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Eric Garcetti, Mayor

INTER-DEPARTMENTAL MEMORANDUM

TO: PROPOSITION HHH CITIZENS OVERSIGHT COMMITTEE

FROM: ANN SEWILL, GENERAL MANAGER *Ann Sewill*
LOS ANGELES HOUSING DEPARTMENT, FORMERLY LOS ANGELES HOUSING + COMMUNITY
INVESTMENT DEPARTMENT

DATE: MAY 13, 2022

REGARDING: TRANSFER OF PROPOSITION HHH COMMITMENTS;
AMENDMENT TO PROPOSITION HHH FY 2020-2021 PROJECT EXPENDITURE PLAN

SUMMARY

On October 18, 2018, the Los Angeles Housing Department (LAHD), formerly the Los Angeles Housing + Community Investment Department (HCIDLA), issued the Proposition HHH 2018-2019 Call for Projects (CFP), Round 2. On March 20, 2019 (C.F. No. 17-0090-S8), the City Council granted LAHD authority to issue HHH Permanent Supportive Housing Loan Program financial commitments in a total amount not to exceed \$244,520,000 for twenty-three (23) projects. Through this report, LAHD is requesting authority to transfer letter of commitments for two projects from the original sponsors to new project sponsors (see Table 1).

The Los Angeles Housing Department (LAHD) requests authorization to amend the Fiscal Year (FY) 2020-2021 Project Expenditure Plan (PEP), to include two projects from the Proposition HHH Permanent Supportive Housing Loan Program (HHH Program). The two projects have total HHH loan commitments of \$21,200,000 (Attachment A).

RECOMMENDATIONS

- I. The General Manager of LAHD respectfully requests that the Proposition HHH Citizens Oversight Committee (COC) recommend to the Proposition HHH Administrative Oversight Committee (AOC), for further consideration by the City Council and the Mayor, to address the following actions:
 - A. AUTHORIZE LAHD to transfer letters of financial commitment for the two projects identified in Table 1. The recommended projects, Ambrosia and Confianza, are the result of the 2018-2019 Proposition HHH Call for Projects Round 2, and the final financial commitment will not exceed \$21,200,000, per the breakdown provided in Table 1;

- B. APPROVE the FY 2020-2021 PEP to be amended and increased as follows:
 - i. \$11,200,000 for Ambrosia (Attachment A);
 - ii. \$10,000,000 for Confianza (Attachment A)

- C. AUTHORIZE the LAHD General Manager, or designee, to negotiate and execute loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Proposition HHH Project Expenditure Plan Fiscal Year 2020-2021 (Attachment A) with each of the borrowers on projects selected for funding, subject to the approval of the City Attorney as to form; and

- D. AUTHORIZE the disbursement of HHH funds to take place after the sponsors obtain enforceable commitments for all proposed funding, including, but not limited to, the full amount of funding and/or tax credits proposed.

BACKGROUND

Transfer HHH Commitments

On March 20, 2019, the 2018-2019 Round 2 Call for Projects was adopted by council and twenty-two (23) projects were approved for commitments. The proposal sponsor, The Skid Row Housing Trust, received two commitments for the Ambrosia and Confianza projects (C.F. No. 17-0090-S8). The initial financial commitments in a total amount not to exceed \$15,900,000 for the Ambrosia project and \$13,200,000 for the Confianza project. The commitments amounts have been reduced based on project financial review by LAHD staff to \$11,200,000 and \$10,000,000, respectively. The new project sponsors will apply to CDLAC and TCAC in July 2022 and expect to close construction financing by the 4th quarter of FY 2022-2023. The staff reports for the projects are provided in Attachment B.

1. Ambrosia

The project is located at 800-816 W. 85th Street in Los Angeles in Council District 8 and involves the construction of 90 units (including 80 supportive housing units). The project sponsor, The Skid Row Housing Trust (SHRT) received a Proposition HHH loan commitment up to \$15,900,000 and has since been reduced to \$11,200,000. Due to capacity concerns, SRHT is requesting to transfer the HHH funding commitment to DOMUS Development, LLC (Domus). The commitment was previously approved through Council File #17-0090-S8 in 2019. Domus will accept the HHH commitment transfer to bring the project to fruition. The development site is currently owned by Skid Row Housing Trust. Domus Development has site control via a purchase and sale agreement with Skid Row Housing Trust.

2. Confianza

The project is located at 14142-14154 Vanowen Street in Los Angeles in Council District 2 and involves the construction of 64 units (including 63 supportive housing units). The project sponsor, The Skid Row Housing Trust (SHRT) received a Proposition HHH loan commitment up to \$13,200,000 and has since been reduced to \$10,000,000. Due to capacity concerns, SRHT is requesting to transfer the HHH funding commitment to Century Affordable Development Inc. The commitment was previously approved through Council File #17-0090-S8 in 2019. Century Affordable Development Inc. will accept the HHH commitment transfer to bring the project to fruition. The development site is currently owned by Confianza, LP, which is an affiliate of

SRHT. Century Affordable Development Inc., has site control via a purchase and sale agreement with Skid Row Housing Trust.

