

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: Isaac Clark III

Applicant:	California Municipal Finance Authority
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Allocation Amount Requested:	
Tax-exempt:	\$13,469,398

Project Information:	
Name:	Woodbridge Apartments
Project Address:	1117 Elm Avenue and 421 West 33rd Avenue
Project City, County, Zip Code:	Long Beach, Los Angeles, 90813 and 90806

Project Sponsor Information:	
Name:	Woodbridge Apartments, LP (CADI XII, LLC)
Principals:	Brian D'Andrea, Ronald M. Griffith, Steve Coleman, Karen Bennett-Green, Serybrem Bass, Alan Hoffman, and Beulah Ku for CADI XII, LLC
Property Management Company:	Century Villages Property Management

Project Financing Information:	
Bond Counsel:	Quint & Thimmig LLP
Private Placement Purchaser:	Union Bank
Cash Flow Permanent Bond:	Not Applicable
Public Sale:	Not Applicable
Underwriter:	Not Applicable
Credit Enhancement Provider:	Not Applicable
Rating:	Not Applicable
TEFRA Noticing Date:	March 26, 2019
TEFRA Adoption Date:	January 0, 1900

Description of Proposed Project:	
State Ceiling Pool:	General
Total Number of Units:	49
Manager's Units:	2 Unrestricted
Type:	Acquisition and Rehabilitation
Population Served:	Family

Woodbridge Apartments is split-site project located in Long Beach on a 0.511 & .459-acre sites. The entire project consists of 47 restricted rental units, 0 market rate units and 2 unrestricted manager units. The entire project has 2 one-bedroom units, 29 two-bedroom units and 16 three-bedroom units. The renovations will include building (exterior/interior) upgrades. Building exterior renovations will consist of exterior being re-painted, and all windows will be replaced with dual pane low-e type system. Interior renovations will include new energy star appliances, new flooring, tubs, sinks, vanities bath fixtures and fresh paint in kitchens and baths. Lastly, common or site area renovations will consist of barbecue and picnic area, courtyard, on-site laundry facilities, gated access and elevators. The rehabilitation is expected to begin in March 2020 and be completed in March 2021.

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
21% (10 units) restricted to 50% or less of area median income households.
79% (37 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: \$ 21,966,808
Estimated Hard Costs per Unit: \$ 98,740 (\$4,838,248 /49 units including mgr. units)
Estimated per Unit Cost: \$ 448,302 (\$21,966,808 /49 units including mgr. units)
Allocation per Unit: \$ 274,886 (\$13,469,398 /49 units including mgr. units)
Allocation per Restricted Rental Unit: \$ 286,583 (\$13,469,398 /47 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 13,469,398	\$ 7,876,000
Cash Flow Permanent Bonds	\$ 0	\$ 0
Tranche B Financing	\$ 0	\$ 0
Taxable Bond Proceeds	\$ 0	\$ 0
LIH Tax Credit Equity	\$ 0	\$ 6,607,368
Income from Operatons	\$ 0	\$ 358,177
Deferred Developer Fee	\$ 1,339,341	\$ 1,339,341
Costs Deferred Until Conversion	\$ 786,110	\$ 0
Seller Carryback Loan	\$ 4,225,000	\$ 4,225,000
City of Long Beach	\$ 1,100,000	\$ 1,100,000
Accrued Deferred Interest-Seller Carryback	\$ 154,012	\$ 154,012
Acquired Project Reserves	\$ 50,000	\$ 50,000
Capital Contribution (GP)	\$ 256,910	\$ 256,910
Capital Contribution (LP)	\$ 586,037	\$ 0
Total Sources	\$ 21,966,808	\$ 21,966,808

Uses of Funds:	
Land Cost/Acquisition	\$ 10,921,600
Rehabilitation	\$ 5,298,268
Relocation	\$ 300,000
New Construction	\$ 0
Contractor Overhead & Profit	\$ 0
Architectural Fees	\$ 340,000
Survey and Engineering	\$ 22,500
Construction Interest and Fees	\$ 1,231,749
Permanent Financing	\$ 74,554
Legal Fees	\$ 145,000
Reserves	\$ 298,346
Appraisal	\$ 6,000
Hard Cost Contingency	\$ 581,066
Local Development Impact Fees	\$ 0
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 151,574
Developer Costs	\$ 2,596,151
Total Uses	\$ 21,966,808

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:

51 out of 140 [See Attachment A]

Recommendation:

Staff recommends that the Committee approves \$13,469,398 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	31
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Preservation Project]	[10]	[10]	10.00
Large Family Units	5	5	0.00
Leveraging	10	10	0.00
Community Revitalization Area	5	5	0.00
Site Amenities	10	10	10.00
Service Amenities	10	10	0.00
New Construction or Substantial Renovation	10	10	0.00
Sustainable Building Methods	10	10	0.00
Forgone Eligible Developer Fee (Competitive Allocation Process Only)	10	10	0.00
Minimum Term of Restrictions (Competitive Allocation Process Only)	10	10	0.00
Negative Points (No Maximum)	-10	-10	0.00
Total Points	140	120	50.64