct & Indirect Public Funds	\$ 49,195	\$ 149,195
Other (Cash Flow & Existing Replacement Res.)	\$ 561,105	\$ 561,105
<b>Total Sources</b>	<b>\$ 8,978,967</b>	<b>\$ 10,203,014</b>

<b>Uses of Funds:</b>	
Acquisition/Land Purchase	\$ 4,600,000
Rehabilitation Costs	\$ 2,776,000
Architectural	\$ 150,000
Survey & Engineering	\$ 8,000
Contingency Costs	\$ 325,750
Construction Period Expenses	\$ 398,607
Permanent Financing Expenses	\$ 31,500
Legal Fees	\$ 125,000
Capitalized Reserves	\$ 440,000
Reports & Studies	\$ 28,000
Other	\$ 361,296
Developer Costs	\$ 958,861
<b>Total Uses</b>	<b>\$ 10,203,014</b>

---

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

The Project will be financed under CalHFA's 2012 Preservation Loan Program in conjunction with the agency's New Issue Bond Program and its HUD 542(c) (Risk Share).

---

**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:**

66.7 out of 130

[See Attachment A]

---

**Recommendation:**

Staff recommends that the Committee approve \$7,000,000 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	30
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	6.8
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	4.9
Community Revitalization Area	15	15	0
Site Amenities	10	10	10
Service Amenities	10	10	0
New Construction	10	10	0
Sustainable Building Methods	10	10	10
Negative Points	-10	-10	0
<b>Total Points</b>	<b>130</b>	<b>100</b>	<b>66.7</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.