Therefore, LAHD is requesting authority to transfer the financial letters of commitment for two projects, from the original sponsor to the new sponsors totaling \$21,200,000 in HHH funds. The proposed projects represent a total of 154 units (143 supportive housing units and 2 manager’s units).

TABLE 1: HHH PSH Projects Seeking Transfer of Loan Commitment								
	Project Name	Original Project Sponsor	New Project Sponsor	Total Units	Total HHH Funding Commitment	HHH Per Unit Cost	Total Development Cost (TDC)	TDC Per Unit Cost
1.	Ambrosia	Skid Row Housing Trust	Domus Development, LLC	90	\$11,200,000	\$125,843	\$56,105,979	\$623,400
2.	Confianza	Skid Row Housing Trust	Century Affordable Development Inc	64	\$10,000,000	\$156,250	\$42,013,455	\$656,460
				154	\$21,200,000	\$137,662	\$98,119,434	\$637,139

FY 2020-2021 PEP Amendment

To date, there are 108 projects in the HHH Permanent Supportive pipeline, 96 of which have been included in the four PEPs. To date, there are 15 projects in the Innovative Housing Challenge pipeline, 6 of which have been included in the four PEPs. The FY 2020-2021 PEP was approved by City Council on September 14, 2020, (C.F. No. 17-0090-S15) for a total funding of \$106,516,646 and amended by City Council on April 20, 2021 for an additional funding of \$37,590,000, on June 28, 2021 (C.F. No 17-0090-S15) for an additional funding of \$26,335,000, on September 23, 2021 (C.F. No.17-0090-S15) for an additional funding of \$13,757,200, on October 19, 2021 (C.F. No.17-0090-S15) for an additional funding of \$30,786,602, on November 23, 2021, 2021 (C.F. No.17-0090-S15) for an additional funding of \$54,615,556, on February 15, 2022 (C.F. No.17-0090-S15) for an additional funding of \$18,400,000, and on April 26, 2022 (C.F. No.17-0090-S15) for an additional funding of \$30,675,000.

LAHD recommends that the FY 2020-2021 PEP be amended and increased by \$21,200,000 (Table 2 and Attachment A). This amount is comprised of the two projects described below. Staff reports for the two projects are provided in Attachment B.

1. PEP FY 2020-2021 – Ambrosia

LAHD recommends that the FY 2020-2021 PEP be amended and increased by \$11,200,000. The Project received an HHH Program award as part of the 2018-2019 Proposition HHH Call for Projects Round 2 and received an HHH loan commitment approved by City Council (C.F. No. 17-0090-S8). This project will submit for an allocation of LIHTCs and tax-exempt bonds from CDLAC and TCAC. The project anticipates an award for tax-exempt bonds and LIHTCs on October 19, 2022, and is targeting to close construction financing by April 19, 2023. Both CDLAC and TCAC require that projects close within 180 days of their respective award dates. In order to close, the Project must be in a PEP.

2. PEP FY 2020-2021 – Confianza

LAHD recommends that the FY 2020-2021 PEP be amended and increased by \$10,000,000. The Project received an HHH Program award as part of the 2018-2019 Proposition HHH Call for Projects Round 2 and received an HHH loan commitment approved by City Council (C.F. No. 17-0090-S8). This project will submit for an allocation of LIHTCs and tax-exempt bonds from CDLAC and TCAC. The project anticipates an award for tax-exempt bonds and LIHTCs on October 19, 2022, and is targeting to close construction financing by April 19, 2023. Both CDLAC and TCAC require that projects close within 180 days of their respective award dates. In order to close, the Project must be in a PEP.

