

Attachment D.
HHH and Mayor's Housing Challenge Projects Staff Reports

STAFF REPORT
As of: March 20, 2020

11010 Santa Monica Boulevard
Los Angeles, CA 90025

New Construction
Council District 5

PROJECT DESCRIPTION

11010 Santa Monica Boulevard (the Project) will be a new construction development that will provide 50 affordable studio apartments for seniors and senior veterans, and 1 two-bedroom manager's unit. The Project was proposed in response to a Request for Proposals (RFP) issued by HCIDLA, seeking proposals for supportive housing on a City-owned parking lot. The RFP sought proposals for developments featuring high-quality design that could be produced more inexpensively and more quickly than the typical supportive housing development in the City of Los Angeles. The proposed development will employ modular, prefabricated units.

As proposed, the Project will feature a community room (available to residents and others in the community), gym, reading room, outdoor patio, and roof deck along with resident services offices. The proposal includes plans to replace all 24 existing public parking spaces, however, the level of replacement parking required has not yet been determined. The proposal received scored very well for its elegant design and its incorporation of the Department of City Planning's three pillars of good design: pedestrian orientation, 360° design, and climate adaptive design.

Located near the West Los Angeles Veterans Affairs Medical Center, the Project's location is ideal for seniors and senior veterans requiring affordable housing. Also nearby, are several community services and amenities, including the West Los Angeles Regional Branch Library.

PROJECT FINANCE SUMMARY

The RFP submission proposes using HHH, 4% tax credits, tax exempt bonds, and a permanent loan to finance the development of this project. The proposal pro forma does not project a financing gap, and includes funding for all 24 replacement parking spaces.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The intended ownership structure will be a to-be-formed limited partnership consisting of a developer to be selected by City Council simultaneous to this funding commitment.

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$7,000,000
Tax Credit Equity	\$7,347,518
Conventional Loan	\$5,344,514
HCIDLA – Land	\$4,066,000
GP Equity	\$100
Total	\$ 23,758,132

PROPOSED USES

Uses	Amount
Acquisition	
Construction	\$4,066,000
Developer Fee	\$13,043,647
Soft Costs	\$2,458,990
Total	<u>\$4,189,495</u>
	\$ 23,758,132

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	50
Mgr-2 Bedroom	UNRSCTD	1
Total		51

FUNDING RECOMMENDATION

A Proposition HHH funding commitment of up to \$7,000,000 is recommended. HHH funds represent \$137,255 per unit for 51 units. HHH funds represent 29% of the Total Development Cost (TDC). TDC per unit is \$465,846. HHH funding is leveraged with 4% tax credit equity and a conventional bank loan.

CONSTRUCTION TIMELINE

Construction is proposed to start in May 2021, and anticipated to be completed by May 2023.

STAFF REPORT
As of: March 20, 2020

Amani Apartments
4200 W. Pico Boulevard
Los Angeles, CA 90019

New Construction
Council District 10

PROJECT DESCRIPTION

The Amani Apartments (Amani) (the Project) is located at 4200 Pico Blvd in the Mid-City neighborhood of Los Angeles, and is planned as an affordable housing development for homeless seniors with 53 studio units, and 1, one-bedroom manager unit. Of the 53 studio units, 27 will be reserved for chronically homeless individuals.

The Amani project will consist of a modern five story building designed by Abode Communities Architecture, with approximately 33,000 square feet (sq. ft.) of permanent supportive housing for formerly homeless individuals, and will include approximately 2,000 sq. ft. of commercial office space. As planned, the studio units will be approximately 400 sq. ft., and the one-bedroom manager's unit will be approximately 700 sq. ft. All units will include kitchenettes, bathrooms, a sleeping area, small living and dining spaces and will be fully furnished prior to lease up. Project plans include a resident community room, laundry room and offices for the Amani Manager and supportive services staff. The project's common areas will total approximately 2,000 square feet.

