

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
March 19, 2014
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by: Leslie J. Campaz

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested:
Tax-exempt: \$13,000,000

Project Information:
Name: Harbour View Apartments
Project Address: 20 and 25 Harbour Way
Project City, County, Zip Code: Richmond, Contra Costa, 94801

Project Sponsor Information:
Name: Richmond Pacific Associates, LP (TPC Holdings V, LLC;
Central Valley Coalition for Affordable Housing)
Principals: Caleb Roope for TPC Holdings V, LLC; Christina Alley, Alan
Jenkins, Sid McIntyre, Jennifer Bertuccio, Renee Downum, and
Steve Simmons for Central Valley Coalition for Affordable
Housing.
Property Management Company: Barker Management, Inc.

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Citibank, N.A.
TEFRA Adoption Date: June 18, 2013

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 61, plus 1 manager unit
Type: New Construction
Type of Units: Senior Citizens

The proposed new construction project will be situated on approximately .92 acres of land on two contiguous parcels located in the City of Richmond. With a mix of 50 one-bedroom units and 12 two-bedroom units, Harbour View Apartments will provide affordable housing for seniors earning up to 60% of the area median income for Contra Costa County. Within the units, tenants will enjoy standard features such as refrigerators, exhaust fans, dishwashers, disposals, and ranges with ovens. All units will include hook-ups for washers and dryers, feature a covered patio or balcony and provide secure storage either within the unit or within a centralized storage area on the resident's primary floor.

Discription of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%

11% (7 units) restricted to 50% or less of area median income households.

89% (54 units) restricted to 60% or less of area median income households.

Unit Mix: 1 & 2 bedrooms

No service amenities are included.

Term of Restrictions:

Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$ 16,555,277	
Estimated Hard Costs per Unit:	\$ 171,130	(\$10,438,902 /61 units)
Estimated per Unit Cost:	\$ 271,398	(\$16,555,277 /61 units)
Allocation per Unit:	\$ 213,115	(\$13,000,000 /61 units)
Allocation per Restricted Rental Unit:	\$ 213,115	(\$13,000,000 /61 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 13,000,000	\$ 9,000,000
LIH Tax Credit Equity	\$ 1,334,913	\$ 6,565,277
Other (Deferred Costs and Developer Fee)	\$ 2,220,364	\$ 990,000
Total Sources	\$ 16,555,277	\$ 16,555,277

Uses of Funds:	
Acquisition/Land Purchase	\$ 935,000
On & Off Site Costs	\$ 1,240,000
Hard Construction Costs	\$ 9,198,902
Architect and Engineering Fees	\$ 360,000
Contractor Overhead and Profit	\$ 1,202,220
Developer Fee	\$ 1,960,683
Cost of Issuance	\$ 488,263
Capitalized Interest	\$ 250,000
Other Soft Costs (Marketing, Reserves, ect)	\$ 920,209
Total Uses	\$ 16,555,277

Description of Financial Structure and Bond Issuance:

The proposed project will be a private placement transaction provided by Citibank, N.A. The bonds will be issued by the California Statewide Communities Development Authority. The construction phase period will be for 24 months with a possible one 6 month extension. The permanent financing loan will be comprised of two Series of Bonds. The term for the Series A bonds will be for 30 years with a repayment of the loan in year 17 after closing. The interest rate is estimated to be 5.50%. The term of the Series B bonds will be for 40 years with an interest rate estimated to be 5.0%. Both series of bonds will have an amortization period of 35 years during the permanent financing phase.

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: 58.6 out of 130

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$13,000,000 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	26
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	2.6
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	10
Service Amenities	10	10	0
New Construction	10	10	10
Sustainable Building Methods	10	10	5
Negative Points	-10	-10	0
Total Points	130	100	58.6

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.