

AFFORDABLE HOUSING LOAN APPLICATION

Loan Amount Requested: \$787,652 Date funds are needed: Earliest Decision Date Possible

Proposed Use of Funds: Rehabilitation to address life safety, Accessibility, Air Quality, and ongoing maintenance.

Proposed Loan Terms: 3% simple interest deferred, 55 years

I. APPLICANT'S INFORMATION

- A. Name: BRIDGE Housing Corporation
- Address: 600 California Street, Suite 900, San Francisco, CA 94108
- Project Manager: Kearstin Dischinger Phone: 415.321.3515
- E-mail: Kdischinger@Bridgehousing.com FAX: _____
- B. Type of Organization: Corporation, Partnership, etc. _____
- Tax exempt organization? ☒ Yes ☐ No ID#: 94-2827909
- Is this organization a CHDO? ☐ Yes ☒ No CHDO ID#: _____
- DUNS#: _____
- C. Legal name of borrower(s) to be used on loan documents:
- BRIDGE Housing Corporation
- D. Experience: Attach resume' of prior experience by listing projects, including location, number of units, level of affordability, type of units, completion date. Please include name and telephone number for use as references at other local jurisdictions.

II. PROPOSED PROJECT

A. Site

Name of Project: Chelsea Gardens I and II

Location: 1220 McMin Ave, Santa Rosa, CA 95407 A. P. #: 125-261-045
125-261-050

Current Land Use Designation: Medium Density Residential

Proposed Land Use Designation: No Change

Proposed Density (units/acre): 14.8 # of Acres: 8.1

Water/Sewer Availability and Location: _____

Offsite Constraints: None

Subject to Specific Area Plan? ☒ Yes ☐ No Annexation Needed? ☐ Yes ☒ No

Does your site acquisition include buildings currently being used for housing or business activities? ☐ Yes ☐ No -

NA, Rehabilitation

If yes, indicate type of use and number of occupants: _____

Relocation of occupants necessary? ☐ Yes ☒ No

Form of Site Control (Contract, Option): Contract

Purchase Price: \$ _____

Appraised Value: \$ _____

Development Constraints: NA

Year of City's growth management allocation: NA

B. Environmental (Clearance may take a minimum of 3 months)

Reports/Studies Completed: NA – this scope of work does not require reports/studies

Proximity to Flood Plain: N/A

Indicate presence of wetlands, vernal pools, endangered plant or animal species:

Other known environmental constraints:

C. Proposed Affordable Housing Project

Total number of units ~~to be built~~: 120

Number of affordable rental units: 118

Number of affordable ownership units: _____

Number of units serving under 30% of median income: _____

Number of units serving 31% - 50% of median income: 118

Number of units serving 51% - 80% of median income: _____

Number of units serving over 80% of median income: _____

Number of units serving non-restricted income levels: 2 (staff)

Note: All projects with sixteen or more units must include an on-site manager unit. Reference California Administrative Code Title 25, Section 42.

D. Itemization of Proposed Units

Bedroom Size	Sq. Ft. Size of Unit	# of Units	Targeted Income Level	Proposed Rent Amount	Comments
Studio	413	12	50% AMI	\$865	
1 bedroom	535	26	50% AMI	\$1,081	
1 bedroom	535	26	50% AMI	\$1,097	Senior Units
1 bedroom	512	8	50% AMI	\$1,109	HUD PBV Units
2 bedroom	720	15	50% AMI	\$1,352	
2 bedroom	778	29	50% AMI	\$1,378	HUD PBV Units
2 bedroom	720	1	Staff	\$	
2 bedroom	778	1	Staff	\$	
3 bedroom	904	2	50% AMI	\$1,622	HUD PBV Units
TOTAL		120			

E. Monthly Allowance for Tenant-paid Utilities:

(Utility Allowance Chart available from staff)

	Indicate Gas Or Electric	Check if Paid By Tenant	Check if Paid By Owner
Space Heating	<u>gas</u>	X	<input type="checkbox"/>
Stove	<u>electric</u>	X	<input type="checkbox"/>
Water Heater	<u>gas</u>	X	<input type="checkbox"/>
Trash	<u>N/A</u>	<input type="checkbox"/>	X
Water/Sewer	<u>NA</u>	<input type="checkbox"/>	X
Other	<u></u>	<input type="checkbox"/>	<input type="checkbox"/>
Bedroom Size	<u>0</u>	<u>1</u>	<u>2</u>
	<u>3</u>	<u></u>	<u></u>

Total Utility Allowance by Unit Size Varies by Operating subsidy, see Attachment J for detail

Attach Utility Allowance Chart with applicable allowances circled.

F. Project Management Company: BRIDGE Property Management Company

Attach Project Management Company information and list of its references.

III. **PROJECT COST**

Land Cost		\$ <u>NA</u>
Land Cost Per Acre	\$ <u> </u>	
Predevelopment Costs		\$ <u> </u>
Soft Costs		\$ <u>303,064</u>
Hard Costs		\$ <u>1,345,200</u>
Total Project Cost		\$ <u><u>1,648,264</u></u>
Cost Per Unit Built	\$ <u>13,735</u>	

IV. **TOTAL PROJECT FINANCING**

Amount of this loan request:		\$ <u>787,652</u>
Additional Housing Authority funding contemplated?	If yes, amount:	\$ <u>0</u>
Amount of other permanent financing:	<u>Reserves</u>	\$ <u>860,612</u>
Amount of cash or loans currently in project:		\$ <u> </u>
Amount of owner's equity in project:		\$ <u> </u>
Amount of Deferred Developer Fee		\$ <u>0</u>
TOTAL		\$ <u><u>1,648,264</u></u>
		<u> </u>

