

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**July 16, 2008**  
**Staff Report**  
***REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A***  
***QUALIFIED RESIDENTIAL RENTAL PROJECT***

*Prepared by Richard C. Fischer .*

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**Applicant:** California Municipal Finance Authority

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**Allocation Amount Requested:** Tax-exempt \$15,500,000

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**Project Name:** **Altenheim Senior Housing Phase II Apartments**  
**Project Address:** 1720 MacArthur Boulevard  
**Project City, County, Zip Code:** Oakland, Alameda, 94602

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**Project Sponsor Information:**  
**Name:** New Altenheim Partners, L.P. (Altenheim Housing Corporation)  
**Principals:** Daniel Lopez, James M. Buckley and Joanna Michel

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**Project Financing Information:**  
**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Not applicable  
**Private Placement Purchaser:** US Bank, N.A.  
**TEFRA Hearing:** April 29, 2008

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**Description of Proposed Project:**  
**State Ceiling Pool:** General  
**Total Number of Units:** 80, plus 1 manager unit  
**Type:** New Construction  
**Type of Units:** Senior/ Special Needs

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**Description of Public Benefits:**  
**Percent of Restricted Rental Units in the Project: 100%**  
100% (80 units) restricted to 50% or less of area median income households.  
**Unit Mix:** Studio and 1- bedroom

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**Term of Restrictions:** 55 years

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<b>Estimated Total Development Cost:</b>	\$26,495,920
<b>Estimated Hard Costs per Unit:</b>	\$ 184,502 (\$14,760,179/80 units)
<b>Estimated per Unit Cost:</b>	\$ 331,199 (\$26,495,920/80 units)
<b>Allocation per Unit:</b>	\$ 193,750 (\$15,500,000/80 units)
<b>Allocation per Restricted Rental Unit:</b>	\$ 193,750 (\$15,500,000/80 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$15,500,000	\$ 711,100
Developer Equity	\$ 0	\$ 1,200,000
Deferred Developer Fee	\$ 1,144,341	\$ 1,144,341
Deferred Costs to Permanent	\$ 1,578,873	\$ 0
LIH Tax Credit Equity	\$ 50,000	\$ 9,132,000
Direct & Indirect Public Funds	<u>\$ 8,222,706</u>	<u>\$14,308,479</u>
Total Sources	\$26,495,920	\$26,495,920

<b>Uses of Funds:</b>	
Land Purchase	\$ 2,312,069
On-Site & Off-Site Costs	\$ 695,784
Hard Construction Costs	\$14,064,395
Architect & Engineering Fees	\$ 1,391,266
Contractor Overhead & Profit	\$ 684,618
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 348,488
Capitalized Interest	\$ 620,954
Other Soft Costs	<u>\$ 3,878,346</u>
Total Uses	\$26,495,920

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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:** 90.5 out of 148

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**Recommendation:**

Staff recommends that the Committee approve \$15,500,000 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	0
Exceeding Minimum Income Restrictions: Non-Mixed Income Project Mixed Income Project	35	15	35
Gross Rents	5	5	5
Exceeding Minimum Rent Restrictions [Allowed if 10 pts not awarded above in Federally Assisted At-Risk Project or HOPE VI Project]	[10]	[10]	0
Exceeding Minimum Term of Restrictions	10	10	10
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	5
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	NA
<b>Total Points</b>	<b>148</b>	<b>128</b>	<b>90.5</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.