

**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*

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**Applicant:** Housing Authority of the City of San Buenaventura

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**Allocation Amount Requested:**

**Tax-exempt:** \$37,888,778

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**Project Information:**

**Name:** Westview Village Phase III  
**Project Address:** 285 W. Barnett Street & 1069 Riverside Street  
**Project City, County, Zip Code:** Ventura, Ventura, 93001

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**Project Sponsor Information:**

**Name:** Villages at Westview III LP (Villages at Westview III LLC and Home Comings Inc.)  
**Principals:** Denise M. Wise  
**Property Management Company:** Housing Authority of the City of San Buenaventura

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**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:** January 3, 2020  
**TEFRA Adoption Date:** January 14, 2020

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**Description of Proposed Project:**

**State Ceiling Pool:** General  
**Total Number of Units:** 105  
**Manager's Units:** 1 Unrestricted  
**Type:** New Construction  
**Population Served:** Family

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Westview Village Phase III Apartments is a new construction project located in Ventura on a 6.4-acre site. The project consists of 104 restricted rental units and 1 unrestricted manager unit. The project will have 14 one-bedroom units, 47 two-bedroom units, 42 three-bedroom units and 2 four-bedroom units. The site currently has 17 one-story buildings comprised of 47 public housing units that will be demolished and replaced with 12 one- to three-story buildings comprised of 105 family housing units. Common amenities include a community room, a kitchen, laundry facilities, and management offices. Each unit will have a patio or balcony, refrigerator and range/oven. There will be 218 parking spaces provided. The project will be pursuing LEED certification. Green features include photovoltaic panels to offset a portion of the tenant's electricity use with renewable energy; and at least one building will be non-smoking. The construction is expected to begin May 2020 and be completed in May 2021.

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
68% (71 units) restricted to 50% or less of area median income households.  
32% (33 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1, 2, 3 & 4 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:** \$ 69619280  
**Estimated Hard Costs per Unit:** \$ 359616.581 (\$37,759,741 /105 units including mgr. unit)  
**Estimated per Unit Cost:** \$ 663040.762 (\$69,619,280 /105 units including mgr. unit)  
**Allocation per Unit:** \$ 360845.505 (\$37,888,778 /105 units including mgr. unit)  
**Allocation per Restricted Rental Unit:** \$ 364315.173 (\$37,888,778 /104 restricted units)

<b>Sources of Funds:</b>	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 37,888,778	\$ 17,000,000
Taxable Bond Proceeds	\$ 10,808,653	\$ 0
LIH Tax Credit Equity	\$ 2,707,791	\$ 28,067,922
Deferred Developer Fee	\$ 5,171,728	\$ 5,171,728
Deferred Costs	\$ 1,662,700	\$ 0
HACSB Seller Carryback Loan	\$ 6,379,630	\$ 6,379,630
HCD AHSC HRI Grant	\$ 5,000,000	\$ 5,000,000
HCD AHSC AHD Loan	\$ 0	\$ 8,000,000
Total Sources	\$ 69,619,280	\$ 69,619,280

<b>Uses of Funds:</b>	
Land Cost/Acquisition	\$ 6,654,630
Relocation	\$ 450,000
New Construction	\$ 40,828,728
Contractor Overhead & Profit	\$ 1,563,301
Architectural Fees	\$ 805,000
Survey and Engineering	\$ 246,400
Construction Interest and Fees	\$ 3,570,795
Permanent Financing	\$ 185,761
Legal Fees	\$ 344,400
Reserves	\$ 1,345,113
Appraisal	\$ 5,000
Hard Cost Contingency	\$ 3,413,362
Local Development Impact Fees	\$ 622,724
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 2,485,075
Developer Costs	\$ 7,098,991
Total Uses	\$ 69,619,280

**Analyst Comments:**

This project is considered a high cost per unit project. According to the Applicant, the factors contributing to the project's high cost per unit are as follows: relocation costs; installation of extensive new utility infrastructure due to density increase; prevailing wage; local hire requirement; location; sustainable and design features costs (foundations, framing, permitting and utility connections); and land costs.

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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:**

127 out of 145 [See Attachment A]

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**Recommendation:**

Staff recommends that the Committee approve \$37,888,778 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	5
Site Amenities	10	10	10
Service Amenities	10	10	10
New Construction or Substantial Renovation	10	10	10
Sustainable Building Methods	10	10	7
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
<b>Total Points</b>	<b>145</b>	<b>125</b>	<b>127</b>