

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**July 15, 2015**  
*Revised*  
**Consideration and Approval of Issuance Date Extensions**  
**for Various Qualified Residential Rental Projects**  
**(Agenda Item No. 5)**

**ACTION:**

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

**BACKGROUND:**

**Ocean View Senior Apartments (15-008)**

The Oceanview Senior Apartments Project (“Project”) received an allocation award through the California Housing Finance Agency (“Applicant”) on March 18, 2015. The Project’s Sponsor is Oceanview Housing Associates, LP. The Project’s initial deadline was June 16, 2015 which the Executive Director extended to the Committee meeting date of July 15, 2015.

The Applicant is now requesting a 77-day extension of the allocation expiration date to September 30, 2015. The reasons for these requests are due to: (1) a delay in the Project’s recapitalization; (2) a desire to pool projects to lower the costs of issuance with a larger bond transaction, to include both the Project and Virginia Terrace Apartments, (CDLAC Application No. 15-355) and (3) minimizing reinvestment costs and reducing any increase in cost-of-funds related to non-origination risks. The pooled bond closing is anticipated to occur on or before September 30, 2015.

Allowing an extension of the issuance deadline to September 30, 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 Pacifica will lose the opportunity to rehabilitate 99 affordable senior housing units.

**Betel Apartments (15-312)**

~~The Betel Apartments Project (“Project”) received an allocation award through the California Housing Finance Agency (“Applicant”) on March 18, 2015. The Project’s initial deadline was June 26, 2015 which the Executive Director extended to the Committee meeting date of July 15, 2015.~~

~~The Applicant is now requesting an 11 day extension of the allocation expiration date to July 26, 2015. The extension is being requested so that the Project Sponsor, MHDC Betel, LP, can complete the process of obtaining pricing from subcontractors on the rehabilitation scope. There are several construction budget line items which will change from the initially proposed budget.~~

~~Allowing an extension of the issuance deadline to July 26, 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 rehabilitate 49 affordable family housing units.~~

**Butterfield Retirement Apartments (15-303)**

The Butterfield Retirement Apartments Project (“Project”) received an allocation award through the California Statewide Communities Development Authority (“Applicant”) on March 18, 2015. The Project’s initial deadline was June 26, 2015 which the Executive Director extended to the Committee meeting date of July 15, 2015.

The Applicant is now requesting a 90-day extension of the allocation expiration date to October 13, 2015. According to the Applicant, the extension is being requested so that the Project Sponsor, Butterfield Retirement, LP, can complete the financing process to obtain building permits; however, processing of such materials and issuance of building permits will not occur by the current deadline. The Applicant states that it is anticipated that the required process will be completed and building permits issued allowing for issuance of bonds in September 2015 which is within the requested extension.

Allowing an extension of the issuance deadline to October 13, 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 Morgan Hill will lose the opportunity to construct 112 affordable senior housing units.

**Amberwood Apartments I & II (Scattered Site) (15-309)**

The Amberwood Apartments I & II (Scattered Site) Project (“Project”) received an allocation award through the California Statewide Communities Development Authority (“Applicant”) on March 18, 2015. The Project’s initial deadline was July 6, 2015 which the Executive Director extended to the Committee meeting date of July 15, 2015.

The Applicant is now requesting a 30-day extension of the allocation expiration date to August 14, 2015. The extension is being requested by the Project Sponsor, Hanford 2015 Community Partners, LP, so that the U.S. Department of Housing and Urban Development (HUD) may continue to process their due diligence.

Allowing an extension of the issuance deadline to August 14, 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 Hanford, in Kings County, will lose the opportunity to rehabilitate 86 affordable family 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>15-008 Ocean View Senior Apartments</b>	<b>September 30, 2015</b>
<b>15-312 Betel Apartments</b>	<b>July 26, 2015</b>
<b>15-303 Butterfield Retirement Apartments</b>	<b>October 13, 2015</b>
<b>15-309 Amberwood Apartments I &amp; II</b>	<b>August 14, 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*