TABLE 2: FY 2020-2021 PEP Amendments						
No.	PEP Fiscal Year	Number of Projects	Total HHH Funding Request	HHH Per Unit Cost	Total Development Cost (TDC)	TDC Per Unit Cost
1.	2020-2021 PEP (FY20)	13	\$106,516,646	\$143,941	\$416,188,707	\$562,417
2.	2020-2021 PEP (FY20) (First Amendment Increase)	4	\$37,590,000	\$141,849	\$156,061,671	\$588,912
3.	2020-2021 PEP (FY20) (Second Amendment Increase)	5	\$26,335,000	\$86,628	\$202,502,949	\$666,128
4.	2020-2021 PEP (FY20) (Third Amendment Increase)	2	\$13,757,200	\$89,332	\$101,938,662	\$661,939
5.	2020-2021 PEP (FY20) (Fourth Amendment Increase)	5	\$30,786,602	\$111,546	\$170,725,756	\$618,572
6.	2020-2021 PEP (FY20) (Fifth Amendment Increase)	6	\$54,615,556	\$114,980	\$275,899,093	\$580,840
7.	2020-2021 PEP (FY20) (Sixth Amendment Increase)	2	\$18,400,000	\$149,593	\$84,599,682	\$687,802.29
8.	2020-2021 PEP (FY20) (Seventh Amendment Increase)	4	\$30,675,000	\$116,193	\$150,178,285	\$568,857
9.	2020-2021 PEP (FY20) (Current Amendment Increase)	2	\$21,200,000	\$137,662	\$98,119,434	\$637,139
	TOTAL	43	\$339,876,004	\$123,367	\$1,656,214,239	\$601,167

To summarize the above, LAHD recommends that the FY 2020-2021 Project Expenditure Plan be amended to include two projects from the Proposition HHH Permanent Supportive Housing Loan Program.

ATTACHMENTS:

Attachment A: Proposition HHH Project Expenditure Plan FY 2020-2021 Amendment

Attachment B: Project Staff Reports

Attachment A.

