

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**May 27, 2009**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: *Richard Fischer*

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**Applicant:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**  
**Tax-exempt:** \$1,546,000

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**Project Information:**  
**Name:** Creekside Apartments  
**Project Address:** 28955 Pujol Street  
**Project City, County, Zip Code:** Temecula, Riverside, 92590

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**Project Sponsor Information:**  
**Name:** RC Investment Group, L.P. (RC-2009, LLC and Ronald D. Bettencourt)  
**Principals:** Ronald D. Bettencourt

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**Project Financing Information:**  
**Bond Counsel:** Orrick, Herrington & Sutcliffe LLP  
**Private Placement Purchaser:** Bonneville Mortgage Company  
**TEFRA Hearing:** April 28, 2009

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 48, plus 1 manager unit  
**Type:** Acquisition and Rehabilitation  
**Type of Units:** Senior Citizens/Federally Assisted At-Risk

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project:** 100%  
10% (5 units) restricted to 50% or less of area median income households.  
90% (43 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 bedroom

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**Term of Restrictions:**  
**Income and Rent Restrictions:** 55 years

**Details of Project Financing:**

<b>Estimated Total Development Cost:</b>	\$	3,451,448	
<b>Estimated Hard Costs per Unit:</b>	\$	10,237	(\$491,356 /48 units)
<b>Estimated per Unit Cost:</b>	\$	71,905	(\$3,451,448 /48 units)
<b>Allocation per Unit:</b>	\$	32,208	(\$1,546,000 /48 units)
<b>Allocation per Restricted Rental Unit:</b>	\$	32,208	(\$1,546,000 /48 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 1,546,000	\$ 1,410,000
Deferred Developer Fee	\$ 18,662	\$ 18,662
LIH Tax Credit Equity	\$ 677,285	\$ 813,285
Direct & Indirect Public Funds	\$ 1,075,350	\$ 1,075,350
Other (RD Reserves)	\$ 134,151	\$ 134,151
<b>Total Sources</b>	<b>\$ 3,451,448</b>	<b>\$ 3,451,448</b>

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 1,810,350
Hard Construction Costs	\$ 491,356
Architect & Engineering Fees	\$ 14,200
Contractor Overhead & Profit	\$ 76,160
Developer Fee	\$ 341,628
Relocation	\$ 5,000
Cost of Issuance	\$ 56,353
Capitalized Interest	\$ 42,289
Other Soft Costs (Marketing, etc.)	\$ 614,112
<b>Total Uses</b>	<b>\$ 3,451,448</b>

**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:** 65 out of 128  
 [See Attachment A]

**Recommendation:**

Staff recommends that the Committee approve \$1,546,000 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
Federally Assisted At-Risk Project or HOPE VI Project	20	20	20
Exceeding Minimum Income Restrictions:	35	15	25
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	0
Gross Rents	5	5	5
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	0
Site Amenities	10	10	5
Service Amenities	10	10	0
New Construction	10	10	0
Sustainable Building Methods	8	8	0
Negative Points	-10	-10	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>65</b>

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.