

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**December 14, 2016**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by: Felicity Wood*

---

**Applicant:** California Statewide Communities Development Authority

---

**Allocation Amount Requested:** Tax-exempt: \$70,000,000

---

**Project Information:**

**Name:** Brunswick Street Apartments  
**Project Address:** 4619 Brunswick Street  
**Project City, County, Zip Code:** Daly City, San Mateo, 94014

---

**Project Sponsor Information:**

**Name:** Daly City Pacific Associates, a CA LP (TPC Holdings V, LLC and CVCAH)  
**Principals:** Caleb Roop for TPC Holdings V, LLC; and Alan Jenkins, Jennifer Bertuccio, Renee Downum, and Christina Alley for Central Valley Coalition for Affordable Housing (CVCAH).  
**Property Management Company:** U.S. Residential Group LLC

---

**Project Financing Information:**

**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Private Placement Purchaser:** Citibank, N.A., and CCRC Affordable Housing Partners, LLC  
**Public Sale:** Not Applicable  
**Underwriter:** Not Applicable  
**TEFRA Noticing Date:** September 22, 2016  
**TEFRA Adoption Date:** October 24, 2016

---

**Description of Proposed Project:**

**State Ceiling Pool:** General  
**Total Number of Units:** 204, plus 2 manager units  
**Type:** New Construction  
**Type of Units:** Senior Citizens

---

The proposed Brunswick Street Apartments 1.15 acre site (approximate) is currently vacant. The anticipated construction start date is November 2016 with a projected completion date of November 2018. One hundred percent of units will be income restricted. Specifically, ten percent of units will be for residents at or below 50% Area Median Income (AMI). The remaining 90% will be for residents with above 50%, up to 60% AMI. The first two floors will serve as a two-story parking structure above which will be built 5 residential stories. The proposed development will be a 206-unit wood-framed, five-story rental studio apartment units of approximately 442 square feet. The first residential floor is proposed to include office and retail space, amenity space, and a leasing office. The second residential floor will have approximately 4,374 square feet of courtyard space.

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%

10% (21 units) restricted to 50% or less of area median income households.

90% (183 units) restricted to 60% or less of area median income households.

**Unit Mix:** Studio

The proposed project will not be providing service amenities.

**Term of Restrictions:**

**Income and Rent Restrictions:** 55 years

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$ 87,172,386	
<b>Estimated Hard Costs per Unit:</b>	\$ 1,248	(\$254,510 /204 units)
<b>Estimated per Unit Cost:</b>	\$ 423,167	(\$87,172,386 /206 units including mgr. units)
<b>Allocation per Unit:</b>	\$ 339,806	\$70,000,000 /206 units including mgr. units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 343,137	\$70,000,000 /204 restricted units)

<b>Sources of Funds:</b>	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 70,000,000	\$ 45,000,000
LIH Tax Credit Equity	\$ 6,125,069	\$ 36,732,386
Deferred Developer Fee	\$ 9,000,000	\$ 5,440,000
Deferred Operating and Rent Reserves	\$ 2,047,317	\$
<b>Total Sources</b>	\$ 87,172,386	\$ 87,172,386

<b>Uses of Funds:</b>	
Land Cost/Acquisition	\$ 2,515,826
New Construction	\$ 55,535,058
Contractor Overhead & Profit	\$ 4,402,804
Architectural Fees	\$ 750,000
Survey and Engineering	\$ 240,000
Construction Interest and Fees	\$ 4,756,600
Permanent Financing	\$ 605,000
Legal Fees	\$ 100,000
Reserves	\$ 2,047,317
Contingency Cost	\$ 3,000,000
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 4,219,781
Developer Costs	\$ 9,000,000
<b>Total Uses</b>	\$ 87,172,386

**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:** 60 out of 140  
[See Attachment A]

---

**Recommendation:**

Staff recommends that the Committee approves \$70,000,000 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
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	10
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
<b>Total Points</b>	<b>140</b>	<b>120</b>	<b>60</b>

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.