Proposition HHH Project Expenditure Plan FY 2020-21 Eighth Amendment

No.	Project Name	Developer	Address	CD	Leverage Source	Total Units	PSH Units	Non-PSH Units	Mgr Units	Total HHH Request	Population Served	Est. Date Applying to CDLAC	CDLAC Allocation Meeting	Est. Construction Loan Closing	Est. Construction Start Date	Est. Construction End Date
1	11010 Santa Monica	Weingart Center Association; Values Housing II, LLC	11010 W SANTA MONICA BLVD CA 90025	5	4%	51	50	0	1	\$ 7,000,000	HS, HV	9/24/2020 (Actual)	12/21/2020 (Actual)	6/18/2021 (Actual)	7/20/2021 (Actual)	7/7/2023
2	Amani Apartments (fka PICO)	Wakeland Housing and Development Corporation	4200 W PICO BLVD CA 90019	10	4%	54	53	0	1	\$ 11,410,000	HS, CH	1/17/2020 (Actual)	2/18/2020 (Actual)	11/5/2020 (Actual)	11/24/2020 (Actual)	7/1/2022
3	Bell Creek Apartments	Western Community Housing, Inc.; Meta Housing Corporation	6940 N OWENSMOUTH AVE CA 91303	3	4%	80	41	38	1	\$ 6,226,546	HF, H, F, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	11/17/2020 (Actual)	11/23/2020 (Actual)	11/30/2022
4	Chesterfield (fka 4719 Normandie)	Wakeland Housing and Development Corporation	4719 S NORMANDIE AVE CA 90037	8	4%	43	42	0	1	\$ 8,990,000	HS, CH	1/17/2020 (Actual)	2/18/2020 (Actual)	11/13/2020 (Actual)	11/30/2020 (Actual)	4/29/2022
5	Hope on Broadway	Hope Street Development Group, LLC; CHAPA Inc. (or affiliate)	5138 S BROADWAY CA 90037	9	4%	49	48	0	1	\$ 6,720,000	H, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	1/29/2021 (Actual)	3/4/2021 (Actual)	8/1/2022
6	Hope on Hyde Park	Hope Street Development Group, LLC; CHAPA Inc. (or affiliate)	6501 S CRENSHAW BLVD CA 90043	8	4%	98	97	0	1	\$ 9,280,000	H, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	1/29/2021 (Actual)	4/7/2021 (Actual)	8/15/2022
7	Silva Crossing (fka Link at Sylmar)	Sylmar II, LP; Meta Housing Corporation	12667 N SAN FERNANDO ROAD CA 91342	7	4%	56	55	0	1	\$ 10,900,000	H, I, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	10/16/2020 (Actual)	12/1/2020 (Actual)	4/5/2022
8	NoHo 5050	Decro Corporation; Daylight Community Development, LLC	5050 N BAKMAN AVE CA 91601	2	4%	40	32	7	1	\$ 3,833,200	DV, F, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/25/2021	11/15/2021	5/15/2023
9	Sherman Oaks Senior	Mercy Housing California	14536 W BURBANK BLVD VAN NUYS, CA 91411	4	4%	55	54	0	1	\$ 11,880,000	HS, M, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	5/12/2021 (Actual)	5/21/2021 (Actual)	1/11/2023
10	Sun King Apartments	MANY MANSIONS	12128 SHELDON ST Los Angeles, CA 91352	6	4%	26	25	0	1	\$ 5,500,000	HF, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	6/18/2021 (Actual)	7/22/2021 (Actual)	1/6/2023
11	VA Building 207	Thomas Safran & Associates Development, Inc.	11301 WILSHIRE BLVD #207 Los Angeles, CA 90025	11	4%	60	59	0	1	\$ 8,260,000	HS, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	11/13/2020 (Actual)	11/30/2020 (Actual)	11/30/2022
12	West Terrace (fka Silver Star II)	A Community of Friends	6576 S WEST BLVD CA 90043	8	4%	64	56	7	1	\$ 6,404,900	HF, H, I, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	3/24/2021 (Actual)	4/5/2021 (Actual)	10/7/2022
13	Cadence (fka 11408 S. Central)	LINC Housing Corporation	11408 S CENTRAL AVE CA 90059	15	4%	64	63	0	1	\$ 10,112,000	H, CH	8/15/2019 (Actual)	10/16/2019 (Actual)	4/29/2020 (Actual)	5/15/2020 (Actual)	12/31/2021
14	First PEP 2 Amendment: Ambrose (fka 1615 Montana St.)	Domus	1615 W MONTANA ST CA 90026	13	9%	64	63	0	1	\$ 6,300,000	HS, CH	7/1/2020 (Actual)	10/14/2020 (Actual)	4/16/2021 (Actual)	5/19/2021 (Actual)	11/1/2022
15	First PEP 2 Amendment: 6th and San Julian	Mercy Housing	401 E 6TH ST CA 90014	14	4%	94	93	0	1	\$ 15,320,000	O, I, CH	9/24/2020 (Actual)	12/21/2020 (Actual)	7/30/2021 (Actual)	8/5/2021	1/6/2023
16	First PEP 2 Amendment: La Guadalupe (fka First and Boyle)	Many Mansions	100 S BOYLE AVE CA 90033	14	4%	44	43	0	1	\$ 9,460,000	HF, H, CH	9/24/2020 (Actual)	12/21/2020 (Actual)	9/30/2021	10/29/2021	10/30/2022
17	First PEP 2 Amendment: The Lake House fka Westlake Housing)	Community Development Partners	437 and 503 S WESTLAKE AVE CA 90057	1	4%	63	62	0	1	\$ 6,510,000	H, M, CH	9/24/2020 (Actual)	12/21/2020 (Actual)	6/9/2021 (Actual)	7/15/2021 (Actual)	7/7/2023
18	Second PEP 4 Amendment: The Wilcox (fka 4906-4926 Santa Monica)	Wakeland Housing and Development Corporation	4912 W SANTA MONICA BLVD CA 90029	13	4%	62	61	0	1	\$ 5,225,000	HS, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/15/2021	11/15/2021	5/15/2023
19	Second PEP 4 Amendment: The Quincy (fka 2652 Pico)	Wakeland Housing and Development Corporation	2652 W PICO BLVD CA 90006	1	4%	54	53	0	1	\$ 3,550,000	HS, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/25/2021	11/15/2021	5/15/2023
20	Second PEP 4 Amendment: La Veranda	Abode Communities	2420 E CESAR E CHAVEZ AVE CA 90033	14	4%	77	38	38	1	\$ 9,120,000	HF, M, F, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	7/1/2021 (Actual)	8/3/2021 (Actual)	2/3/2023
21	Second PEP 4 Amendment: Los Lirios Apartments	BRIDGE Housing Corporation	119 S SOTO ST CA 90033	14	9%	64	20	43	1	\$ 2,000,000	HF, H, F, CH	3/8/2021 (Actual)	6/16/2021 (Actual)	12/30/2021	1/31/2022	1/30/2024
22	Second PEP 4 Amendment: McDaniel House (fka South Harvard)	Daylight Community Development	1049 1/2 S HARVARD BLVD Los Angeles, CA 90006	10	4%	47	46	0	1	\$ 6,440,000	HS, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/25/2021	11/29/2021	5/1/2023
23	Third PEP 4 Amendment: Thatcher Yard Housing	Thomas Safran & Associates Development, Inc.	3233 S THATCHER AVE CA 90292	11	4%	98	49	48	1	\$ 11,660,000	HF, HS, F, S, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/25/2021	11/15/2021	5/15/2023
24	Third PEP 4 Amendment: Washington Arts Collective	Meta Housing Corporation	4615 W WASHINGTON BLVD CA 90016	10	4%	56	20	35	1	\$ 2,097,200	HF, F, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/25/2021	11/15/2021	5/15/2023
25	Fourth PEP 4 Amendment: Barry Apartments	Affirmed Housing Group, Inc.	2454 S BARRY AVE CA 90064	11	4%	61	34	26	1	\$ 6,918,400	H, F, I, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/21/2022	3/21/2022	3/21/2024
26	Fourth PEP 4 Amendment: Central Apartments	Highridge Costa Development Company	2106 S CENTRAL AVE CA 90011	9	4%	57	56	0	1	\$ 7,840,000	H, HV, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/21/2022	3/21/2022	3/21/2024
27	Fourth PEP 4 Amendment: Lorena Plaza	A Community of Friends	3401 E 1ST ST CA 90063	14	9%	49	32	16	1	\$ 2,903,202	HF, H, F, CH	3/8/2021 (Actual)	6/16/2021 (Actual)	12/30/2021	1/10/2022	4/1/2024
28	Fourth PEP 4 Amendment: Lumina (fka Topanga Apartments)	Affirmed Housing Group, Inc.	10243 N TOPANGA CANYON BLVD CA 91311	12	4%	55	54	0	1	\$ 7,560,000	H, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	11/20/2021	12/1/2021	12/1/2023
29	Fourth PEP 4 Amendment: My Angel (fka The Angel)	Los Angeles Family Housing	8547 N SEPULVEDA BLVD CA 91343	6	4%	54	53	0	1	\$ 5,565,000	H, HV, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/21/2022	3/21/2022	3/21/2024
30	Fifth PEP 4 Amendment: Avalon 1355	Brilliant Corners	1355 N. AVALON BLVD LOS ANGELES, CA 90006	15	4%	54	53	0	1	\$ 7,000,000	H, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/7/2022	3/7/2022	6/30/2023
31	Fifth PEP 4 Amendment: Beacon Landing (fka Beacon PSH)	Abode/Mercy/LA Family Housing	319 N. BEACON STREET LOS ANGELES, CA 90731	15	4%	89	88	0	1	\$ 8,555,556	H, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/7/2022	3/7/2022	6/30/2023
32	Fifth PEP 4 Amendment: Lincoln Apartments	Venice Community Housing Corporation	2467 S LINCOLN BLVD LOS ANGELES, CA 90291	11	4%	40	39	0	1	\$ 5,460,000	Y, O, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/7/2022	3/7/2022	9/29/2023
33	Fifth PEP 4 Amendment: Rousseau (fka Enlightenment Plaza - Phase I)	Flexible PSH Solutions	316 N JUANITA AVE LOS ANGELES, CA 90004	13	4%	105	103	0	2	\$ 9,600,000	H, HV, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/7/2022	3/7/2022	9/29/2023