Wakeland Housing and Development Corporation (Wakeland), or an entity wholly owned and controlled by Wakeland, will purchase the land prior to construction. Currently, there are no structures on the site.

PROJECT FINANCE SUMMARY

The borrower will secure a conventional permanent loan in the amount of \$3.1 million and will utilize \$22.1 in 9% tax credit equity to partially finance the construction of the project.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Wakeland Housing and Development Corporation will form a Limited Partnership (LP) with an affiliated Limited Liability Corporation (LLC) entity, as the Managing General Partner. The Limited Partner investor has not yet been determined. Wakeland certifies that it has the special needs/homeless experience required by HCIDLA for feasible and viable development and operation of the Amani project. Ownership structure will consist of the following:

1. Wakeland Housing, Managing General Partner (0.01%)
2. Limited Partner, yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCIDLA-HHH	\$5,400,000
HCIDLA-HHH (accrued/deferred interest)	\$208,200
LACDA NPLH	\$1,540,000
Wells Fargo	\$3,150,000
Limited Partner Equity	\$22,181,568
Total	\$32,479,768.00

PROPOSED USES

Uses	Amount
Acquisition	\$11,034,000
Construction	\$19,057,204
Developer Fee	\$1,400,000
Soft Costs	\$988,564
Total	\$32,479,768.00

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	53
Mgr-1 Bedroom	0	1
Total		54

FUNDING RECOMMENDATION

HCIDLA recommends a funding commitment of up to \$5,400,000 for the Amani project. HHH funds represent \$100,000 per unit for 54 units. HHH funds represent 17% of the Total Development Cost (TDC). TDC per unit is \$601,477. HHH funding is leveraged with NPLH Funds, 9% tax credit equity, and a conventional bank loan.

CONSTRUCTION TIMELINE

Construction is proposed to start in April 2021, and anticipated to be completed by April 2023.

STAFF REPORT
As of: March 20, 2020

Bell Creek Apartments
6940 N. Owensmouth Avenue
Los Angeles, CA 91303

New Construction
Council District 3

PROJECT DESCRIPTION

Bell Creek Apartments (the Project), located at 6940 N. Owensmouth, will be a supportive housing development consisting of 79 mixed affordable units for homeless, chronically homeless individuals, and families and low income families, 1 manager's unit, with 66 type 1-A podium parking spaces, 48 long-term bicycle stalls, and 24 short-term bicycle stalls on ground level. The site is currently composed of four contiguous parcels. Three of the parcels have three existing residential buildings that will be demolished; therefore, relocation benefits will be provided.

The project will consist of 80 residential units, comprised of 40 one-bedroom units, 19 two-bedroom units, 20 three-bedroom units and 1 two-bedroom manager's unit. All residential units will include bathrooms and fully-equipped kitchens. Amenities include a community recreation room, fitness center, laundry facility, office spaces for case management/services, and property manager. Outdoor amenities include a roof top terrace, playground, and landscaped courtyards.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure will be a Limited Partnership consisting of Western Community Housing, Inc., as Managing General Partner and 6940 Owensmouth, LLC as the Administrative General Partner. The future ownership structure will consist of the following:

1. Western Community Housing Affordable XLVI, LLC, as Managing General Partner (0.005%)
2. Owensmouth 6940, L.P., as Administrative General Partner
3. Limited Partner, yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCIDLA - HHH PSH	\$6,226,546
4% TCAC Equity	\$17,280,303
Conventional/Bank Loan	\$14,929,362
County - AHTF	\$5,000,000
No Place Like Home	\$6,290,000
Total	\$ 49,726,211

PROPOSED USES

Uses	Amount
Acquisition	\$14,897,638
Construction	\$30,424,702
Developer Fee	\$2,500,000
Soft Costs	\$1,903,871
Total	\$ 49,726,211

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
1 Bedroom	30%	37
1 Bedroom	60%	3
2 Bedroom	30%	2
2 Bedroom	60%	17
3 Bedroom	30%	2
3 Bedroom	80%	18
Mgr-2 Bedroom	0%	1
Total		80

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$6,226,546 is recommended. HHH funds represent \$77,852 per unit for 80 units. HHH funds represent 13% of the Total Development Cost (TDC). The TDC per unit is \$621,578. HHH funding is leveraged with 4% tax credit equity, a conventional bank loan, Los Angeles County–AHTF, and Los Angeles County -NPLH funds.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in November 2020, and anticipated to be completed by November 2022.

