

**CITY OF DAVIS**  
**2006-2007 HOME INVESTMENT PARTNERSHIPS PROGRAM APPLICATION**

**Organization Name:** Davis Senior Housing Cooperative, Inc.

Street Address: 123 El Cajon Street, Davis CA 95616  
Mailing Address: Same  
E-mail Address: Wille@Cal.net  
Phone Number: 530-753-2148  
Fax Number: 530-758-4165

Contact: Bill Powell

Address: 123 El Cajon Drive, Davis Phone: 753-2148

(Be sure to list the best contact to get information to the organization as quickly as possible.)

**Total Proposal Request:** \$400,000

**Is the applicant claiming status as a Non-Profit Community Housing Development Organization (CHDO)?**

\_\_\_\_\_ Yes                        X   No

**HOME Eligible Activities Category:**                      Rental Housing Development  
(See List A)

**National Objective Compliance/Low and Mod Benefit:**    35%, 50%, 60% of median income  
(See List B)

**City Council Identified Critical Needs:** (See List C)

- 1) Development of Affordable Housing Units
- 2) Housing for Very-low Income Residents
- 3) Housing for Disabled Residents

**Beneficiary Information:**

60 Total number of beneficiaries in proposed project  
47 Number of beneficiaries in proposed project to be served with **HOME** funds  
100% Percentage of the **HOME** beneficiaries with low, low/moderate income  
\$8,511 Cost per **HOME** beneficiary (HOME Request/HOME Beneficiaries)

## PROJECT NARRATIVE

### a. Need

On 7/26/05, the Davis City Council approved a commitment of \$4,250,000 in financing for this project. This HOME application is to provide a \$400,000 portion of that commitment from 2006-2007 HOME funding.

The Eleanor Roosevelt Circle project is a 60-unit affordable senior housing project that is currently under construction at 675 Cantrill Drive. It will include 21 units for disabled senior households at 25% of the median income, 15 units for seniors at 50%, 10 units at 60%, 13 units at 120% and one manager's unit. The need for affordable one bedroom units for seniors in Davis is acute. In general there is a shortage of one bedroom apartments, and the competition from graduate students and other single and double person households makes it very expensive for a senior citizen to afford a place to live. Even with the construction in recent years of the Shasta Point and Walnut Terrace affordable senior housing complexes, there is still a shortage of available units. By the time that this project is ready for occupancy, expected to be Fall 2006, the need will be even more critical.

### b. Benefit

These affordable housing units will provide an additional stock of much needed housing for seniors. In addition, by developing a housing complex limited to seniors, it will be possible to seek supportive services that can benefit seniors in particular. These services may include meal preparation, house cleaning, assistance with personal hygiene, transportation, mental health counseling, legal and accounting assistance and other services appropriate for senior citizens.

### c. Other Resources and Collaboration

This request for \$400,000 will be leveraged by \$11,520,303 in funding from other sources. These include the HCD Multifamily Housing Program (\$3,300,203), the National Equity Fund (\$3,491,100), the California Housing Finance Agency (\$550,000), the Federal Home Loan Bank of San Francisco Affordable Housing Program (\$329,000) and other city funding committed (\$3,850,000). The project will have a full-time on-site supportive services coordinator, whose responsibility will be to work with residents to obtain the assistance that they need to continue to live independently; extensive collaboration with Yolo County, the City of Davis and local nonprofit service providers is anticipated.

### d. Organizational Capacity

Davis Senior Housing Cooperative, Inc. is composed of a board of directors made up of local residents. Its goal is to provide affordable senior housing that is accessible to a mix of income levels, including very low-, low- and moderate income individuals. Other affordable senior projects provide housing for only very low-income seniors, and a few low-income seniors, but have no space for moderate income seniors. DSHC also intends to involve the residents in the governance and operation of the housing that they live in, which makes it unique also among senior housing projects in Davis. This will help promote many types of volunteer self-help activities among the residents, which will save on operating costs and therefore allow the complex to offer additional services and activities.

DSHC is working in partnership with Neighborhood Partners, LLC and the Yolo County Housing Authority to develop this project. David Thompson and Luke Watkins, the principals of Neighborhood Partners, LLC have significant experience developing affordable housing in Davis. The Yolo County Housing Authority operates 717 affordable rental housing units, and has existed for more than 50 years.

## SCOPE OF SERVICES

**a. Project Description** (Activity Summary: Describe the activities of the proposed budget)

This \$400,000 will be used to pay for project development expenses, including architecture, engineering, loan commitment fees and interest, insurance, accounting, city planning and building permit fees, property taxes and building construction materials and labor.

