

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 21, 2016
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by: Richard Fischer

Applicant: California Municipal Finance Authority

Allocation Amount Requested:
Tax-exempt: \$11,039,412

Project Information:
Name: Temple View Apartments
Project Address: 3200 West Temple Street & 247 N. Dillon Street
Project City, County, Zip Code: Los Angeles, Los Angeles, 90026

Project Sponsor Information:
Name: Temple View, L.P. (FDC Ursitti Temple, LLC and Search to Involve Pilipino Americans)
Principals: Richard G. Ursitti, Christopher M. Ursitti and Richard F. Ursitti for FDC Ursitti Temple, LLC; Dorothy Gamoning, Tim Starks, Ana Jayme and John Swing for Search to Involve Pilipino Americans
Property Management Company: Genessey Management and Development, LLC

Project Financing Information:
Bond Counsel: Quint & Thimmig LLP
Private Placement Purchaser: Citibank, N.A.
Public Sale: Not Applicable
Underwriter: Not Applicable
TEFRA Noticing Date: June 1, 2016
TEFRA Adoption Date: June 30, 2016

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 58, plus 1 manager unit
Type: New Construction
Type of Units: Senior Citizens

Together, site one and site two will be combined to create a 59 unit affordable housing development. It will be a five-story building with one-story of podium concrete for parking and four-stories of Type V wood construction with elevator. Each floor will be approximately 13,400 Sq. Ft, with approximately 19 units per floor. The development will also include 3,500 Sq. Ft of common space on the ground floor. The Unit mix is as follows: Studio Unit: 15 Units; One Bedroom: 2 Units; Two Bedroom: 42 Units (includes 1 managers unit). Unit Amenities: Vinyl Flooring in Kitchen and Bath; Carpeted Living Areas; Mini Blinds Throughout; Heat and AC in unit; Range, Refrigerator, Dishwasher and Disposal in kitchen Project Amenities. Common Area amenities include: Laundry Room on each floor; Common Room on each floor; Common Open outdoor space on upper floor, (Three decks); Bike Parking. Construction Start: December, 2016. Construction Completion/Certificate of Occupancy: April, 2018.

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
10% (6 units) restricted to 50% or less of area median income households.
90% (52 units) restricted to 60% or less of area median income households.
Unit Mix: Studio, 1 & 2 bedrooms

The proposed project will not be providing service amenities.

Term of Restrictions:

Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$	15,846,110	
Estimated Hard Costs per Unit:	\$	144,676	(\$8,391,194 /58 units)
Estimated per Unit Cost:	\$	268,578	(\$15,846,110 /59 units including mngr. units)
Allocation per Unit:	\$	190,335	(\$11,039,412 /58 units)
Allocation per Restricted Rental Unit:	\$	190,335	(\$11,039,412 /58 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 11,039,412	\$ 7,442,513
LIH Tax Credit Equity	\$ 2,068,811	\$ 6,242,905
Developer Equity	\$ 400,000	\$ 400,000
Deferred Developer Fee	\$ 1,668,674	\$ 1,171,592
Deferred Operating Reserves	\$ 169,212	\$ 0
Seller Carryback Loan	\$ 500,000	\$ 500,000
Solar Proceeds	\$ 0	\$ 89,100
Total Sources	\$ 15,846,109	\$ 15,846,110

Uses of Funds:	
Land Cost/Acquisition	\$ 2,050,000
New Construction	\$ 9,847,999
Architectural Fees	\$ 100,000
Survey and Engineering	\$ 63,339
Construction Interest and Fees	\$ 516,000
Permanent Financing	\$ 268,000
Legal Fees	\$ 150,000
Reserves	\$ 169,213
Appraisal	\$ 10,000
Contingency Cost	\$ 485,200
Local Development Impact Fees	\$ 250,000
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 267,685
Developer Costs	\$ 1,668,674
Total Uses	\$ 15,846,110

Analyst Comments:

None

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:

55 out of 140

[See Attachment A]

Recommendation:

Staff recommends that the Committee approves \$11,039,412 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
Preservation Project	20	20	0
Exceeding Minimum Income Restrictions:	35	15	25
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Preservation Project]	[10]	[10]	10
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	0
Community Revitalization Area	5	5	0
Site Amenities	10	10	5
Service Amenities	10	10	0
New Construction or Substantial Renovation	10	10	10
Sustainable Building Methods	10	10	0
Forgone Eligible Developer Fee (Competitive Allocation Process Only)	10	10	0
Minimum Term of Restrictions (Competitive Allocation Process Only)	10	10	0
Negative Points (No Maximum)	-10	-10	0
Total Points	140	120	55

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.