

PASSED

**IN THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY AND COMMUNITY SERVICES AGENCY (HACSA)**

RESOLUTION AND ORDER

00-2-15-1H

In the Matter of Authorizing the Executive Director to Apply for Assistance from the Oregon Housing and Community Services Department's Spring Consolidated Funding Cycle (CFC) for the Acquisition/Rehabilitation of the Munsel Park Apartments in Florence.

WHEREAS, HACSA recognizes the need to address the community issues of homelessness and increasing the supply of permanent, affordable housing for lower income households;

WHEREAS, HACSA is reviewing the feasibility of acquiring the apartment complex known as Munsel Park Apartments in Florence in order to preserve them as affordable housing resources in Lane County and assist in addressing such community needs;

WHEREAS, HACSA has determined that it will necessary to secure housing subsidies of different sorts in order to acquire and rehabilitate these projects and maintain them at affordable rents;

WHEREAS, HACSA wishes to obtain assistance from the State of Oregon Housing and Community Services Department in maintain and preserve this housing at affordable rent levels;

NOW, THEREFORE, it is hereby resolved and ordered that:

- (1) The Executive Director or the Deputy Director Is Hereby Authorized to Apply to the Spring Consolidated Funding Cycle (CFC) of the State Department of Housing and Community Services Department for HOME, Housing Development Grant, and Low-Income Housing Tax Credit Funds to Assist in the Acquisition and Rehabilitation of the Munsel Park Apartments in Florence ("Project");
- (2) The Executive Director or Deputy Director Is Authorized to Execute the Program and Legal Documents Associated with Accepting the HOME, Housing Development Grant, and Low-Income Housing Tax Credit Programs;
- (3) The Executive Director or Deputy Director Is Authorized to Execute All Draw Requests, Monthly Progress Reports, and Miscellaneous Forms Associated with the HOME, Housing Development Grant, and Low-Income Housing Tax Credit Programs Awarded to the Project;
- (4) The Housing Authority and Community Services Agency of Lane County Will Accept the Responsibilities and Requirements of the Home, Housing Development Grant, and Low-Income Housing Tax Credit Programs Which May Be Awarded to the Project.

DATED this 15th day of February, 2000



Chair, HACSA Board of Commissioners

In the Matter of Authorizing the Executive Director to Apply for Assistance from the Oregon Housing and Community Services Department's Spring Consolidated Funding Cycle (CFC) for the Acquisition/Rehabilitation of the Munsel Park Apartments

APPROVED AS TO FORM

Date 2/8/00 _____

OFFICE OF LEGAL COUNSEL

ATTACHMENT 1

**Preliminary Financial Analysis
Munsel Park Apartments**

February 2000

**Munsell Park Apartments
Sources and Uses
February 2, 2000**

COST ITEM	BUDGET	PER UNIT
		44
ACQUISITION COSTS		
Purchase Price:		
Land	86,313	1,962
Improvements	1,213,687	27,564
Liens and Other Taxes	0	0
Closing/Recording	4,000	91
Off-site Cost/Improvements	0	0
Other	0	0
TOTAL ACQUISITION:	1,304,000	29,636
GENERAL DEVELOPMENT COSTS		
Land Use Approvals	0	0
Building Permits/Fees	0	0
System Development Charges	0	0
Market Study	2,000	45
Environmental Report (Level I)	2,500	57
Soils Report/Geotechnical Investigation	0	0
Survey	2,000	45
Marketing	0	0
Insurance	3,500	80
TOTAL GENERAL DEV. COSTS:	10,000	227
FEEES		
Architectural	0	0
Engineering	0	0
Legal/Accounting Fees	25,000	568
Cost Certification Fee	4,500	102
Appraisals	3,100	70
Lender Inspections	0	0
Lender Title Insurance	0	0
Construction Loan Fee	0	0
Permanent Loan Fee	0	0
Tax Credit Fees	3,000	66
Closing Fees	0	0
Developer Fee	50,000	1,136
Construction Period Interest	0	0
Lease Up Period Interest	0	0
Other	0	0
TOTAL FEES:	86,400	1,964
RESERVES/CONTINGENCY		
Replacement Reserves	200,000	4,545
Development Contingency	0	0
Tenant Relocation	0	0
TOTAL RESERVES/CONTINGENCY	200,000	4,545
CONSTRUCTION COSTS		
On-Site Work	0	0
Hazardous Materials Abatement	0	0
Residential Building Construction	0	0
Common Use Facilities	0	0
Storage/Garages/Carports	0	0
Laundry Facilities	0	0
Landscaping	0	0
Contractor Overhead	0	0
Contractor Profit	0	0
Contingency	0	0
Furniture/Fixtures/Equipment	0	0
Other	0	0
TOTAL CONSTRUCTION COSTS:	363,956	0
TOTAL COSTS:	1,964,355	36,373

