

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
May 15, 2013

Consideration and Approval of Issuance Date Extensions for Various Qualified Residential Rental Projects
(Agenda Item No. 6)

ACTION:

Approve various Issuance Date Extensions for the following projects:

BACKGROUND:

12-0150 Moonlight Villas Apartments

The Moonlight Villas Apartments Project ("Project") received an allocation award through the City of Los Angeles Housing Department on December 12, 2012. The Project's original issuance deadline was March 22, 2013; which the Executive Director extended to the Committee meeting date of May 15, 2013.

The Project requests an extension of the allocation expiration date. The Project Sponsor hopes to receive a Tax Credit Allocation Committee reservation award on May 15, 2013. The extension will allow the Project Sponsor to finalize the selection of their tax credit equity investor and proceed to closing.

Allowing an initial extension of the current issuance date to August 13, 2013 will ensure the issuance of the bonds for the Project. If the issuance date is not extended, the Project will lose its allocation and the City of Los Angeles will lose the opportunity to build 26 units of family / special needs affordable housing.

12-155 2175 Market Street Apartments

The 2175 Market Street Apartments Project ("Project") received an allocation award through the City & County of San Francisco on December 12, 2012. The Project's original issuance deadline was April 2, 2013; which the Executive Director extended to the Committee meeting date of May 15, 2013.

The Project requests an extension of the allocation expiration date. The Project Sponsor has experienced a longer than anticipated underwriting review by the lender and requires the extended amount of time to close. The extension will allow the lender to complete the underwriting review for the Project.

Allowing an initial extension of the current issuance date to August 13, 2013 will ensure the issuance of the bonds for the Project. If the issuance date is not extended, the Project will lose its allocation and the City & County of San Francisco will lose the opportunity to build 87 units of affordable housing.

12-142 Park Village Apartments:

The Park Village Apartments Project ("Project") received an allocation award through the California Statewide Communities Development Authority on September 26, 2012. The Project's original issuance deadline was April 2, 2013; which the Executive Director extended to the Committee meeting date of May 15, 2013.

The Project Sponsor would like to request an extension to complete the financing for the Project. They are awaiting HUD's award of a new Project Based Voucher Contract in accordance with the RAD (Rental Assistance Demonstration) program that will convert their current Multifamily Housing Contract that is currently renewed only annually to a new 15- to 20- year contract. Their application has been with HUD since November and is awaiting approval. The Project Sponsor hopes to receive approval within the next month or two and close shortly thereafter.

Allowing an initial extension of the current issuance date to August 13, 2013 will ensure the issuance of the bonds for the Project. If the issuance date is not extended, the Project will lose its allocation and the City of Compton will lose the opportunity to rehabilitate 162 units of affordable housing.

DISCUSSION:

The CDLAC Regulations state that if an Allocation was awarded during an Open Allocation Round, the Committee may extend a Project or Program's expiration date up to the next regularly scheduled meeting at which time the Committee may elect to grant an additional extension up to ninety (90) days.

The Projects noted below are otherwise in full compliance and eligible for an issuance deadline extension under the CDLAC Regulations.

12-150 Moonlight Villas Apartments	August 13, 2013
12-155 2175 Market Street Apartments	August 13, 2013
12-142 Park Village Apartments	August 13, 2013

RECOMMENDATION:

Staff recommends the approval of extensions of the issuance deadline, up to ninety days, for all Projects noted above.

Prepared by Richard Fischer / Sarah Lester