STAFF REPORT
As of: March 20, 2020

Chesterfield (fka 4719 Normandie)
4719 S. Normandie Ave, Los Angeles, CA 90037

New Construction
Council District 8

PROJECT DESCRIPTION

The Chesterfield project (fka 4719 Normandie) is located in South Los Angeles and will be a supportive housing development consisting of 43 units. The five story structure will include 42 studios and 1 one-bedroom manager's unit. All units will be supportive housing units that will include kitchenettes, bathrooms, small living and dining spaces, a sleeping area, and will be fully furnished. The project will include a community room, supportive services offices, manager's office, laundry and approximately two thousand square feet of commercial office space. The project will be thirty-three thousand square feet total in size.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The developer, Wakeland Housing and Development Corporation will form a Limited Partnership with an affiliated LLC entity, as the Managing General Partner and the Limited Partner is yet to be formed. The ownership structure will consist of the following:

1. Wakeland Housing and Development Corporation or affiliated LLC entity as Managing General Partner (0.01%)
2. Limited Partner, who has yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCIDLA - HHH PSH	\$8,990,000
4% TCAC Equity	\$12,460,940
Conventional Loan	\$2,100,000
LA County CDC NPLH	\$2,100,000
Deferred Dev. Fee	\$380,000
HHH Accrued/Deferred Interest	\$208,500
Total	\$ 26,239,440

PROPOSED USES

Uses	Amount
Acquisition	\$2,075,000
Construction	\$14,128,923
Developer Fee	\$2,880,000
Soft Costs	\$7,155,517
Total	\$ 26,239,440

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	42
Mgr-1 Bedroom	0%	1
Total		43

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$8,990,000 is recommended. HHH funds will represent \$209,070 per unit for 43 units. HHH funds represent 34% of the Total Development Cost (TDC). The TDC per unit is \$610,220. The HHH funding is leveraged with tax credit equity, conventional bank loan, LA County No Place Like Home funds, and HHH Accrued/Deferred Interest.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in November 2020, and anticipated to be completed by November 2022.

STAFF REPORT
As of: March 20, 2020

Hope on Broadway
5138 S. Broadway
Los Angeles, CA 90037

New Construction
Council District 9

PROJECT DESCRIPTION

Hope on Broadway (project), located at 5138 S. Broadway, will be a supportive housing development consisting of 48 affordable units for homeless and chronically homeless individuals, 1 manager's unit, and bicycle storage. The project will be built as a Type IIB structure with a concrete podium and three residential floors above utilizing a steel modular system. The site is currently improved with a commercial structure occupied by one tenant, which will be demolished; therefore, relocation benefits will be provided.

The project will consist of 49 residential units, comprised of 48 studio units and 1 one-bedroom manager's unit. All residential units will include full ADA adaptable bathrooms with grab bars and kitchens equipped with a stove, refrigerator, and microwave oven. All units will be furnished with a bed, night stand and lamp, small kitchen table with two chairs, and a ceiling fan. Additional amenities will include secure access, laundry facility, community room, a mail room, office space for case management/services, conference rooms, a recreation room, and a lobby. Outdoor amenities will be an open recreational space, roof deck on the fourth floor, and a courtyard on the second floor.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The Hope on Broadway Limited Partnership will consist of a Community Housing Program Inc. (CHAPA), affiliate as Managing General Partner, Aedis Broadway AGP, LLC as Administrative General Partner with R4 Capital as Limited Partner. Ownership structure will consist of the following:

1. CHAPA affiliate as Managing General Partner (0.0051%)
2. Aedis Broadway AGP, LLC as Administrative General Partner (.0049%)
3. R4 Capital as Limited Partner (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCIDLA - HHH	\$6,720,000
4% TCAC Equity	\$7,663,152
Conventional/Bank Loan	\$2,080,000
Deferred Developer Fee	\$698
California State Credits	\$5,373,486
Total	\$ 21,837,336

PROPOSED USES

Uses	Amount
Acquisition	\$1,500,000
Construction	\$14,927,293
Deferred Developer Fee	\$2,500,000
Soft Costs	\$2,910,043
Total	\$ 21,837,336

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	6
0 Bedroom	50%	42
Mgr-1 Bedroom	50%	1
Total		49

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$6,720,000 is recommended. HHH funds represent \$137,143 per unit for 49 units. HHH funds represent 31% of the Total Development Cost (TDC). The TDC per unit is \$445,660. HHH funding is leveraged with 4% tax credit equity, and a conventional loan, CA State Credits, and deferred developer fees.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in November 2020, and anticipated to be completed by November 2022.

STAFF REPORT
As of: March 20, 2020

Hope on Hyde Park
6501 S. Crenshaw Boulevard,
Los Angeles, CA 90043

New Construction
Council District 8

PROJECT DESCRIPTION

Hope on Hyde Park (the Project), located at 6501 S. Crenshaw Boulevard, will be a mixed-use supportive housing development consisting of 97 affordable units and 1 manager's unit with a 2,500 square foot retail space. The project will be built as a Type IIB structure with a concrete podium with four residential floors above utilizing a steel modular system. The site currently consists of three commercial structures that will be demolished; relocation benefits will be provided to the church/tenant that is occupying the three structures.

The project will consist of 98 residential units, comprised of 74 studio units, 23 one-bedroom units, and 1 one-bedroom manager's unit that will be located on the ground floor. All residential units will be on floors two through five and will include full bathrooms and kitchens equipped with a stove, refrigerator, and microwave oven. All units will be furnished with a bed, night stand, lamp, and small kitchen table with two chairs. The project amenities will include secured access, laundry facility, community room, and roof deck. The ground floor will have four private offices for dedicated case management, conference rooms, a recreation room, and lobby. Open and recreational space will be provided primarily on the second floor courtyard.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure will be Hope on Hyde Park, LP (to be formed), which consists of CHAPA (or its affiliate) as Managing General Partner, Aedis Hyde Park AGP as Administrative General Partner, and R4 Capital as the Limited Partner. Ownership structure will consist of the following:

1. CHAPA or affiliate as Managing General Partner (0.0051%)
2. Aedis Hyde Park AGP, LLC as Administrative General Partner (.0049%)
3. R4 Capital as Limited Partner (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCIDLA - HHH	\$9,280,000
4% TCAC Equity	\$17,819,319
Conventional/Bank Loan	\$12,910,000
Deferred Dev. Fee	\$48,525
Total	\$ 40,057,844

PROPOSED USES

Uses	Amount
Acquisition	\$3,500,000
Construction	\$28,641,957
Developer Fee	\$2,500,000
Soft Costs	\$5,415,887
Total	\$ 40,057,844

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	50%	74
1 Bedroom	50%	23
Mgr-1 Bedroom	50%	1
Total		98

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$9,280,000 is recommended. HHH funds represent \$94,694 per unit for 98 units. HHH funds represent 23% of the Total Development Cost (TDC). The TDC per unit is \$408,754. HHH funding is leveraged with 4% tax credit equity, deferred developer fee, and a conventional bank loan.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in November 2020, and anticipated to be completed by November 2022.

