

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**September 24, 2008**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A**  
**QUALIFIED RESIDENTIAL RENTAL PROJECT**

Prepared by: John Weir

---

**Applicant:** County of Contra Costa

---

<b>Allocation Amount Requested:</b>	<b>Tax-exempt:</b>	\$15,000,000
	<b>Taxable-debt:</b>	\$4,284,851

---

**Project Information:**

**Name:** Meadowood at Alamo Creek  
**Project Address:** 3000 Damani Court  
**Project City, County, Zip Code:** Danville, Contra Costa, 94506

---

**Project Sponsor Information:**

**Name:** Shapell Industries, Inc.  
**Principals:** Chris Truebridge, President and Bob Moore, C.O.O.

---

**Project Financing Information:**

**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Prudential Mortgage Capital Company  
**Credit Enhancement Provider:** Prudential Mortgage Capital Company/Freddie Mac  
**Private Placement Purchaser:** Not Applicable  
**TEFRA Hearing:** June 24th, 2008

---

**Description of Proposed Project:**

**State Ceiling Pool:** General  
**Total Number of Units:** 118, plus 2 manager's units  
**Type:** New Construction  
**Type of Units:** Senior Citizens

---

**Description of Public Benefits:**

**Percent of Restricted Rental Units in the Project:** 63%  
20% (24 units) restricted to 50% or less of area median income households.  
42% (50 units) restricted to 60% or less of area median income households.  
**Unit Mix:** 1 & 2 bedrooms

---

**Term of Restrictions:** 30 years

Agenda Item No. 11.38  
Application No. 08-222

---

<b>Estimated Total Development Cost:</b>	\$23,924,254	
<b>Estimated Hard Costs per Unit:</b>	\$100,824	(\$11,897,244 / 118 units)
<b>Estimated per Unit Cost:</b>	\$202,748	(\$23,924,254 / 118 units)
<b>Allocation per Unit:</b>	\$127,119	(\$15,000,000 / 118 units)
<b>Allocation per Restricted Rental Unit:</b>	\$202,703	(\$15,000,000 / 74 restricted units)

<b>Sources of Funds:</b>	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$ 15,000,000	\$ 6,315,149
Taxable Bond Proceeds	\$ 4,284,851	\$ 4,284,851
Deffered Developer Fee	\$ 2,500,000	\$ 2,500,000
LIH Tax Credit Equity	\$ 0	\$ 4,487,548
Developer Equity	\$ 2,139,403	\$ 6,336,706
Total Sources	\$ 23,924,254	\$ 23,924,254

<b>Uses of Funds:</b>	
Acquisition Costs	\$ 4,000,000
On & Off Site Costs	\$ 147,521
Hard Construction Costs	\$ 10,971,399
Hard Cost Contingency	\$ 778,324
Architect & Engineering Fees	\$ 300,000
Contractor Overhead & Profit	\$ 1,556,649
Developer Fee	\$ 2,500,000
Cost of Issuance	\$ 400,000
Capitalized Interest	\$ 1,200,000
Other Soft Costs	\$ 2,070,361
Total Uses	\$ 23,924,254

---

**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:** 78.5 out of 128

[See Attachment A]

---

**Recommendation:**

Staff recommends that the Committee approve \$15,000,000 in tax exempt bond allocation.

Agenda Item No. 11.38  
Application No. 08-222

**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	23
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
Exceeding Minimum Term of Restrictions	10	10	0
Community Revitalization Area	15	15	0
Site Amenities	10	10	2.5
Service Amenities	10	10	10
New Construction	10	10	10
Sustainable Building Methods	8	8	8
Negative Points	-10	-10	0
<b>Total Points</b>	<b>128</b>	<b>108</b>	<b>78.5</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.