Attachment A.

Proposition HHH Project Expenditure Plan FY 2020-21 Eighth Amendment

No.	Project Name	Developer	Address	CD	Leverage Source	Total Units	PSH Units	Non-PSH units	Mgr Units	Total HHH Request	Population Served	Est. Date Applying to CDLAC	CDLAC Allocation Meeting	Est. Construction Loan Closing	Est. Construction Start Date	Est. Construction End Date	
34	Fifth PEP 4 Amendment: Santa Monica & Vermont Apartments Phase I	LTSC (Little Tokyo Service Center) Community Development Corporation	4718 W SANTA MONICA BLVD LOS ANGELES, CA 90029	13	4%	94	47	46	1	\$ 12,000,000	M, O, F, I, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/7/2022	3/7/2022	2/7/2024	
35	Fifth PEP 4 Amendment: Santa Monica & Vermont Apartments Phase II	LTSC (Little Tokyo Service Center) Community Development Corporation	4718 W SANTA MONICA BLVD LOS ANGELES, CA 90029	13	4%	93	47	45	1	\$ 12,000,000	M, O, F, I, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/7/2022	3/7/2022	2/7/2024	
36	Sixth PEP 4 Amendment: 4507 Main St	EAH Inc.	4507 MAIN ST LOS ANGELES, CA 90037	9	9%	61	31	29	1	\$ 6,000,000	H, I, CH	7/1/2021 (Actual)	10/20/2021 (Actual)	4/1/2022	5/1/2022	12/1/2024	
37	Sixth PEP 4 Amendment: Vermont Manchester Senior (fka Vermont/Manchester)	BRIDGE Housing Corporation; Coalition for Responsible Community Development	8400 S VERMONT AVE LOS ANGELES, CA 90044	8	4%	62	60	0	2	\$ 12,400,000	HF, HS, F, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	2/21/2022	2/28/2022	4/30/2024	
38	Seventh PEP 4 Amendment: Whittier HHH (fka Whittier PSH)	Mercy Housing	3554 WHITTIER BLVD LOS ANGELES, CA 90023	14	4%	64	63	0	1	\$ 6,125,000	H, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/6/2022	6/30/2022	11/30/2023	
39	Seventh PEP 4 Amendment: Oak Apartments (fka 2745-2759 Francis Ave)	Koreatown Youth and Community Center	2745 W FRANCIS AVE LOS ANGELES, CA 90005	1	4%	64	63	0	1	\$ 6,610,000	HS, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/6/2022	6/30/2022	12/31/2023	
40	Seventh PEP 4 Amendment: The Banning (fka 841 N Banning)	Century Affordable Development, Inc.	841 N BANNING BLVD WILMINGTON, CA 90744	15	4%	64	63	0	1	\$ 8,000,000	H, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/6/2022	6/30/2022	11/30/2023	
41	Seventh PEP 4 Amendment: Voltaire Villas (fka Montesquieu Manor/Enlightenment Plaza-Phase II)	Flexible PSH Solutions; The Pacific Companies	316 N JUANITA AVE LOS ANGELES, CA 90004	13	4%	72	71	0	1	\$ 9,940,000	H, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/6/2022	7/6/2022	10/30/2023	
42	Current PEP 4 Amendment: Ambrosia	Domus Development, LLC	823 W MANCHESTER AVE LOS ANGELES, CA 90044	8	4%	90	80	9	1	\$ 11,200,000	H, I, CH	7/7/2022 (Estimated)	10/19/2022 (Estimated)	4/19/2023	4/30/2023	12/31/2024	
43	Current PEP 4 Amendment: Confianza	Century Affordable Development, Inc.	14142 W VANOWEN ST VAN NUYS, CA 91405	2	4%	64	63	0	1	\$ 10,000,000	H, CH	7/7/2022 (Estimated)	10/19/2022 (Estimated)	4/19/2023	4/30/2023	10/31/2024	
TOTAL						2755	2323	387	45	\$ 339,876,004.00							
<i>Average</i>						<i>64</i>	<i>54</i>	<i>9</i>	<i>1</i>	<i>\$ 7,904,093.12</i>							

