

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 3, 2008
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT

Prepared by Brady Hill.

Applicant: San Francisco Redevelopment Agency

Allocation Amount Requested: Tax-exempt \$24,000,000
PROJECT ORIGINALLY RECEIVED ALLOCATION ON JULY 16, 2008. APPLICANT REQUESTED AWARD BE DEFERRED TO DECEMBER 3 ALLOCATION MEETING

Project Name: Armstrong Place Senior Housing Apartments
Project Address: 5600 Third Street
Project City, County, Zip Code: San Francisco, San Francisco, 94124

The proposed Project is located in a Community Revitalization area, more specifically in the Bayview Hunters Point Project Area B.

Project Sponsor Information:
Name: BRIDGE Housing Corporation
Principals: Carol Galante, Lydia Tan, Susan Johnson, D. Valentine

Project Financing Information:
Bond Counsel: Curls Bartling P.C. Attorneys at Law
Underwriter: Not Applicable
Credit Enhancement Provider: Not Applicable
Private Placement Purchaser: Wells Fargo Bank, N.A.
TEFRA Hearing: May 29, 2008

Description of Proposed Project:
State Ceiling Pool: General
Total Number of Units: 115, plus 1 manager unit
Type: New Construction
Type of Units: Senior

Description of Public Benefits:
Percent of Restricted Rental Units in the Project: 100%
100% (115 units) restricted to 50% or less of area median income households.
Unit Mix: Studio and 1 bedrooms

Term of Restrictions: 55 years

Estimated Total Development Cost:	\$38,159,914
Estimated Hard Costs per Unit:	\$234,024.00 (\$26,912,729 / 115 units)
Estimated per Unit Cost:	\$331,825.00 (\$38,159,914 / 115 units)
Allocation per Unit:	\$208,696.00 (\$24,000,000 / 115 units)
Allocation per Restricted Rental Unit:	\$208,696.00 (\$24,000,000 / restricted units)

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds	\$24,000,000	\$0
Developer Equity	\$1,646	\$1,646
LIH Tax Credit Equity	\$250,000	\$16,458,881
Direct & Indirect Public Funds	<u>\$11,964,187</u>	<u>\$21,699,387</u>
Total Sources	\$36,215,833	\$38,159,914

Uses of Funds:	
Land Purchase	\$5,228
On-Site & Off-Site Costs	\$998,449
Hard Construction Costs	\$25,914,280
Architect & Engineering Fees	\$1,547,520
Contractor Overhead & Profit	\$3,320,510
Developer Fee	\$1,400,000
Cost of Issuance	\$399,500
Capitalized Interest	\$1,205,968
Other Soft Costs	<u>\$3,368,459</u>
Total Uses	\$38,159,914

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: 113 of 138

[See Attachment A]

Recommendation:

Staff recommends that the Committee approve \$24,000,000 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	10
Exceeding Minimum Term of Restrictions	10	10	10
Large Family Units	5	5	0
Leveraging	10	10	10
Community Revitalization Area	15	15	15
Site Amenities	10	10	10
Service Amenities	10	10	0
Sustainable Building Methods	8	8	8
New Construction	10	10	10
Negative Points	NA	NA	0
Total Points	138	118	113

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.