A. Financing Sources: *(Include all other financing--interim and permanent)*

EXISTING AND/OR COMMITTED FINANCING

	1	2	3	4	5	6
Lender's Name & Address	BRIDGE Housing Property Management 600 California Street, 900 San Francisco, CA 94108	CalHFA	CalHFA			
Contact Person & Phone #	Julie Sontag	Jessica Doan	Jessica Doan			
Name of Program	Replacement Reserves	permanent loan	HAT loan,			
Loan Amount	\$860,612	\$4,455,000	\$790,000			
Annual Payment		\$317,000	After \$450,000 of principal has been paid, principal and interest to be paid to the extent of 60% of excess/distributable cash.			
Terms of Loan	N/A	Through 2029	Through 2029			
Date Applied	available at time of application	Secured	Secured			
Current Status of Application	Funds Available	secured	secured			
Conditions	N/A					

INTERIM/CONSTRUCTION FINANCING

	1	2	3	4	5	6
Lender's Name & Address						
Contact Person & Phone #						
Name of Program						
Loan Amount						
Annual Payment						
Terms of Loan						
Date Applied						
Current Status of Application						
Conditions						

PERMANENT FINANCING

	1	2	3	4	5	6
Lender's Name & Address	CalHFA permanent loan	CalHFA HAT loan				
Contact Person & Phone #						
Purpose	permanent loan	second mortgage				
Name of Program						
Loan Amount	originally amounting \$4,455,000, payable in monthly installments of \$26,424 including interest at 5.9% through 2029	Originally amounting to \$790,000, bearing simple interest at 5.5%, with payment from 100% of excess/ distributable cash after the transition operating reserve is fully funded. After \$450,000 of principal has been paid, principal and interest to be paid to the extent of 60% of excess/distributable cash to be repaid in full by 2029. The loan is collateralized by the deed of trust on the Project. Interest expense during 2016 and 2015 for each year was \$30,352. As of December 31, 2016 and 2015, accrued interest is \$155,137 and \$124,785, respectively.				
Annual Payment						
Terms of Loan						
Date Applied						
Current Status of Application						
Conditions						

B. Administrative Costs

What are the administrative costs for this project and how will they be funded? _____

Administrative costs are limited to developer's fees which will be funded partially through reserve funds and partially through CDBG funds. The Developer fees will fund oversight of the scheduled rehabilitation work.

C. Development and Operations Proformas (Attach Project Proformas)
See attached Project Budget for Rehabilitation Work, Phase I

V. ATTACHMENTS

Please attach the following documents to the Loan Application: (If we have current, accurate copies on file you do not need to resubmit, only update).

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|-----|----|--|
| X | A. | Project description and purpose narrative. |
| X | B. | List of references for other projects (see #I-D. page 1). |
| X | C. | List of board members and/or names of company officers, including addresses, phone numbers, employer, occupation. |
| X | D. | Copy of applicant's Articles of Incorporation, Bylaws or Partnership Agreement. |
| X | E. | Federal tax exempt determination letter, if applicable. |
| X | F. | Most recent audit report and current financial statement (within the last quarter). Reports should include balance sheets, revenue and expense statement, and statement of changes in fund balances. |
| X | G. | Resolution from Applicant's governing body authorizing the borrowing of funds from the Housing Authority of the City of Santa Rosa and authorizing execution of loan documents. |
| N/A | H. | Resolution from Applicant's governing body authorizing formation of limited partnership, if applicable. |
| N/A | I. | Project Proforma – projected for the proposed loan term. |
| X | J. | Utility Allowance Chart with applicable allowances circled. |
| X | K. | Evidence of land control (i.e., option, sale/purchase contract or escrow instructions). |
| X | L. | Evidence of land value. Provide appraisal or statement of value from other financing sources, if available. |
| X | M. | Area map of proposed site and site photos. |
| X | N. | Preliminary Title Report (within past six months). |
| N/A | O. | Environmental reports/studies. |

- | | | |
|-----|----|---|
| X | P. | Funding commitment letters. |
| X | Q. | Project timetable. |
| X | R. | Agreements for rent subsidies, if applicable. |
| X | S. | Management company information and list of references. |
| X | T. | Budget for Housing Authority loan funds. |
| N/A | U. | Anticipated exit strategy at end of tax credit period, if applicable. |

CERTIFICATIONS

Applicant hereby certifies:

1. Truth of Application

That the information submitted in this Loan Application and any supporting materials is true, accurate, and complete to the best of its knowledge.

2. Material Changes to Project

That the Applicant acknowledges that any material changes to the project not disclosed to and approved by the Housing Authority may result in termination of funding for the project. Material changes include but are not limited to: changes in the project's design, amenities, and number and size of units; changes to the development budget; changes to the proposed sales prices, rents or operating expenses; changes to the sources, amounts or terms of financing; changes to the ownership entity or key staff and consultants identified in this Loan Application; or changes to other Loan Application items.

3. Applications are Public Records

That the Applicant acknowledges that the information submitted as part of this loan application, except material considered confidential, may be made available to the public.

4. No Conflict of Interest

That the Applicant confirms that the Applicant nor any of its employees or other persons or entities affiliated with the Applicant have any financial relationship or position with the City of Santa Rosa, the Housing Authority of the City of Santa Rosa, or any of their respective officers, agents, employees and volunteers that would present a conflict of interest issue.

APPLICANT REPRESENTATIVE(S)

Name

Name

Title

Title

Signature

Signature

Date

Date