FINANCING	TOTAL	PRINCIPAL OF LOANS	LOAN TYPE	ANNUAL	ANNUAL	ANNUAL
				TO MATURITY	INTEREST RATE	LOAN PAYMENT
RD Existing Loan (Munsell Park I)	215,000	215,000	Amort; P&I	N/A	1.00	8,180
RD Existing Loan (Munsell Park II)	410,000	410,000	Amort; P&I	N/A	1.00	15,528
RD Required Escrow of Owner's Equity	68,000					
LP/TC Proceeds	603,796	0	0.80			
Housing Development Grant Fund	100,000					
HOME Funds	587,558					
TOTAL FINANCING	1,964,355					

Munsel Park Apartments

Subsidized Revenue Profile

February 2, 2000

RESIDENTIAL**VERY LOW-INCOME UNITS (50% med.)**

UNIT SIZE	TOTAL UNITS	CURRENT MEDIAN INCOME LIMIT (%)	UTILITY ALLOW.	MAXIMUM PER-UNIT MONTHLY RENT	ACTUAL PER-UNIT MONTHLY RENT	TOTAL MONTHLY RENT	TOTAL ANNUAL RENT
Munsel Park I							
1-BRM	12			0	284	3,408	40,896
2-BRM	7			0	337	2,359	26,308
2-BRM (Manager's Unit)	1			N/A	N/A	N/A	N/A
Munsel Park II							
1-BRM	24			0	296	7,104	85,248
TOTALS:	44					12,871	154,452

OTHER REVENUE

Laundry Area	1,900
Tenant Charges	615
Late Fees	0
Deposits on Turnover	0
Other Income	4,400
TOTALS:	6,915

**Minneapolis Park Apartments
 PROPOSED ANNUAL OPERATING EXPENSES
 February 2, 2011**

	ANNUAL EXPENSE	PER UNIT 44
GENERAL AND ADMINISTRATIVE		
Property Management Fee	21,120	480
Partnership Management Fee	0	0
Telephone	1,080	25
Office Supplies & Equipment	0	
Marketing and Leasing	500	11
Training Expense	1,450	33
Other Administrative Expenses	5,211	118
Legal	1,400	
Accounting	800	18
TOTAL GENERAL AND ADMINISTRATIVE	31,561	685
PAYROLL AND RELATED		
On-Site Manager	22,095	502
Fringe Benefits	0	0
TOTAL PAYROLL AND RELATED	22,095	502
MAINTENANCE AND REPAIR		
Grounds Maint. and Supplies	10,900	248
Maintenance and Repairs	14,500	330
Painting and Cleaning	3,287	75
TOTAL MAINTENANCE AND REPAIR	28,687	652
UTILITIES		
Electricity	3,911	89
Water & Sewer	11,340	
Garbage Removal	1,795	41
TOTAL UTILITIES	17,046	130
TAXES AND INSURANCE		
Property Taxes & Other Licenses and Permits	10,637	242
Insurance	3,490	79
TOTAL TAXES AND INSURANCE	14,127	321
TOTAL ANNUAL OPERATING EXPENSES	113,516	2,290

REPLACEMENT RESERVE	17,600
TOTAL ANNUAL CASH OUTFLOW	131,116
PER UNIT PER MONTH (PUPM)	215

Munsey Park Apartments
1990-1991 Annual Cash Flow
 February 2, 2000

ASSUMPTIONS
 Annual Oper. Expense Increase 3 percent
 Annual Rent Increase 3 percent

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
REVENUES															
Gross Rental Income	154,452	159,099	163,859	168,774	173,837	179,052	184,424	189,956	195,655	201,525	207,571	213,799	220,212	226,918	233,923
Vacancy Allowance (FM)	(5,189)	(5,342)	(5,502)	(5,667)	(5,837)	(6,012)	(6,192)	(6,379)	(6,569)	(6,767)	(6,970)	(7,179)	(7,394)	(7,616)	(7,844)
Other Income	8,915	7,122	7,398	7,556	7,783	8,018	8,257	8,505	8,762	9,029	9,303	9,572	9,859	10,155	10,460
EFFECTIVE GROSS INCOME:	158,181	160,869	163,809	170,983	176,783	181,057	186,486	192,083	197,845	203,781	209,894	216,191	222,677	229,357	236,238
EXPENDITURES															
Building Operating Expenses	131,318	135,046	139,101	143,274	147,572	151,999	156,559	161,259	166,094	171,077	176,209	181,495	186,940	192,548	198,325
Mortgage Principal and Interest	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709	24,709
Other Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	156,027	159,755	163,810	167,983	172,281	176,707	181,267	185,968	190,803	195,786	200,917	206,203	211,649	217,256	223,033
Available for Debt Service	357	357	357	357	357	357	357	357	357	357	357	357	357	357	357
Debt Service Coverage:	1.01														
EFFECTIVE GROSS INCOME:	158,181	160,869	163,809	170,983	176,783	181,057	186,486	192,083	197,845	203,781	209,894	216,191	222,677	229,357	236,238
TOTAL EXPENDITURES	156,027	159,757	163,809	167,983	172,280	176,707	181,267	185,964	190,802	195,785	200,917	206,203	211,648	217,256	223,033
NET CASH FLOW	367	1,109	1,983	2,981	3,503	4,349	5,221	6,119	7,044	7,999	8,977	9,989	11,029	12,101	13,205