

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
July 17, 2019
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by: Chee Thao Yang

Applicant: California Municipal Finance Authority

Allocation Amount Requested:
Tax-exempt: \$27,000,000

Project Information:
Name: Coliseum Place
Project Address: 905 72nd Avenue
Project City, County, Zip Code: Oakland, Alameda, 94621

Project Sponsor Information:
Name: Coliseum Place, LP (RCD GP, LLC; Resources for
Community Development)
Principals: Daniel Sawislak

Property Management Company: John Stewart Company

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Private Placement Purchaser: Wells Fargo Bank, N.A.
Cash Flow Permanent Bond: Not Applicable
Public Sale: Not Applicable
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Rating: Not Applicable
TEFRA Noticing Date: May 3, 2019
TEFRA Adoption Date: May 7, 2019

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 59
Manager's Units: 1 Unrestricted
Type: New Construction
Population Served: Family

Coliseum Place Apartments is a new construction project located in Oakland on a 0.47-acre site. The project consists of 58 restricted rental units, and 1 unrestricted manager unit. The project will have 11 one-bedroom units, 28 two-bedroom units, and 20 three-bedroom units. The building will be 6 stories. Common amenities include a large community room with a common kitchen, a lobby, property management offices, and resident services offices. Each unit will have a refrigerator and range. There are 27 parking spaces provided. The construction is expected to begin October 2019 and be completed February 2021.

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
47% (27 units) restricted to 50% or less of area median income households.
53% (31 units) restricted to 60% or less of area median income households.
Unit Mix: 1, 2 & 3 bedrooms

The proposed project will not be receiving service amenity points.

Term of Restrictions:

Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost: \$ 53,393,465
Estimated Hard Costs per Unit: \$ 516,620 (\$30,480,606 /59 units including mgr. unit)
Estimated per Unit Cost: \$ 904,974 (\$53,393,465 /59 units including mgr. unit)
Allocation per Unit: \$ 457,627 (\$27,000,000 /59 units including mgr. unit)
Allocation per Restricted Rental Unit: \$ 465,517 (\$27,000,000 /58 restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 27,000,000	\$ 8,339,400
HCD AHSC Loan	\$ 0	\$ 6,000,000
LIH Tax Credit Equity	\$ 2,074,561	\$ 20,630,108
Wells Fargo - Construction Loan (Taxable)	\$ 5,778,168	\$ 0
Deferred Developer Fee	\$ 0	\$ 750,000
Alameda County-Measure A1 Loan	\$ 9,214,921	\$ 9,393,386
HCD-Infill Infrastructure Grant (Sponsor Loan)	\$ 1,944,850	\$ 1,944,850
City of Oakland	\$ 1,600,000	\$ 1,630,987
County of Alameda - HOPWA Loan	\$ 727,638	\$ 741,748
FHLB - Affordable Housing Program Loan	\$ 580,000	\$ 580,000
HCD-AHSC HRI Program Grant (Sponsor Loan)	\$ 513,894	\$ 513,894
GP Equity	\$ 247,577	\$ 247,577
Total Sources	\$ 49,681,609	\$ 50,771,950

Uses of Funds:	
Land Cost/Acquisition	\$ 1,360,112
New Construction	\$ 34,148,112
Contractor Overhead & Profit	\$ 1,314,582
Architectural Fees	\$ 1,344,927
Survey and Engineering	\$ 317,514
Construction Interest and Fees	\$ 3,469,066
Permanent Financing	\$ 240,298
Reserves	\$ 1,533,794
Appraisal	\$ 1,750
Hard Cost Contingency	\$ 3,593,245
Local Development Impact Fees	\$ 1,266,676
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 2,303,389
Developer Costs	\$ 2,500,000
Total Uses	\$ 53,393,465

Analyst Comments:

This project is considered a high cost per unit project. Project is near a high-frequency transit station and is taking additional steps to ensure safety and mitigate sound, are paving new sidewalks and other pedestrian infrastructure.

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:

72.5 out of 140 [See Attachment A]

Recommendation:

Staff recommends that the Committee approves \$27,000,000 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	35
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Preservation Project]	[10]	[10]	10
Large Family Units	5	5	5
Leveraging	10	10	10
Community Revitalization Area	5	5	0
Site Amenities	10	10	2.5
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	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	72.5