

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**January 15, 2014**

**Consideration of a Request for a Change to Resolution # 12-012 for The Oak Center Homes**  
**Apartments (12-012)**  
**Qualified Residential Rental Project Program**  
**(Agenda Item No.4)**

**ACTION:**

Consider the request for a change to Resolution 12-012 for the Oak Center Homes Apartments (12-012, the "Project"). The Project received an award of allocation from the Committee at the meeting held on January 18, 2012.

**BACKGROUND:**

On January 18, 2012 the Oak Center Homes Apartments Project ("Project") was awarded \$13,825,000 in tax-exempt bond allocation. The Project's bonds were issued September 18, 2012.

On December 3, 2013 the Committee received a request from the California Statewide Communities Development Authority ("Applicant") on behalf of the Oak Center Homes Partners, LP ("Project Sponsor") requesting a change to the Committee's resolution. The Project Sponsor states that the CDLAC Application submitted for a 2012 allocation for the Project erroneously included a certification signed by the Project's Architect stating that the Project would exceed Title 24 standards by 25%. Such a commitment, memorialized in Item 27 of the Exhibit A of the Committee's Resolution, was never intended and was not selected on page 21 of the submitted application.

At the time of allocation, the Project scored 67.9 total points, of which eight (8) of those points were awarded in the Sustainable Building Methods category. By removing these points, the project score is reduced to 59.9 points, which is below the CDLAC minimum point threshold requirement.

In order to achieve CDLAC's point threshold requirement and still provide an additional public benefit, the Project Sponsor is requesting to provide on-site classes that will qualify as an Instructor-led Educational, Health and Wellness or Skill Building Classes service amenity. As a result, the project will again meet the 2012 minimum point threshold with a new score of 64.9.

**DISCUSSION:**

Staff believes that the Project Sponsor committed to the energy efficiency benefits in error. While the removal of this commitment in the resolution would confirm that the energy efficiency measures will not be required to be done at the development, a new public benefit, namely the resident classes, will be provided. Lastly, it should be noted that the Project's award of allocation was granted during a non-competitive round.

**RECOMMENDATION:**

Staff recommends that committee approve the Applicant's request to change the Resolution as presented.

*Prepared by Sarah Lester*