STAFF REPORT
As of: March 20, 2020

Link at Sylmar (fka Sylmar II)
12667 N. San Fernando Road, Los Angeles, CA 91342

New Construction
Council District 7

PROJECT DESCRIPTION

Link at Sylmar (fka Sylmar II) project is a vacant site located in a mixed commercial and residential area of Sylmar, to the west of San Fernando Road, between Polk and Nurmi Streets. The project lot size is approximately 0.49 acres with 47,782 square feet of building area. Upon completion, the project will consist of 56 new affordable units for low-income and special needs residents, of which 53 will be studios, 2 will be one-bedroom units, and 1 one-bedroom unit will be reserved as manager's unit. Forty-five of the units will be reserved for homeless individuals, 23 of which will be reserved for chronically homeless individuals, and the remaining 10 units will be reserved for low-income individuals. All of the units will have kitchens and bathrooms, and the homeless units will be provided with furnishings.

The ground floor of the project will include a community recreation room, a technology room, offices for the property manager and supportive services staff, 27 vehicle parking spaces, and a secure room to store bicycles. Additionally, the project will provide an open courtyard on the second floor exclusively for residents. The proposed design embraces the existing commercial and residential design of buildings along the San Fernando corridor.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The newly formed single-purpose entity, Sylmar II, L.P., is a joint partnership combining the efforts of Meta Housing Corporation and Western Community Housing, Incorporated. The LP will develop, operate and maintain ownership of the project. WCH Affordable XLIII, LLC (Western Community Housing, the Sole Member and Manager) with Sylmar II, LLC (Meta AGP Investments, LLC, the Sole Member and Manager) as Managing General Partner, with .05% ownership each. Sylmar II, LLC is a single-purpose entity and the Administration General Partner. Meta Housing Corporation is the Sole Member and Manager of Meta AGP Investments, LLC, and will also be the Developer of the proposed project. The project ownership structure consists of the following:

1. WCH Affordable XLIII, LLC (0.005%) and Sylmar II, LLC as Managing General Partner (0.005% each)
2. Sylmar II as Limited Partner (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$10,900,000
Tax Credit Equity	\$10,183,282
Conventional Loan	\$1,870,918
HCID IIG Grant	\$1,381,968
Deferred Dev. Fee	\$42,777
LA County CDC NPLH	\$5,940,000
Total	\$ 30,318,945

PROPOSED USES

Uses	Amount
Acquisition	\$2,001,090
Construction	\$18,133,723
Developer Fee	\$2,500,000
Soft Costs	\$7,684,132
Total	\$ 30,318,945

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	45
0 Bedroom	50%	8
1 Bedroom	50%	2
Mgr-1 Bedroom	0%	1
Total		56

FUNDING RECOMMENDATION

HCIDLA recommends a funding commitment of up to \$10,900,000 for the Link at Sylmar project. HHH funds represent \$194,643 per unit, 31% of the total development cost (TDC). The TDC per unit is \$633,619. HHH funding is leveraged with 4% tax credit equity, a deferred developer fee, LA County No Place Like Home funding, HCD IIG grant, and a conventional bank loan.

CONSTRUCTION TIMELINE

Construction is estimated to start in November 2020, and to be completed by November 2022.

STAFF REPORT
As of: March 20, 2020

NoHo 5050
5050 – 5050 ½ N. Bakman Ave.,
Los Angeles, CA 91601

New Construction
Council District 2

PROJECT DESCRIPTION

The NoHo 5050 (project), located at 5050 N. Bakman Avenue, will be a supportive housing development consisting of 40 affordable housing units for survivors of domestic violence and qualifying low income families, one manager’s unit, five parking stalls, one disabled-accessible parking stall, one Electric Vehicle (EV) parking stall, 36 long-term bicycle parking storages, and three short-term parking storages at grade level. The site currently consists of two three-unit apartment buildings that will be demolished, which are currently occupied by six households; therefore, relocation benefits will be provided.