**b. Target Group**

The Davis Senior Housing Cooperative will provide 60 units of senior housing, including 21 units for disabled senior households at 25% of the median income, 15 units for seniors at 50%, 10 units at 60%, 13 units at 120% and one manager's unit.

**c. Outreach**

The project will be managed by a professional property management agent with experience carrying out affirmative fair housing marketing plans. This outreach will include communicating with social services agencies that serve low-income and moderate income individuals. Additional outreach will be carried out using local print and broadcast media that serve the Davis area. These materials will be available in Spanish and English.

## PERFORMANCE SCHEDULE

**Work Plan** (Identify activities and completion dates)

<u>List Activity</u>	<u>Completion Date</u>
Zoning approval	March 2004
Approval of HCD MHP financing commitment	September 2004
Completion of architectural and engineering documents	September 2004
Approval of FHLB AHP financing commitment	December 2004
Approval of National Equity Fund commitment	February 2005
Application to CDLAC/TCAC for bonds/tax credits	March 2005
Approval of CalHFA financing commitment	May 2005
Approval from CDLAC/TCAC for bonds/tax credits	May 2005
Issuance of building permit	October 10, 2005
Construction start	October 10, 2005
Construction Completion and initial occupancy	November 15, 2006

**PERFORMANCE MEASUREMENTS**

<b>ACTIVITY</b> (What the program does to fulfill its mission)	<b>INDICATOR</b> (The direct products of program activities) Service #s	<b>OUTCOME</b> (Benefits that result from the program)
<b>Obtaining financing commitments</b>	<b>\$11,520,303 in leveraged funding</b>	<b>Ability to finance the project</b>
<b>Preparation of architectural construction documents</b>	<b>Issuance of city building permit</b>	<b>Ability to begin construction of the project</b>
<b>Construction of the project</b>	<b>60 units of rental housing</b>	<b>Housing for 60 households</b>
<b>Initial occupancy of project</b>	<b>Fully rented up project</b>	<b>Affordable rents</b>

**CITY OF DAVIS  
HOME INVESTMENT PARTNERSHIPS PROGRAM**

**BUDGET SUMMARY FOR PROPOSED CAPITAL PROJECT\***

\* Please revise this form and annotate budget items as needed.

**Please see attached Sources and Uses of Funds budget spreadsheet for the project.**

**Sources and Uses of Funds**

**Eleanor Roosevelt Court**

04-025

Construction Start

SOURCES OF FUNDS:	Funds in during	Funds in at	Total Development Sources		
	Construction (\$)	Permanent (\$)	Total Sources of Funds (\$)	Sources per Unit	%
<b>CalHFA Construction Financing</b>	7,200,000				
Construction Only Source 2	-				
Construction Only Source 3	-				
<b>CalHFA First Mortgage</b>		550,000	550,000	9,167	4%
<b>CalHFA Second Mortgage</b>		-	-	-	0%
HCD MHP		2,800,203	2,800,203	46,670	23%
HCD MHP (NSSS)		500,000	500,000	8,333	4%
City of Davis	3,248,192	1,001,808	4,250,000	70,833	34%
Source 4			-	-	0%
Source 5			-	-	0%
Source 6			-	-	0%
Source 7			-	-	0%
Source 8			-	-	0%
Source 9			-	-	0%
Source 10			-	-	0%
Developer Contribution for SS Reserve		150,000	150,000	2,500	1%
AHP Loan	329,000	-	329,000	5,483	3%
Owner Equity/Fee Received	-		-	-	0%
Deferred Developer Fee		310,000	310,000	5,167	3%
Federal Tax Credit Equity	\$20,000	\$3,471,100	3,491,100	58,185	28%
<b>Total Sources</b>	<b>10,797,192</b>	<b>8,783,111</b>	<b>12,380,303</b>	<b>206,338</b>	<b>100%</b>
(Gap)/Surplus	0	(0)	0		

