

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
May 17, 2017
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by: Ruben Barcelo

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested:
Tax-exempt: \$12,012,908

Project Information:
Name: Lindsay Village Apartments
Project Address: Southeast corner of Hermosa Street and Westwood Avenue
Project City, County, Zip Code: Lindsay, Tulare, 93247

Project Sponsor Information:
Name: To-be-formed limited partnership (to-be-formed LLC, Self-Help Enterprises as sole member)
Principals: Thomas J. Collishaw, Kathryn Long-Pence, Susan Atkins, Paul Boyer, Ethan Dutton, Juan Jaime and Betsy McGovern-Garcia for a to-be-formed LLC
Property Management Company: Always With Integrity (AWI) Property Management Corporation

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Private Placement Purchaser: Wells Fargo Bank, N.A. (construction)
Cash Flow Permanent Bond: Not Applicable
Public Sale: Not Applicable
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Rating: Not Applicable
TEFRA Noticing Date: November 12, 2016
TEFRA Adoption Date: November 22, 2016

Description of Proposed Project:
State Ceiling Pool: Rural
Total Number of Units: 50
Manager's Units: 1 Unrestricted
Type: New Construction
Population Served: Family

Lindsay Village Apartments is a new construction project located in Lindsay on a 2.49-acre site. The project consists of 49 rental units and 1 unrestricted manager unit. The project will provide 14 one-bedroom units, 18 two-bedroom units and 18 three-bedroom units. The buildings will be a mix of one and two stories. Common amenities include a community room equipped with a full kitchen and restrooms, laundry facilities, two offices, a computer lab, barbeque grills, picnic tables, playground and community garden. Each unit will offer washer/dryer hookups, garbage disposal, high-speed Internet access and Energy Star refrigerator, stove and dishwasher. There will be 73 parking spaces provided. The construction is expected to begin September 2017 and to be completed in August 2018.

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
100% (49 units) restricted to 50% or less of area median income households.
Unit Mix: 1, 2 & 3 bedrooms

The proposed project will be providing service amenities, including an after-school program and instructor-led educational classes.

Term of Restrictions:

Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$ 15,521,901	
Estimated Hard Costs per Unit:	\$ 180,964	(\$9,048,186 /50 units including mgr. units)
Estimated per Unit Cost:	\$ 310,438	(\$15,521,901 /50 units including mgr. units)
Allocation per Unit:	\$ 240,258	(\$12,012,908 /50 units including mgr. units)
Allocation per Restricted Rental Unit:	\$ 245,161	(\$12,012,908 /49 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 12,012,908	\$ 0
LIH Tax Credit Equity	\$ 1,179,157	\$ 5,878,596
Sponsor Loan	\$ 35,807	\$ 35,807
General Partner Contribution	\$ 0	\$ 663,807
HCD Multifamily Housing Program Loan	\$ 0	\$ 4,400,000
Fed Home Loan Bank AHP Loan	\$ 500,000	\$ 500,000
HCD AHSC Loan	\$ 0	\$ 4,043,691
Total Sources	\$ 13,727,872	\$ 15,521,901

Uses of Funds:	
Land Cost/Acquisition	\$ 550,000
New Construction	\$ 9,665,952
Contractor Overhead & Profit	\$ 617,166
Architectural Fees	\$ 800,000
Construction Interest and Fees	\$ 808,731
Permanent Financing	\$ 15,000
Reserves	\$ 65,225
Appraisal	\$ 10,000
Hard Cost Contingency	\$ 510,050
Local Development Impact Fees	\$ 217,864
Other Project Soft Costs	\$ 398,109
Developer Costs	\$ 1,863,804
Total Uses	\$ 15,521,901

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:

92.7 out of 140 [See Attachment A]

Recommendation:

Staff recommends that the Committee approves \$12,012,908 in tax exempt bond allocation on a carryforward basis.

ATTACHMENT A

EVALUATION SCORING:

Point Criteria	Maximum Points Allowed for Non-Mixed Income Projects	Maximum Points Allowed for Mixed Income	Points Scored
Preservation Project	20	20	0
Exceeding Minimum Income Restrictions:	35	15	35
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Preservation Project]	[10]	[10]	7.7
Gross Rents	5	5	5
Large Family Units	5	5	5
Leveraging	10	10	10
Community Revitalization Area	5	5	0
Site Amenities	10	10	10
Service Amenities	10	10	10
New Construction or Substantial Renovation	10	10	10
Sustainable Building Methods	10	10	0
Forgone Eligible Developer Fee (Competitive Allocation Process Only)	10	10	N/A
Minimum Term of Restrictions (Competitive Allocation Process Only)	10	10	N/A
Negative Points (No Maximum)	-10	-10	0
Total Points	140	120	92.7

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.