Notes:

All figures are HHH relevant unless specifically noted otherwise, and are subject to change until loan closing.

Bold dates denote actuals.

Proposition HHH PSH Loan Program funds are available for homeless units (PSH) as well as low-income (affordable) units.

Legend for Populations Served

F = Non-homeless Families	V = Non-homeless Veterans	HV = Homeless Veterans	M = Homeless Mental Illness
S = Non-homeless Seniors	H = Homeless Individuals	HS = Homeless Senior	O = Other Homeless
I = Non-homeless Individuals	CH = Chronically Homeless	Y = Homeless Youth	IHA = Homeless individuals with HIV/AIDS
D = Non-homeless disabled	HF = Homeless Families	HD = Homeless Disabled	DV = Homeless survivors of domestic violence & sex trafficking

Attachment B - Project Staff Reports

STAFF REPORT

May 12, 2022

Ambrosia Apartments
800-816 W. 85th Street
Los Angeles, CA 90044

New Construction
Council District 8

PROJECT DESCRIPTION

Ambrosia Apartments, located at 800-816 W. 85th Street in Los Angeles, will be a permanent supportive housing development consisting of 90 total units for homeless individuals and families, chronically homeless individuals, and one manager's unit. The project will have onsite parking.

The project will be Type V construction comprised of one building. The project will have 80 studios, 9 two-bedroom units, and 1 two-bedroom manager's unit. The project will provide amenities that will include a ground floor community room and kitchen, short-term and long-term bike parking, as well as outdoor green space and offices for supportive services and case management. The project design also incorporates a conference room and common laundry room. Unit amenities will include private bathroom, kitchen, and will be fully furnished. The furnishings will include a bed, dresser, dining table with chairs, and lamp. Ambrosia Apartments is located in close proximity to many public amenities, including public transit (several LA Metro Rapid bus lines that will connect residents to downtown and greater Los Angeles), bank, Algin Sutter Recreation Center and park, mental health wellness center, and pharmacy, all within a one-third mile radius of the site.

Due to capacity concerns, Skid Row Housing Trust (SRHT) is requesting to transfer the HHH funding commitment to Domus Development, LLC (Domus). The commitment was previously approved through Council File #17-0090-S8 in 2019. Domus will accept the HHH commitment transfer to bring the project to fruition. The development site is currently owned by Skid Row Housing Trust. Domus Development has site control via a purchase and sale agreement with Skid Row Housing Trust. Surrounding properties include commercial and residential uses. The project is located in Council District 8 and is currently zoned C2-2D-CPIO.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure is a to-be-created limited partnership (**Ambrosia Apartments Associates, L.P.**) that will consist of Domus GP LLC as the administrative general partner, and Community Resident Services, Inc. as the managing general partner. Together, the general partners will own 0.01%. At closing, the limited partnership will admit an investor as the Investor Limited Partner, who will have 99.99% ownership. The long-term ownership structure will consist of the following:

1. Community Resident Services, Inc. as the Managing General Partner (0.01%)
2. TBD, as Investor Limited Partner (99.99%)

PROJECT FINANCE SUMMARY

The borrower will secure a construction loan in the estimated amount of \$29,000,000, and anticipates an allocation of 4% Low Income Housing Tax Credits that will generate approximately \$21,921,351 in tax credit equity to partially finance the construction of the project. The \$29,000,000 construction loan will convert to an estimated \$7,050,000 permanent loan when the project is completed and operating.