USES OF FUNDS:	Construction (\$)	Permanent (\$)	Total Development Costs		
			Total Uses of Funds (\$)	Cost per Unit	%
<b><u>LOAN PAYOFFS &amp; ROLLOVERS</u></b>					
Construction Loan payoffs		\$7,200,000			
<b><u>ACQUISITION</u></b>					
Lesser of Land Cost or Value	-	-	-	-	0%
Demolition	-	-	-	-	0%
Legal - Acquisition Related Fees	-	-	-	-	0%
<b>Subtotal - Land Cost / Value</b>	-	-	-	-	
Existing Improvements Value	-	-	-	-	0%
Off-Site Improvements	-	-	-	-	0%
Other	-	-	-	-	0%
<b>Total Acquisition</b>	-	-	-	-	0%
<b><u>REHABILITATION</u></b>					
Site Work	-	-	-	-	0%
Rehab to Structures	-	-	-	-	0%
General Requirements	-	-	-	-	0%
Contractors Overhead	-	-	-	-	0%
Contractors Profit	-	-	-	-	0%
Contractor's Bond	-	-	-	-	0%
General Liability Insurance	-	-	-	-	0%
Environmental Mitigation Expense	-	-	-	-	0%
Other	-	-	-	-	0%
Other	-	-	-	-	0%
<b>Total Rehabilitation</b>	-	-	-	-	0%
<b><u>RELOCATION EXPENSES</u></b>					
Relocation Expense	-	-	-	-	0%
Relocation Compliance Monitoring	-	-	-	-	0%
<b>Total Relocation</b>	-	-	-	-	0%

(Continued on Next 2 Pages)

USES OF FUNDS (Cont'd):	Construction (\$)	Permanent (\$)	Total Development Costs		
			Total Uses of Funds (\$)	Cost per Unit per Unit	%
<b><u>NEW CONSTRUCTION</u></b>					
Site Work	786,841	-	786,841	13,114	6%
Structures (Hard Costs)	5,689,864	-	5,689,864	94,831	46%
General Requirements	471,988	-	471,988	7,866	4%
Profit and Overhead	430,863	-	430,863	7,181	3%
				-	0%
Contractor's Bond	48,574	-	\$48,574	810	0%
General Liability Insurance	27,251	-	\$27,251	454	0%
Other				-	0%
PG&E Connection	19,245	-	19,245	321	0%
<b>Total New Construction</b>	<b>7,474,626</b>	<b>-</b>	<b>7,474,626</b>	<b>124,577</b>	<b>60%</b>
<b><u>ARCHITECTURAL &amp; ENGINEERING</u></b>					
Architectural Design	255,000	-	\$255,000	4,250	2%
Architect's Supv during Construction	30,000	-	\$30,000	500	0%
<b>Total Architectural</b>	<b>285,000</b>	<b>-</b>	<b>285,000</b>	<b>4,750</b>	<b>2%</b>
Engineering Expense	29,599	-	\$29,599	493	0%
Engineers Supv. during Construction	10,000	-	\$10,000	167	0%
ALTA Survey	7,000	-	\$7,000	117	0%
<b>Total Engineering &amp; Survey</b>	<b>46,599</b>	<b>-</b>	<b>46,599</b>	<b>777</b>	<b>0%</b>
<b><u>CONSTRUCTION LOAN COSTS</u></b>					
Construction Loan Interest	\$416,000	-	\$416,000	6,933	3%
CalHFA Construction Loan Fee	\$72,000	-	\$72,000	1,200	1%
Other Construction Loan Fees	\$0	-	\$0	-	0%
Construction Lender Legal Fees	\$20,000	-	\$20,000	333	0%
Other Lender Req'd Legal Fees	\$0	-	\$0	-	0%
Title and Recording fees	\$15,000	-	\$15,000	250	0%
CalHFA Req'd Inspection Fees	\$22,500	-	\$22,500	375	0%
Bank Req'd Inspection Fees	\$0	-	\$0	-	0%
Prevailing Wage Monitoring	\$0	-	\$0	-	0%
Taxes & Insurance during construction	\$200,000	-	\$200,000	3,333	2%
Predevelopment Interest	\$50,000	-	\$50,000	833	0%
Other Legal Fees	\$10,000	-	\$10,000	167	0%
Other	\$0	-	-	-	0%
<b>Total Construction Loan Expense</b>	<b>805,500</b>	<b>-</b>	<b>805,500</b>	<b>13,425</b>	<b>7%</b>
<b><u>PERMANENT LOAN COSTS</u></b>					
CalHFA Perm Loan Fees	2,750	-	\$2,750	46	0%
CalHFA Bridge Loan Fees	-	-	\$0	-	0%
CalHFA Loan Application Fee	500	-	\$500	8	0%
Other Lender Perm. Loan Fees	-	-	-	-	0%
Title and Recording	-	10,000	\$10,000	167	0%
other	-	-	\$0	-	0%
Bond Origination Guarantee Fee	-	-	-	-	0%
Bridge Loan Interest	-	219,168	219,168	3,653	2%
Other	-	-	-	-	0%
<b>Total Permanent Loan Expense</b>	<b>3,250</b>	<b>229,168</b>	<b>232,418</b>	<b>3,874</b>	<b>2%</b>
<b><u>LEGAL FEES</u></b>					
Borrower Legal Fee	75,000	-	75,000	1,250	1%
Other	-	-	-	-	0%
<b>Total Attorney Expense</b>	<b>75,000</b>	<b>-</b>	<b>75,000</b>	<b>1,250</b>	<b>1%</b>

