

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
October 16, 2019
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by: Richard Fischer

Applicant:	Housing Authority of the City of Anaheim
Allocation Amount Requested:	Tax-exempt: \$12,200,000
Project Information:	Name: Jamboree PSH Econo Lodge Apartments Project Address: 2691 W. La Palma Avenue Project City, County, Zip Code: Anaheim, Orange, 92801
Project Sponsor Information:	Name: Jamboree PSH Housing Partners, L.P. (Jamboree PSH LLC) Principals: Laura Archuleta, George Searcy, Marcy Finamore, Michael Massie, Mary Jo Goelzer and Jeree Glasser for Jamboree PSH LLC Property Management Company: The John Stewart Company
Project Financing Information:	Bond Counsel: Stradling, Yocca, Carlson & Rauth Private Placement Purchaser: MUFG Union 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: July 18, 2019 TEFRA Adoption Date: July 30, 2019
Description of Proposed Project:	State Ceiling Pool: General Total Number of Units: 70 Manager's Units: 1 Restricted Type: Acquisition and Rehabilitation Population Served: Family/Special Needs

Jamboree PSH Econo Lodge Apartments is an existing project located in Anaheim on a 1.1-acre site. The project consists of 70 restricted rental units including 1 restricted manager unit. The project has 69 studio units and 1 one-bedroom unit. The renovations will include building exterior and interior upgrades. Building exterior renovations will consist of stucco repairs, roof replacement, window replacements and a fresh coat of paint. Individual apartment units will be updated with a new appliance package, countertops, cabinets, fixtures, paint and electrical updates. Lastly, common or site area renovations will consist of concrete repairs, asphalt replacement, ADA updates. The rehabilitation is expected to begin in February 2020 and be completed in late 2021.

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
99% (69 units) restricted to 50% or less of area median income households.
1% (1 units) restricted to 60% or less of area median income households.
Unit Mix: Studio & 1 bedroom

The proposed project will be receiving service amenity points.

Term of Restrictions:

Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$ 24,193,312	
Estimated Hard Costs per Unit:	\$ 82,705	(\$5,789,317 /70 units including mgr. units)
Estimated per Unit Cost:	\$ 345,619	(\$24,193,312 /70 units including mgr. units)
Allocation per Unit:	\$ 174,286	(\$12,200,000 /70 units including mgr. units)
Allocation per Restricted Rental Unit:	\$ 174,286	(\$12,200,000 /70 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 12,200,000	\$ 4,226,703
LIH Tax Credit Equity	\$ 649,930	\$ 6,499,302
Deferred Developer Fee	\$ 0	\$ 771,307
Deferred Costs	\$ 1,297,382	\$ 0
City of Anaheim	\$ 1,600,000	\$ 1,600,000
County of Orange SNHP/MHSA	\$ 6,446,000	\$ 9,096,000
Orange County Housing Trust	\$ 2,000,000	\$ 2,000,000
Total Sources	\$ 24,193,312	\$ 24,193,312

Uses of Funds:	
Land Cost/Acquisition	\$ 9,550,000
Rehabilitation	\$ 6,297,142
Relocation	\$ 12,200
Contractor Overhead & Profit	\$ 422,994
Architectural Fees	\$ 325,000
Survey and Engineering	\$ 140,000
Construction Interest and Fees	\$ 1,420,129
Permanent Financing	\$ 99,056
Legal Fees	\$ 195,000
Reserves	\$ 269,426
Appraisal	\$ 10,000
Hard Cost Contingency	\$ 642,821
Local Development Impact Fees	\$ 504,641
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 1,804,903
Developer Costs	\$ 2,500,000
Total Uses	\$ 24,193,312

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:

84.5 out of 140 [See Attachment A]

Recommendation:

Staff recommends that the Committee approves \$12,200,000 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	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	0.0
Leveraging	10	10	10
Community Revitalization Area	5	5	0
Site Amenities	10	10	7.5
Service Amenities	10	10	10
New Construction or Substantial Renovation	10	10	10
Sustainable Building Methods	10	10	2
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	84.5