CONSTRUCTION FUNDING SOURCES

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Construction Loan	\$29,000,000	\$322,222	51.7%
LACDA – NPLH *	\$12,050,000	\$133,889	21.5%
LAHD – HHH	\$8,000,000	\$88,889	14.3%
Costs & Accrued Interest Deferred until Conversion	\$1,208,745	\$13,431	2.1%
General Partner Equity	\$3,655,099	\$40,612	6.5%
Tax Credit Limited Partner Equity	\$2,192,135	\$24,357	3.9%
Total	\$56,105,979	\$623,400	100%

* Los Angeles County Development Authority (LACDA) No Place Like Home Program (NPLH)

PERMANENT FUNDING SOURCES

Permanent	Total Sources	Per Unit	% Total
Permanent Loan Tax – Exempt	\$7,050,000	\$78,333	12.6%
LAHD HHH Loan	\$11,200,000	\$124,444	20.0%
LACDA – NPLH *	\$12,100,000	\$134,445	21.6%
GP Capital Contribution (Deferred Developer Fee)	\$13,689	\$152	0%
GP Equity	\$3,820,939	\$42,455	6.8%
Tax Credit Limited Partner Equity 4%	\$21,921,351	\$243,571	39.0%
Total	\$56,105,979	\$623,400	100%

* Los Angeles County Development Authority (LACDA) No Place Like Home Program (NPLH)

USES OF FUNDS

Uses of Funds	Total Uses	Cost/Unit	% Total
Acquisition Costs	\$5,106,876	\$56,743	9.1%
Construction Costs	\$36,008,921	\$400,099	64.2%
Soft Costs	\$6,453,449	\$71,705	11.5%
Issuance & Financing Costs	\$2,215,795	\$24,620	3.9%
Developer Fee	\$6,320,938	\$70,233	11.3%
Total	\$56,105,979	\$623,400	100%

PROJECT COST JUSTIFICATION

The total development cost of \$623,400 per unit reflects several major factors. First, hard construction costs have escalated recently with supply chain disruptions and inflation. In addition, given the project's size and number of units (exceeding 65 units), a project labor agreement will be required. Second, the true developer fee is approximately \$2.5 million, per LAHD regulations. The excess developer fee above \$2.5 million is contributed back to the project as GP Equity, and benefits the project by generating additional 4% tax credit equity. The combination of these factors totals approximately \$90,000 per unit.

AFFORDABILITY STRUCTURE

Unit Type	30% AMI Units	50% AMI Units	Manager Unit	Total Units	HHH Units	Non-HHH Units
Studio	80	0	-	80	80	-
2 Bedroom	9	0	1	10	9	1
Total	89	0	1	90	89	1

FUNDING RECOMMENDATION

The recommended HHH loan in the amount of \$11,200,000 represents \$125,843, per LAHD restricted unit, or approximately 20% of the total development cost.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in April 2023 and anticipated to be completed by December 2024.

Prepared by: Los Angeles Housing Department

STAFF REPORT

May 11, 2022

Confianza
14142-14154 Vanowen Street
Los Angeles, CA 91405
Council District 2

PROJECT DESCRIPTION

The Confianza (project), located at 14142-14154 Vanowen Street in Los Angeles, will be a supportive housing development consisting of 63 total one-bedroom units for homeless individuals, chronically homeless individuals and 1 two-bedroom manager's unit. The project will have 5 standard parking spaces with 1 accessible space for a total of 6 parking spaces for staff and

The project will be a Type V construction comprised of two 3-story buildings and three 4-story buildings: building 1 – four-stories with 16 studios, building 2 – four-stories with 12 studios, amenity space, management office and services offices, building 3- four-stories 16 studios, building 4- three-stories 9 studios, manager's two-bedroom unit and communal laundry, building 5- three-stories – 10 studios. The five buildings will be connected by elevated walkways. The project will have 63 studio units and 1 two-bedroom unit. The two-bedroom unit will be the manager's unit. The project will provide 32 units for high acuity chronically homeless individuals, 31 units for homeless individuals. The unit amenities will include a kitchen and dining area that is separated from the sleeping/living area by the bathroom. All the units will be furnished with living essentials including a bed, mattress, and nightstand in the bedroom, a dining table with two chairs and a couch in the living area. The onsite amenities will include property and case management offices, community room and kitchen, communal laundry room, bicycle storage room and a variety of public and private open spaces to form a comfortable living environment. The project will be located in close proximity to various public amenities including a park, clinics, pharmacy, library, bus stops, grocery store, and other key amenities within walking distance.