<b>USES OF FUNDS (Cont'd):</b>	<b>Construction (\$)</b>	<b>Permanent (\$)</b>	<b>Total Development Costs</b>		
			<b>Permanent of Funds (\$)</b>	<b>Per Unit per Unit</b>	<b>%</b>
<b><u>CONTRACT / REPORT COSTS</u></b>					
Appraisal	\$5,900	-	\$5,900	98	0%
Market Study	\$5,639	-	\$5,639	94	0%
Physical Needs Assessment	\$0	-	\$0	-	0%
HUD Risk Share Environ. Review	\$0	-	\$0	-	0%
CalHFA EQ Waiver Seismic Review Fee	\$700	-	\$700	12	0%
Environmental Phase I / II Reports	\$3,300	-	\$3,300	55	0%
Soils / Geotech Reports	\$10,000	-	\$10,000	167	0%
Asbestos / Lead-based Paint Report	\$0	-	\$0	-	0%
Noise/Acoustical/Traffic Study Report	\$0	-	\$0	-	0%
Updates of Reports for Closing	\$3,000	-	\$3,000	50	0%
Other	\$0	-	\$0	-	0%
<b>Total Contract Costs</b>	<b>28,539</b>	<b>-</b>	<b>28,539</b>	<b>476</b>	<b>0%</b>
<b><u>CONTINGENCY</u></b>					
Hard Cost Contingency	\$682,416	-	\$682,416	11,374	6%
Soft Cost Contingency	\$50,000	-	\$50,000	833	0%
<b>Total Contingency</b>	<b>732,416</b>	<b>-</b>	<b>732,416</b>	<b>12,207</b>	<b>6%</b>
<b><u>RESERVES</u></b>					
CalHFA Operating Expense Reserve	-	71,260	71,260	1,188	1%
Construction Defects Reserve	-	-	-	-	0%
Rent-Up Reserve	-	50,000	50,000	833	0%
Capitalized Investor Req'd Reserve	-	73,073	73,073	1,218	1%
Social service Reserve/Funded Dev Fee	-	150,000	150,000	2,500	1%
<b>Total Reserves</b>	<b>-</b>	<b>344,333</b>	<b>344,333</b>	<b>5,739</b>	<b>3%</b>
<b><u>OTHER</u></b>					
CTCAC App/Alloc/Monitor Fees	4,656	16,860	\$21,516	359	0%
Impact Fees Due at Occupancy	567,915	-	\$567,915	9,465	5%
City Fees Due Prior to Permit	435,085	-	\$435,085	7,251	4%
Other Local Fees	-	-	\$0	-	0%
Advertising & Marketing Expenses	40,000	-	\$40,000	667	0%
1st Year Taxes & Insurance	-	42,750	\$42,750	713	0%
Furnishings	35,000	-	\$35,000	583	0%
Audit Expense	10,000	-	\$10,000	167	0%
Miscellaneous Admin Fees	3,006	-	\$3,006	50	0%
CDLAC Fee	600	-	\$600	10	0%
Other	-	-	-	-	0%
Other	-	-	-	-	0%
<b>Total Other Expenses</b>	<b>1,096,262</b>	<b>59,610</b>	<b>1,155,872</b>	<b>19,265</b>	<b>9%</b>
<b>SUBTOTAL PROJECT COSTS</b>	<b>10,547,192</b>	<b>7,833,111</b>	<b>11,180,303</b>	<b>186,338</b>	<b>90%</b>
<b><u>DEVELOPER COSTS</u></b>					
Developer Overhead/Profit (5% Acq.)	-	-	-	-	0%
Developer Overhead/Profit (NC/Rehab)	250,000	950,000	1,200,000	20,000	10%
Consultant / Processing Agent	-	-	-	-	0%
Project Administration	-	-	-	-	0%
Broker Fees to a related party	-	-	-	-	0%
Construction Mgmt. Oversight	-	-	-	-	0%
Other	-	-	-	-	0%
<b>Total Developer Fee / Costs</b>	<b>250,000</b>	<b>950,000</b>	<b>1,200,000</b>	<b>20,000</b>	<b>10%</b>
<b>Total Costs</b>	<b>10,797,192</b>	<b>8,783,111</b>	<b>12,380,303</b>	<b>206,338</b>	<b>100%</b>