

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 21, 2020
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by: Anthony Wey

Applicant: Housing Authority of the City of Sacramento

Allocation Amount Requested:
Tax-exempt: \$21,500,000

Project Information:
Name: Northlake Senior Apartments
Project Address: SE Corner Hammock Ave. & Littlestone St.
Project City, County, Zip Code: Sacramento, Sacramento, 95835

Project Sponsor Information:
Name: Northlake Senior Affordable, LP (St. Anton Natomas Senior Affordable, LLC / PacH Anton South Holdings, LLC / RBC
Principals: Peter H. Geremia for St. Anton Natomas Senior Affordable, LLC; Mark A. Wiese for PacH Anton South Holdings, LLC; Stacie Altmann for RBC Community Investments, LLC
Property Management Company: St. Anton Multifamily, Inc.

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser: Citibank, N.A.
Cash Flow Permanent Bond: Not Applicable
Public Sale: Not Applicable
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Rating: Not Applicable

Description of Proposed Project:
State Ceiling Pool: General New Construction Pool
Total Number of Units: 191
Manager's Units: 2 Restricted
Type: New Construction
Population Served: Senior Citizens

Northlake Senior Affordable Apartments is a new construction project located in Sacramento, CA a 7.54-acre site. The project consists of 191 restricted rental units, including 2 restricted managers' units. The project will have 155 one-bedroom units and 36 two-bedroom units. The project consists of 6 one-story and 10 two-story buildings of 7 different types, as well as one single-story community building. The residential buildings will be wood-framed type V construction with stucco exteriors and concrete tile roofing. Common amenities include a leasing office, community room, communal kitchen, business center, fitness center, mail center, laundry room, swimming pool, sundeck, community garden, dog park, picnic areas, and zen zones. Each unit will have a washer and dryer, patio or balcony, window coverings, fully equipped kitchens, dishwasher, refrigerator, self-cleaning oven range, garbage disposal, and mirrored medicine cabinets. There are 206 parking spaces provided. The construction is expected to begin January 2021 and be completed in July 2022.

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%

30% (58 units) restricted to 50% or less of area median income households.

70% (133 units) restricted to 60% or less of area median income households.

Unit Mix: 1 & 2 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:	\$ 38,193,382	
Estimated Hard Costs per Unit:	\$ 108,753	(\$20,771,905 /191 units including mgr. units)
Estimated per Unit Cost:	\$ 199,965	(\$38,193,382 /191 units including mgr. units)
Allocation per Unit:	\$ 112,565	(\$21,500,000 /191 units including mgr. units)
Allocation per Restricted Rental Unit:	\$ 112,565	(\$21,500,000 /191 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 21,500,000	\$ 20,500,000
Taxable Bond Proceeds	\$ 9,050,000	\$ 0
LIH Tax Credit Equity	\$ 1,400,000	\$ 14,093,763
Deferred Developer Fee	\$ 0	\$ 1,459,619
Deferred Costs	\$ 0	\$ 140,000
MGP Subordinate Loan (Taxable)	\$ 2,000,000	\$ 2,000,000
Total Sources	\$ 33,950,000	\$ 38,193,382

Uses of Funds:	
Land Cost/Acquisition	\$ 2,500,000
Relocation	\$ -1
New Construction	\$ 22,169,807
Contractor Overhead & Profit	\$ 1,246,314
Architectural Fees	\$ 124,150
Survey and Engineering	\$ 390,823
Construction Interest and Fees	\$ 895,813
Permanent Financing	\$ 1,530,694
Legal Fees	\$ 185,000
Reserves	\$ 466,461
Appraisal	\$ 8,500
Hard Cost Contingency	\$ 1,344,936
Local Development Impact Fees	\$ 1,751,029
Other Project Costs (Soft Costs, Marketing, etc.)	\$ 2,079,856
Developer Costs	\$ 3,500,000
Total Uses	\$ 38,193,382

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:

120 out of 145 [See Attachment A]

Recommendation:

Staff recommends that the Committee approves \$21,500,000 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]	10.00
Large Family Units	5	5	0.00
Gross Rents	5	5	5.00
Leveraging	10	10	10.00
Community Revitalization Area	5	5	0.00
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
Total Points	145	125	120.00