

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 23, 2009
Staff Report
*REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT*

Prepared by: Richard Fischer

Applicant: Housing Authority of the County of Santa Clara

Allocation Amount Requested:

Tax-exempt: \$3,788,922

Project Information:

Name: Miramar Way Apartments
Project Address: 3761 Miramar Way
Project City, County, Zip Code: Santa Clara, Santa Clara, 95051

Project Sponsor Information:

Name: Housing Authority of the County of Santa Clara
Principals: Alex Sanchez, Bakulesh Patel and Vanessa Cooper

Project Financing Information:

Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: Not Applicable
Credit Enhancement Provider: Prudential Mortgage Capital Company-Freddie Mac
TEFRA Hearing Date: June 9, 2009

Description of Proposed Project:

State Ceiling Pool: General
Total Number of Units: 15, plus 1 manager unit
Type: Acquisition and Rehabilitation
Type of Units: Family

Description of Public Benefits:

Percent of Restricted Rental Units in the Project: 100%
13% (2 units) restricted to 50% or less of area median income households.
87% (13 units) restricted to 60% or less of area median income households.
Unit Mix: 1 & 2 bedrooms

Term of Restrictions:

Income and Rent Restrictions: 55 years

Details of Project Financing:

Estimated Total Development Cost:	\$	6,787,380	
Estimated Hard Costs per Unit:	\$	147,292	(\$2,209,384 /15 units)
Estimated per Unit Cost:	\$	452,492	(\$6,787,380 /15 units)
Allocation per Unit:	\$	252,595	(\$3,788,922 /15 units)
Allocation per Restricted Rental Unit:	\$	252,595	(\$3,788,922 /15 restricted units)

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds	\$ 3,383,683	\$ 2,654,363
Developer Equity	\$ 8	\$ 64,008
Deferred Developer Fee	\$ 82,819	\$ 80,282
LIH Tax Credit Equity	\$ 427,131	\$ 1,423,770
Direct & Indirect Public Funds	\$ 2,775,966	\$ 2,503,243
Other (NOI during Const)	\$ 125,713	\$ 61,714
Total Sources	\$ 6,795,320	\$ 6,787,380

Uses of Funds:	
Acquisition Costs	\$ 2,560,000
Hard Construction Costs	\$ 2,209,384
Architect & Engineering Fees	\$ 414,904
Contractor Overhead & Profit	\$ 297,227
Developer Fee	\$ 414,107
Relocation	\$ 6,400
Cost of Issuance	\$ 123,316
Capitalized Interest	\$ 328,946
Other Soft Costs (Marketing, etc.)	\$ 375,496
Total Uses	\$ 6,729,780

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: 77.5 out of 118
[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$3,788,922 in tax exempt bond allocation on a carryforward basis.

The CDLAC bond issuance deadline shall be 1) the project specific California Tax Credit Allocation Committee closing deadline for January 27, 2010 TCAP/Exchange awards or 2) August 25, 2010 for those applicants unsuccessful in obtaining a TCAP/Exchange award on January 27, 2010.

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	0
Exceeding Minimum Income Restrictions:	35	15	27
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	10
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	7.5
Service Amenities	10	10	10
New Construction	10	10	0
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
Total Points	118	98	77.5

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.