

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
February 18, 2020
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by: Chee Thao Yang

Applicant: California Housing Finance Agency

Allocation Amount Requested: Tax-exempt: \$14,500,000

Project Information: Name: Meadow View Place
Project Address: 9885 Meadow View Place
Project City, County, Zip Code: Truckee, Placer, 96161

Project Sponsor Information: Name: Meadow View Place LP (NP Meadow View LLC; JSCo Meadow View LLC; Pacific Housing, Inc.)
Principals: Luke Walkins for NP Meadow View LLC; Jack D. Gardner for JSCo Meadow View LLC; Mark A. Wiese for Pacific Housing, Inc.
Property Management Company: John Stewart Company

Project Financing Information: Bond Counsel: Orrick, Herrington & Sutcliffe LLP
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: November 8, 2019
TEFRA Adoption Date: December 17, 2019

Description of Proposed Project: State Ceiling Pool: Rural
Total Number of Units: 56
Manager's Units: 1 Unrestricted
Type: New Construction
Population Served: Family

Meadow View Place Apartments is a new construction project located in Truckee on a 3.14-acre site. The project consists of 55 restricted rental units and 1 unrestricted manager unit. The project will have 14 one-bedroom units, 28 two-bedroom units and 14 three-bedroom units. The residential buildings will be two-stories. Common amenities include a large meeting room and kitchen, a computer area, a manager's office, a social service coordinator's office, a maintenance room, a play structure and on-site recreational spaces for teens. Each unit will have central heat/cool, blinds, ceiling fan, refrigerator, stove/oven, dishwasher, garbage disposal and a washer and dryer. There will be 80 parking spaces provided. The construction is expected to begin in July 2020 and be completed in October 2021.

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%

64% (35 units) restricted to 50% or less of area median income households.

36% (20 units) restricted to 60% or less of area median income households.

Unit Mix: 1, 2 & 3 bedrooms

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:	\$ 25,980,000	
Estimated Hard Costs per Unit:	\$ 246,541	(\$13,806,281 /56 units including mgr. unit)
Estimated per Unit Cost:	\$ 463,929	(\$25,980,000 /56 units including mgr. unit)
Allocation per Unit:	\$ 258,929	(\$14,500,000 /56 units including mgr. unit)
Allocation per Restricted Rental Unit:	\$ 263,636	(\$14,500,000 /55 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 14,500,000	\$ 1,800,000
Taxable Bond Proceeds	\$ 3,500,000	\$ 0
LIH Tax Credit Equity	\$ 0	\$ 12,233,910
Deferred Developer Fee	\$ 0	\$ 440,677
Deferred Costs	\$ 2,052,000	\$ 0
HCD AHSC AHD	\$ 0	\$ 7,495,413
HCD AHSC HRI	\$ 2,785,000	\$ 2,785,000
Land Donation from Subdivision Developer	\$ 1,225,000	\$ 1,225,000
Enterprise Housing Credit Investments	\$ 1,918,000	\$ 0
Total Sources	\$ 25,980,000	\$ 25,980,000

Uses of Funds:	
Land Cost/Acquisition	\$ 2,601,100
New Construction	\$ 15,109,231
Contractor Overhead & Profit	\$ 805,000
Architectural Fees	\$ 520,000
Survey and Engineering	\$ 220,000
Construction Interest and Fees	\$ 1,409,000
Permanent Financing	\$ 53,000
Legal Fees	\$ 175,000
Reserves	\$ 205,000
Appraisal	\$ 15,000
Hard Cost Contingency	\$ 864,517
Local Development Impact Fees	\$ 975,000
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 728,152
Developer Costs	\$ 2,300,000
Total Uses	\$ 25,980,000

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:

125 out of 145 [See Attachment A]

Recommendation:

Staff recommends that the Committee approves \$14,500,000 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
Gross Rents	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	10
Forgone Eligible Developer Fee (Competitive Allocation Process Only)	10	10	10
Minimum Term of Restrictions (Competitive Allocation Process Only)	10	10	10
Negative Points (No Maximum)	-10	-10	0
Total Points	145	125	125