The project is to be constructed as a new five-story building: four stories of Type V-A construction over one story of Type I construction at grade. The project will consist of 40 residential units, comprised of 4 studio units, 28 one-bedroom units, seven two-bedroom units, and one two-bedroom manager’s unit. Amenities include a laundry facility, learning center, community room, supportive services space, shared community kitchen, community garden for residents, and landscaped open space at the ground and roof levels.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure will be a limited partnership that will consist of Daylight Community Development, LLC, as Administrative General Partner, Decro NoHo 5050, LLC, as Managing General Partner, and NoHo 5050 PSH, LLC, as its Co-Managing General Partner. The Limited Partnership is to-be-determined and will include an investor at construction loan close. The future ownership structure will consist of the following:

1. Decro NoHo 5050, LLC, as Co-Managing General Partner (0.0034%)
2. NoHo 5050 PSH, LLC, as Co-Managing General Partner (0.0033%)
3. Daylight Community Development, LLC, as Administrative General Partner (.0033%)
4. Limited Partner, who has yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$3,833,200
Tax Credit Equity	\$7,211,450
Conventional Loan	\$4,323,735
State LIHTC Equity	\$1,790,890
Deferred Dev. Fee	\$100
LA County CDC NPLH	\$4,370,000
Total	\$ 21,529,375

PROPOSED USES

Uses	Amount
Acquisition	\$1,975,147
Construction	\$12,463,958
Developer Fee	\$2,500,000
Soft Costs	\$4,590,270
Total	\$ 21,529,375

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	50%	4
1 Bedroom	50%	28
2 Bedroom	60%	7
2 Bedroom	UNRSCTD	1
Total		40

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$3,833,200 is recommended. HHH funds represent \$95,830 per unit and 18% of the total development cost. The total development cost per unit is \$538,234. HHH funding is leveraged with 4% tax credit equity, a conventional bank loan and County of Los Angeles -NPLH Funds.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in November 2020, and anticipated to be completed by November 2022.

STAFF REPORT
As of: March 20, 2020

Sherman Oaks Senior
14536 W. Burbank Blvd, Los Angeles, CA 91411

New Construction
Council District 4

PROJECT DESCRIPTION

Sherman Oaks Senior (project), is located in a mixed commercial and residential area, central to the northern section of Sherman Oaks, in the San Fernando Valley. The project site is improved with a single family structure and 3 additional housing units. The housing units would typically be subject to the City's Rent Stabilization Ordinance (RSO), however, because the seller has previously used the property for short-term vacation rental, and the housing units are vacant, the RSO relocation requirements do not apply. The property's existing structures will all be demolished prior to constructing commencing. As planned, the project will be a 4-story structure consisting of 55 new affordable units and subterranean parking for 20 vehicles. Fifty-four units will be studios for chronically homeless seniors and one unit will be reserved as a one-bedroom manager's unit. All of the units will have kitchenettes. Project plans include a 1,066 square foot community space on the ground floor, resident open spaces at the rear and on the rooftop area of the project, 3 laundry rooms (located on the second, third and fourth floors), and offices for the property manager and supportive services staff.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Mercy Housing Calwest will serve as the Managing General Partner of the to-be-formed Limited Partnership (LP) that will own and operate the project. Mercy Housing California is the single member of the non-profit organization Mercy Housing Calwest. The equity investor will be determined at a later date. The future ownership structure will consist of the following:

1. Mercy Housing Calwest, Managing General Partner (0.01%)
2. Limited Partner, yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$11,880,000
Accrued Deferred Interest	\$44,545
Tax Credit Equity	\$9,802,973
CDLAC Performance Deposit	\$79,935
Conventional Loan	\$679,000
GP Equity	\$100
FHLB – AHP	\$540,000
Deferred Dev. Fee	\$662,533
LA County CDC NPLH	\$5,720,000
Total	\$ 29,409,086

PROPOSED USES

Uses	Amount
Acquisition	\$2,760,696
Construction	\$15,957,217
Developer Fee	\$3,162,533
Soft Costs	\$7,528,640
Total	\$ 29,409,086

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	54
Mgr-1 Bedroom	MKT	1
Total		55

FUNDING RECOMMENDATION

HCIDLA recommends a funding commitment of up to \$11,880,000 for the project. HHH funds will represent \$216,000 per unit, 40% of the total development cost (TDC). The TDC per unit is \$534,711. HHH funding is leveraged with 4% tax credit equity, an Affordable Housing Program (AHP) loan, County Affordable Housing Trust Fund and Mental Health Housing Program (MHHP) funds and GP Equity.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in February 2021, and anticipated to be completed by February 2023.

