

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
HCD Loan Guarantee
August 26, 2009

Project Number CA-2009-547

Project Name St. Joseph's Senior Apartments
Address: 2647 International Boulevard
Oakland, CA 94601 County: Alameda

Applicant Information

Applicant: BRIDGE Housing Corporation
Sponsor: Smitha Seshadri
Address: 345 Spear Street, Suite 700
San Francisco, CA 94105
Phone: (415) 989-1111 Fax: (415) 495-4898
Email: sseshadri@bridgehousing.com

General Partner Type: Nonprofit
The general partner or principal owner is BRIDGE Tower, LLC.

Project Information

Construction Type: Rehabilitation and Acquisition
Federal Subsidy: Tax-Exempt/HOME/Section 8
HCD MHP Funding: Yes
Total # of Units: 84
Total # Residential Buildings: 1

Information

Housing Type: Seniors
Proposed Average Affordability: 35.71%

Davis-Bacon Required: Yes

NEPA Required: Yes

State Prevailing Wages Required: Yes

2008 TCAC Project Number: CA-2008-961

2008 Federal Tax Credits Allocated: \$1,293,166

2008 Federal Tax Credits Retained: \$1,293,166

HCD Loan Guarantee Requested: \$7,088,603

HCD Loan Guarantee Recommended: \$7,088,603

ARRA Scoring Criteria	Max. Possible Points	Points Awarded
<i>DDA Bonus Points</i>	25	0
<i>Housing Type Points (Maximum of 50 points)</i>	50	
<input checked="" type="checkbox"/> Large Family/Senior Project	10	10
<i>Total Project Cost/Cash Request Points (Maximum of 100 points)</i>		
<input checked="" type="checkbox"/> PMIB – MHP, SHP, & Homeless Youth Projects	100	100
<input type="checkbox"/> Other Project		
Total Project Cost: \$		
Cash Award Request: \$		
Total Points Awarded: 100 - (Cash Award/Total Project Cost X 100)		
<i>Total Average Affordability Points (Maximum of 100 points)</i>	100	100
Projects Original Proposed Average Affordability: 35.71%		
60% - 35.71% = 24.29 X 5 Points = 121.45		
Total Points	275	210

Approved 2008 TCAC Proposed Rent and Income Levels

<u>Unit Type & Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
4 Studio	30%	\$452
5 One-Bedroom	30%	\$484
25 Studio	35%	\$527
42 One-Bedroom	35%	\$565
4 Studio	50%	\$753
3 One-Bedroom	50%	\$807
1 Two-Bedroom	Manager's Unit	\$1,091

Project Financing

Estimated Total Project Cost: \$38,871,637 Per Unit Cost: \$445,948

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Tax-Exempt Bonds	\$27,700,000	Tax-Exempt Bonds	\$500,900
City of Oakland	\$7,002,000	Tax-Exempt Perm Loan – Sect. 8	\$3,860,130
AHP	\$415,000	HCD – MHP ARRA Guarantee	\$7,088,603
Foundation Grants (Evelyn & Walter)	\$100,000	City of Oakland	\$8,630,000
CalReUSE	\$999,110	Foundation Grants (Evelyn & Walter)	\$150,000
Foundation Grants (NCCLF)	\$50,000	AHP	\$415,000
Deferred Developer Fee	\$1,700,000	CalReUSE	\$999,110
Investor Equity	\$1,174,583	Accrued/deferred Interest	\$115,068
		Historic Tax Credit Equity	\$5,534,238
		Deferred Developer Fee	\$1,700,000
		Investor Equity	\$9,878,588
		TOTAL	\$38,871,637

Income and Expense Statement for Year 1

Gross Residential Rents:	\$560,536
Rental Subsidy:	\$421,376
Miscellaneous Income:	\$5,040
Vacancy Rate: 5%	(\$49,348)
Total Effective Gross Income:	\$937,604
Less Total Expenses/Reserves:	\$480,273
Net Operation Income:	\$457,331
Debt Service:	\$348,094
Net Cash Flow	\$70,451
Debt Service Ratio:	1.17 to 1

Annual operating expenses exceed the minimum operating expenses established in the Regulations, and the project pro forma shows a positive cash flow from year one. Staff analysis of project costs to determine reasonableness found all fees to be within TCAC's underwriting guidelines and TCAC limitations.