Due to capacity concerns, Skid Row Housing Trust (SRHT) is requesting to transfer the HHH funding commitment to Century Affordable Development Inc. The commitment was previously approved through Council File #17-0090-S8 in 2019. Century Affordable Development Inc., will accept the HHH commitment transfer to bring the project to fruition. The development site is currently owned by Confianza, LP, which is an affiliate of SRHT. Century Affordable Development Inc., has site control via a purchase and sale agreement with Skid Row Housing Trust. The surrounding area includes commercial and residential properties. The project is located in Council District 2 and is currently zoned [Q]R3-1.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure is a to-be-created limited partnership (**Villa Vanowen LP**) that will consist of Century Affordable Development, Inc. as sole managing member of the General Partner, CADI XVI, LLC. At closing, the Limited Partnership will admit an investor as the Investor Limited Partner. The long-term ownership structure will consist of the following:

1. Century Affordable Development, Inc., as Managing General Partner (0.01%)
2. TBD, as Investor Limited Partner (99.99%)

PROJECT FINANCE SUMMARY

The borrower will secure a construction loan in the estimated amount of \$22,781,192 and anticipates an allocation of 4% Low Income Housing Tax Credits (LIHTC) that will generate approximately \$16,754,543 in tax credit equity to partially finance the construction of the project. The \$22,781,192 construction loan will convert to an estimated \$6,238,812 permanent loan when the project is completed and operating.

CONSTRUCTION FUNDING SOURCES

Construction	Total Sources	Per Unit	% Total
Tax-Exempt Loan	\$22,781,192	\$355,956	54%
Taxable Loan	\$250,000	\$3,906	1%
LACDA – NPLH *	\$8,884,700	\$138,824	22%
LAHD – HHH	\$4,364,814	\$68,200	10%
Costs & Accrued Interest Deferred until Conversion	\$3,051,922	\$47,687	7%
General Capital	\$100	\$1	0%
Tax Credit Limited Partner Equity	\$2,680,727	\$41,886	6%
Total	\$42,013,455	\$656,460	100%

* Los Angeles County Development Authority (“LACDA”) No Place Like Home Program (“NPLH”)

PERMANENT FUNDING SOURCES

Permanent	Total Sources	Per Unit	% Total
Permanent Loan Tax – Exempt	\$6,238,812	\$97,481	15%
LAHD HHH Loan	\$10,000,000	\$156,250	24%
LACDA – NPLH *	\$9,020,000	\$140,938	21%
GP Capital	\$100	\$1	0%
Tax Credit Limited Partner Equity 4%	\$16,754,543	\$261,790	40%
Total	\$42,013,455	\$656,460	100%

* Los Angeles County Development Authority (“LACDA”) No Place Like Home Program (“NPLH”)

USES OF FUNDS

Uses of Funds	Total Uses	Cost/Unit	% Total
Acquisition Costs	\$4,498,000	\$70,281	11%
Construction Costs	\$25,908,087	\$404,814	62%
Soft Costs	\$6,913,073	\$108,016	16%
Issuance & Financing Costs	\$2,194,295	\$34,286	5%
Developer Fee	\$2,500,000	\$39,063	6%
Total	\$42,013,455	\$656,460	100%

PROJECT COST JUSTIFICATION

The total development cost per unit is \$656,460, which reflects several factors, including the cost of construction. The City of Angeles Planning Commission along with the neighborhood community determined that five smaller low-rise buildings would blend better into the community. This adds significant costs since there is a much larger exterior surface area with more siding, framing, painting, and insulation. The roofing and parapets will also cost more due to the labor of five roofs instead of one, even if the combined roof square footage is the same. The exterior surface is three and half times the amount of what one building would have been. The requirement of five buildings results in exterior catwalks with its associated structural components, seismic joints, traffic coating, and concrete, to connect the buildings. There are added costs related to plumbing, HVAC, electrical, fire suppression, and excavating trades as five buildings need to get underground distribution these systems with a significantly longer conduit, wiring, condensate lines, plumbing pipes, waste pipes, sprinkler lines, and all of the associated labor. The increase in hard cost due to five separate building instead of one building is \$4,700,000 or \$73,438 per unit.

AFFORDABILITY STRUCTURE

Unit Type	30% AMI Units	40% AMI Units	50% AMI Units	Manager Unit	Total Units	HHH Units	Non-HHH Units
1 Bedroom	48	13	2	-	63	63	-
2 Bedroom	-	-	-	1	1	1	-
Total	48	13	2	1	64	64	-

FUNDING RECOMMENDATION

The recommended HHH loan in the amount of \$10,000,000 represents \$156,250, per LAHD restricted unit, or approximately 24% of the total development cost.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in April 2023 and anticipated to be completed by October 2024.