

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**April 14, 2020**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

*Prepared by: Isaac Clark III*

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**Applicant:** City of Los Angeles

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**Allocation Amount Requested:**  
**Tax-exempt:** \$27,200,000

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**Project Information:**  
**Name:** La Prensa Libre Apartments  
**Project Address:** 200 E. Washington Blvd  
**Project City, County, Zip Code:** Los Angeles, Los Angeles, 90015

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**Project Sponsor Information:**  
**Name:** AMCAL Washington Fund, L.P. (Coalition for Responsible Community  
**Principals:** Mark Wilson, President & CEO, Selerin Ntahitagabira, CFO, Angela LoBue, COO, and  
Alejandro Martinez, Chief Real Estate Officer for Coalition for Responsible Community  
Development. Percival Vaz, CEO, Sole Director, Arjun Nagarkatti, President, and Luxmi Vaz,  
Secretary AMCAL Multi-Housing Inc.  
**Property Management Company:** FPI Management Inc.

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**Project Financing Information:**  
**Bond Counsel:** Kutak Rock LLP  
**Private Placement Purchaser:** JP Morgan Chase 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 7, 2020  
**TEFRA Adoption Date:** February 4, 2020

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 63  
**Manager's Units:** 1 Unrestricted  
**Type:** New Construction  
**Population Served:** Family

La Prensa Libre Apartments is a new construction project located in Los Angeles on a 1.43-acre site. The project consists of 62 restricted rental units, 1 market rate unit which is the unrestricted manager unit. The project will have 32 one-bedroom units (25 of the 32 will be for special-needs homeless transitional age youth with mental illness), 14 two-bedroom units and 16 three-bedroom units. The building will be a 4 story construction. Common amenities include a laundry room, a community room, recreational and barbecue areas with shaded seating, a tot-lot and elevators. Each unit will have a refrigerator, a range/oven and a dishwasher. There are 74 parking spaces provided. The project will be pursuing LEED Silver certification. Green features include low-flow water fixtures, bicycle rooms, bicycle racks outside, xeriscape, LED lighting, low-VOC adhesives and paints, rainwater harvesting, solar power for water heating and electricity, which allows for all electric appliances, and a non-smoking policy. The construction is expected to begin September 2020 and be completed in July 2022.

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 100%  
40% (25 units) restricted to 50% or less of area median income households.  
60% (37 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:** \$ 55,723,462  
**Estimated Hard Costs per Unit:** \$ 375,715 (\$23,670,047 /63 units including mgr. units)  
**Estimated per Unit Cost:** \$ 884,499 (\$55,723,462 /63 units including mgr. units)  
**Allocation per Unit:** \$ 431,746 (\$27,200,000 /63 units including mgr. units)  
**Allocation per Restricted Rental Unit:** \$ 438,710 (\$27,200,000 /62 restricted units)

<b>Sources of Funds:</b>	Construction	Permanent
Chase Bank Construction Loan	\$ 27,200,000	\$ 7,368,414
Cash Flow Permanent Bonds	\$ 0	\$ 0
0	\$ 0	\$ 0
REA Payment	\$ 1,184,617	\$ 7,500,000
LIH Tax Credit Equity	\$ 0	\$ 25,116,048
HCIDLA AHTF	\$ 6,334,820	\$ 3,750,000
City Donated Land	\$ 7,500,000	\$ 1,184,617
LACDC NPLH	\$ 3,750,000	\$ 4,495,766
Deferred fees and costs	\$ 4,760,815	\$ 3,797
Itemized Public Funds Sources	\$ 0	\$ 0
Hudson Tax Credit Proceeds	\$ 5,023,210	\$ 6,334,820
0	\$ 0	\$ 0
0	\$ 0	\$ 0
0	\$ 0	\$ 0
<b>Total Sources</b>	<b>\$ 55,753,462</b>	<b>\$ 55,753,462</b>

<b>Uses of Funds:</b>	
Land Cost/Acquisition	\$ 9,353,423
Rehabilitation	\$ 0
Relocation	\$ 1,596,889
New Construction	\$ 27,802,107
Contractor Overhead & Profit	\$ 0
Architectural Fees	\$ 803,014
Survey and Engineering	\$ 1,149,377
Construction Interest and Fees	\$ 2,482,041
Permanent Financing	\$ 298,825
Legal Fees	\$ 628,814
Reserves	\$ 257,433
Appraisal	\$ 0
Hard Cost Contingency	\$ 1,394,065
Local Development Impact Fees	\$ 1,253,808
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 3,907,900
Developer Costs	\$ 4,795,766
<b>Total Uses</b>	<b>\$ 55,723,462</b>

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**Analyst Comments:**

The land cost for the highly desirable downtown Los Angeles area is costly and the privately owned sites were occupied by a rental property with 31 occupied units and an auto repair shop. All tenants have been relocated. In addition, the site was previously used for commercial printing purposes and an auto repair shop requiring environmental remediation and toxic abatement on a portion of the overall site.

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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:**

130 out of 145 [See Attachment A]

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**Recommendation:**

Staff recommends that the Committee approve \$27,200,000 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]	10.00
Large Family Units	5	5	5.00
Gross Rents	5	5	5.00
Leveraging	10	10	10.00
Community Revitalization Area	5	5	5.00
Site Amenities	10	10	10.00
Service Amenities	10	10	10.00
New Construction or Substantial Renovation	10	10	10.00
Sustainable Building Methods	10	10	10.00
Forgone Eligible Developer Fee (Competitive Allocation Process Only)	10	10	10.00
Minimum Term of Restrictions (Competitive Allocation Process Only)	10	10	10.00
Negative Points (No Maximum)	-10	-10	0.00
<b>Total Points</b>	<b>145</b>	<b>125</b>	<b>130.00</b>