

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**January 21, 2015**

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

**ACTION:**

Approve Issuance Date Extensions for Various Qualified Residential Rental Projects as noted.

**BACKGROUND:**

**Woodhaven Senior Residences Apartments (#14-108)**

The Woodhaven Senior Residences Apartments Project (“Project”) received an allocation award through the Housing Authority of the County of Sacramento (“Applicant”) on September 17, 2014. The Project’s original issuance deadline was December 16, 2014; which the Executive Director extended to the Committee meeting date of January 21, 2015.

The Applicant is now requesting a 90-day extension of the allocation expiration date to March 21, 2015. They have been working diligently with the Project Sponsor (The John Stewart Company), the Private Placement lender (JP Morgan Chase Bank) and the tax credit investor (AEGON USA Realty Advisors) to close the construction loan and issue bonds by December 16, 2014, but they were unable to meet that date. It has taken longer than expected to finalize the plans and specification and as a result, they did not receive there construction pricing until the week of December 1<sup>st</sup>.

Allowing an extension of the issuance deadline to March 21, 2015 will ensure the issuance of the bonds for the Project. If the issuance deadline is not extended, the Project will lose its allocation and the County of Sacramento will lose the opportunity to construct 103 senior affordable housing units.

**Tuolumne Apartments (#14-094)**

The Tuolumne Apartments Project (“Project”) received an allocation award through the California Statewide Communities Development Authority (“Applicant”) on September 17, 2014. The Project’s original issuance deadline was December 16, 2014; which the Executive Director extended to the Committee meeting date of January 21, 2015.

The Applicant is now requesting a 90-day extension of the allocation expiration date to April 21, 2015. The Project Sponsor is requesting the extension in order to complete the financing due to HUD requiring a transfer of physical assets, which will not be completed in time to meet their existing deadline of January 21, 2015.

Allowing an extension of the issuance deadline to April 21, 2015 will ensure the issuance of the bonds for the Project. If the issuance deadline is not extended, the Project will lose its allocation and the County of Tuolumne will lose the opportunity to rehabilitate 51 rural affordable family housing units.

**Rotary Plaza Apartments (#14-112)**

The Rotary Plaza Apartments Project (“Project”) received an allocation award through the California Municipal Finance Authority (“Applicant”) on September 17, 2014. The Project’s original issuance deadline was December 16, 2014; which the Executive Director extended to the Committee meeting date of January 21, 2015.

The Applicant is now requesting a 90-day extension of the allocation expiration date to April 21, 2015. The Project Sponsor is requesting the extension in order to complete the financing that has been delayed due to the HUD office relocation and their inability to work on closing documents. HUD will not process the closing documents in time to meet their existing deadline of January 21, 2015.

Allowing an extension of the issuance deadline to April 21, 2015 will ensure the issuance of the bonds for the Project. If the issuance deadline is not extended, the Project will lose its allocation and the County of San Mateo will lose the opportunity to rehabilitate 177 affordable senior housing units.

**Buchanan Park Apartments (#14-109)**

The Buchanan Park Apartments Project (“Project”) received an allocation award through the California Municipal Finance Authority (“Applicant”) on September 17, 2014. The Project’s original issuance deadline was December 16, 2014; which the Executive Director extended to the Committee meeting date of January 21, 2015.

The Applicant is now requesting a 90-day extension of the allocation expiration date to April 21, 2015. The Project requires an extension of the allocation expiration date due to HUD being slower than anticipated with signing the Project-related use agreement and HAP contract. HUD’s signing of the use agreement and HAP contract will not be completed in time to meet the existing deadline of January 21, 2015.

Allowing an extension of the issuance deadline to April 21, 2015 will ensure the issuance of the bonds for the Project. If the issuance deadline is not extended, the Project will lose its allocation and the City of San Francisco will lose the opportunity to rehabilitate 67 affordable family housing units.

**Winnetka Senior Apartments (#14-093)**

The Winnetka Senior Apartments Project (“Project”) received an allocation award through the City of Los Angeles (“Applicant”) on September 17, 2014. The Project’s original issuance deadline was December 16, 2014; which the Executive Director extended to the Committee meeting date of January 21, 2015.

The Applicant is now requesting a 90-day extension of the allocation expiration date to April 21, 2015. The Project requires an extension of the allocation expiration date in order to complete the HCIDLA loan documents and the borrower’s draw request. The loan documents and draw request will not be completed in time to meet the existing deadline of January 21, 2015.

Allowing an extension of the issuance deadline to April 21, 2015 will ensure the issuance of the bonds for the Project. If the issuance deadline is not extended, the Project will lose its allocation and the City of Los Angeles will lose the opportunity to construct 94 affordable senior citizens/special needs housing units.

**Alice Griffith Phase 1 Apartments Apartments (#14-114)**

The Alice Griffith Phase 1 Apartments Project (“Project”) received an allocation award through the City and County of San Francisco (“Applicant”) on September 17, 2014. The Project’s original issuance deadline was December 16, 2014; which the Executive Director extended to the Committee meeting date of January 21, 2015.

The Applicant is now requesting a 90-day extension of the allocation expiration date to April 21, 2015. The Project requires an extension of the allocation expiration date in order for HUD to complete its review and approval of the Project’s closing documents and also in order for the lender to complete its final credit approval. The review and approval of the closing documents and the credit approval will not be completed in time to meet the existing deadline of January 21, 2015.

Allowing an extension of the issuance deadline to April 21, 2015 will ensure the issuance of the bonds for the Project. If the issuance deadline is not extended, the Project will lose its allocation and the City and County of San Francisco will lose the opportunity to construct 92 affordable family housing units.

**Poco Way Apartments**

The Poco Way Apartment Projects (“project”) received an allocation award through the City of San Jose (“Applicant”) on September 17, 2014. The Project’s original issuance deadline was December 16, 2014; which the Executive Director extended to the Committee meeting date of January 21, 2015.

The Applicant is now requesting a 90 day extension of the allocation deadline to April 21, 2015. The Applicant requires an extension because the developer, who must follow strict bidding requirements applicable to public agencies, received bids from general contractors that were well in excess of the budget for the Project. The developer is allowed to and in the process of negotiating with the bidders in order to lower the cost and conform to the Project's budgetary requirements. However, this cost review by the financial partners involved in the transaction cannot be completed by January 21, 2015.

Allowing the issuance extension to April 21, 2015 will ensure the issuance of the bonds for the project. If the issuance deadline is not extended the Project will lose its allocation and City of San Jose and the County of Santa Clara will lose the opportunity to construct 129 affordable housing units.

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

<b>14-108</b>	<b>Woodhaven Senior Residences Apartments</b>	<b>March 21, 2015</b>
<b>14-094</b>	<b>Tuolumne Apartments</b>	<b>April 21, 2015</b>
<b>14-112</b>	<b>Rotary Plaza Apartments</b>	<b>April 21, 2015</b>
<b>14-109</b>	<b>Buchanan Park Apartments</b>	<b>April 21, 2015</b>
<b>14-093</b>	<b>Winnetka Senior Apartments</b>	<b>April 21, 2015</b>
<b>14-114</b>	<b>Alice Griffith Phase 1 Apartments</b>	<b>April 21, 2015</b>
<b>14-106</b>	<b>Poco Way Apartments</b>	<b>April 21, 2015</b>

**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 / Brian Clark / Devon King*