STAFF REPORT
As of: March 20, 2020

Sun King Apartments
12128 Sheldon St., Los Angeles, CA 91352

New Construction
Council District 6

PROJECT DESCRIPTION

Sun King Apartments (project), located in the Sun Valley neighborhood, will be a supportive housing development consisting of 25 units and a two-bedroom manager's unit. The unit mix will consist of 12 one-bedroom units, 10 two-bedroom units, and 3 three-bedroom units all designated for homeless families. The site is walking distance to Sun Valley High School and was considered in the design. The development will consist of one building of approximately 35,685 square feet and will range from three to four stories, connected by walkways and interspersed with a rooftop community terrace/garden. The building will be woven through a series of interior and exterior common spaces. On the ground floor, the ample front and side yard setbacks will allow for informal gathering spaces and safe play spaces for both the community and the residents. Moving up the broad pedestrian stairs, a colorful playground will be situated behind the gated entry which highlights the importance of families living within these units. At this level supportive offices will be centrally located along with laundry services which allow ease of accessibility for these amenities and services. Many Mansions will be the supportive services provider. The community center will be located at the corner of the lot which shares a rooftop space with terraces for community gathering and gardening. Resident amenities will include: on site laundry, 2 supportive service office spaces, open space with barbecues and communal tables 27 parking spaces and 29 bike parking spaces.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The applicant and owner is Sun King LP, a California Limited Partnership. Sun King LP will consist of a Limited Partner and a General Partner. Sun King LLC is the General Partner, of which, Many Mansions, a California nonprofit corporation will be the sole/manager member and developer. Many Mansions will be the sole lead developer. There will be no development partner.

The ownership structure will consist of the following:

1. Sun King LLC, as Managing General Partner (0.01%)
2. Sun King LP, as Limited Partner (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$5,500,000
HHH Accrued Deferred Interest	\$50,083
Tax Credit Equity	\$6,412,387
Conventional Loan	\$3,279,000
GP Equity	\$100
SHMP	\$2,443,798
Total	\$ 17,685,368

PROPOSED USES

Uses	Amount
Acquisition	\$750,000
Construction	\$11,760,000
Developer Fee	\$1,847,935
Soft Costs	\$3,327,433
Total	\$ 17,685,368

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
1 Bedroom	50%	12
2 Bedroom	50%	10
3 Bedroom	50%	3
Mgr-1 Bedroom	0%	1
Total		26

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$5,500,000 is recommended. HHH funds will represent \$211,538 per unit and 31% of the total development cost. The total development cost per unit is \$680,206. The HHH funding is leveraged with 4% tax credit equity, conventional bank loan and County of Los Angeles funds.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in February 2021, and anticipated to be completed by February 2023.

STAFF REPORT
As of: March 20, 2020

West LA VA Campus Building 207
11301 Wilshire Blvd. #207
Los Angeles, CA 90025

New Construction
Council District 11

PROJECT DESCRIPTION

The West LA VA Campus Building 207 (project), located at 11301 Wilshire Blvd. #207, will be a three-story supportive housing development consisting of the renovation of the historic West Los Angeles VA Building into 59 affordable units for homeless senior veterans (aged 62+), and a one-bedroom manager's unit. The land and Building 207 are currently owned by the government of the United States of America, and is not located in a Los Angeles City Council district. The project site is currently vacant, so no demolition or residential tenant relocation is necessary prior to renovation. Building 207 is situated on the West Los Angeles VA Medical Campus, which makes up approximately 350 acres. The Campus site and some of the buildings are registered as National Historic Landmarks. Building 207 is included within the campuses' historic neighborhood.

