

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**September 20, 2017**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by: Louise Eller*

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**Applicant:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**

**Tax-exempt:** \$2,500,000

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**Project Information:**

**Name:** Park Glenn Seniors Apartments  
**Project Address:** 111 Holly Drive  
**Project City, County, Zip Code:** Camarillo, Ventura, 93010

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**Project Sponsor Information:**

**Name:** Park Glenn Seniors 2017, LP (AHA Ventura MGP, LLC and PGS 2017 Holdings, LLC)  
**Principals:** Jonathan B. Webb and William W. Hirsch for AHA Ventura MGP, LLC and Paul F. Fruchbom and Marquis E. Hyatt for PGS 2017 Holdings, LLC  
**Property Management Company:** VPM Management, Inc.

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**Project Financing Information:**

**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Private Placement Purchaser:** R4 Capital Funding  
**Cash Flow Permanent Bond:** Not Applicable  
**Public Sale:** Not Applicable  
**Underwriter:** Not Applicable  
**Credit Enhancement Provider:** Not Applicable  
**Rating:** Not Applicable  
**TEFRA Noticing Date:** December 28, 2016  
**TEFRA Adoption Date:** January 11, 2017

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**Description of Proposed Project:**

**State Ceiling Pool:** General  
**Total Number of Units:** 18  
**Manager's Units:** 0\*  
**Type:** Acquisition and Rehabilitation  
**Population Served:** Senior Citizens

\*Management services will be provided through a staffing agreement with the adjacent Glenn Park Seniors Apartment project

Park Glenn Seniors Apartments is an existing project located in Camarillo on a 0.63 acre site. The project consists of 18 rental units. The project has 18 one-bedroom units. The renovations will include building exterior and interior upgrades. Individual apartment units will be updated with new carpets, window covering replacements, paint, cleaning, cabinet repairs, new appliances, heaters, air conditioning, water heater and various plumbing and electrical upgrades. Lastly, common or site area renovations will consist of roof maintenance, gutter installations, site plumbing, landscape upgrades, irrigation repairs, site drainage, lighting, concrete repair, new metal carports, security updates and new outdoor furniture for the seating areas. In addition, ADA upgrades will be made. The rehabilitation is expected to begin in September 2017 and completed in August 2018.

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
11% (2 units) restricted to 50% or less of area median income households.  
89% (16 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 bedroom

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>	\$	5,172,080	
<b>Estimated Hard Costs per Unit:</b>	\$	29,571	(\$532,280 /18 units including mgr. units)
<b>Estimated per Unit Cost:</b>	\$	287,338	(\$5,172,080 /18 units including mgr. units)
<b>Allocation per Unit:</b>	\$	138,889	(\$2,500,000 /18 units including mgr. units)
<b>Allocation per Restricted Rental Unit:</b>	\$	138,889	(\$2,500,000 /18 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 2,500,000	\$ 1,680,000
LIH Tax Credit Equity	\$ 463,831	\$ 1,325,232
Deferred Developer Fee	\$ 0	\$ 154,928
Seller Carryback Loan	\$ 1,550,000	\$ 1,550,000
City of Camarillo Loan	\$ 0	\$ 275,000
Net Income From Operations	\$ 106,300	\$ 186,920
<b>Total Sources</b>	<b>\$ 4,620,131</b>	<b>\$ 5,172,080</b>

<b>Uses of Funds:</b>	
Land Cost/Acquisition	\$ 3,280,000
Rehabilitation	\$ 580,185
Relocation	\$ 5,600
Contractor Overhead & Profit	\$ 26,614
Architectural Fees	\$ 23,400
Construction Interest and Fees	\$ 210,188
Permanent Financing	\$ 135,883
Legal Fees	\$ 165,000
Reserves	\$ 48,101
Hard Cost Contingency	\$ 60,680
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 131,430
Developer Costs	\$ 505,000
<b>Total Uses</b>	<b>\$ 5,172,080</b>

**Analyst Comments:**

None

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**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.

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**Total Points:**

48.5 out of 140 [See Attachment A]

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**Recommendation:**

Staff recommends that the Committee approves \$2,500,000 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 Projects	Points Scored
Preservation Project	20	20	10
Exceeding Minimum Income Restrictions:	35	15	26
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Preservation Project]	[10]	[10]	0
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	7.5
Service Amenities	10	10	0
New Construction or Substantial Renovation	10	10	0
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
<b>Total Points</b>	<b>140</b>	<b>110</b>	<b>48.5</b>