The project will consist of 60 residential units, comprised of 53 studios, six one-bedroom units, and one one-bedroom manager's unit. All residential units will include air conditioning and heating, a small kitchenette with a refrigerator and hot plate/burner, window coverings, and cable TV and internet hook-ups. Additional amenities consist of 1,816 square feet (sf) of resident community space with TV lounge, computer lab, fitness room, laundry facilities, and onsite management and case worker offices. One elevator will service residents and provide access to all floors, and each floor will contain multiple lounge seating areas. The outdoor amenities include a courtyard with barbecue, dining and fitness areas.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Thomas Safran & Associates Development, Inc. (TSA), a for-profit corporation, is the principal developer and will form the VA Building 207 L.P. partnership. The partnership will later be structured to include the Housing Corporation of America, a not-for-profit organization, as the Managing General Partner (MGP), the VA Building 207 LLC as the Administrative General Partner (AGP), and will select and admit a limited partner investor at construction loan closing. Veterans Affairs and the L.P. partnership will sign a 75-year Enhanced Use Lease (EUL) upon receipt of all enforceable funding commitments and prior to closing. TSA is also a partner member of the West LA Veterans Collective LLC. The future ownership structure will consist of the following:

1. Housing Corporation of America, as Managing General Partner (0.051%)
2. VA Building 207 LLC, as Administrative General Partner (0.049%)
3. Limited Partner, who has yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$8,260,000
Tax Credit Equity	\$13,123,727
Conventional Loan	\$5,900,000
Deferred Dev. Fee	\$319,378
LA County CDC NPLH	\$5,750,000
Total	\$ 33,353,105

PROPOSED USES

Uses	Amount
Acquisition	\$425,000
Construction	\$20,721,900
Developer Fee	\$2,500,000
Soft Costs	\$9,706,205
Total	\$ 33,353,105

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	53
1 Bedroom	30%	6
Mgr-2 Bedroom	0%	1
Total		60

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$8,260,000 is recommended. HHH funds represent \$137,667 per unit and 25% of the total development cost. The total development cost per unit is \$555,885. HHH funding is leveraged with 4% tax credit equity and a conventional bank loan.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in November 2020, and anticipated to be completed by November 2022.

STAFF REPORT
As of: March 20, 2020

West Terrace (Silver Star II)
6576-6604 S. West Boulevard
Los Angeles, CA 90043

New Construction
Council District 8

PROJECT DESCRIPTION

Silver Star II (project), located at 6576-6604 S. West Boulevard, will be a supportive housing development for homeless individuals and families, as well as low income individuals, consisting of 63 affordable units and one manager’s unit. There will be no tenant parking provided, per the Transit-Oriented Communities Ordinance (TOC), since the site is located in TOC tier 3. However, there will be bicycle parking racks. The site currently consists of two commercial structures that will be demolished, one of which is being used as a residence; therefore, relocation benefits will be provided to the resident that lives onsite.

The project will consist of 64 residential units, comprised of 14 studio units, 29 one-bedroom units, 20 two-bedroom units, and one three-bedroom manager’s unit. All residential units will include bathrooms and kitchens equipped with a stove and a refrigerator. 56 residential units will be furnished with a full size bed, night stand, chest of drawers, and a dining table with chairs. The project amenities will include air conditioning, a community room with a shared kitchen, television lounge, computer lab, and laundry facilities on each floor. Offices for supportive service staff and private consultation rooms will be provided. Outdoor amenities include a shared rooftop patio, ground-level community area with seating, and children’s play area landscaped with drought-tolerant plants.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

A Community of Friends is the developer and will form a Limited Partnership. The Limited Partnership will consist of Supportive Housing LLC as Managing General Partner, with A Community of Friends as the Initial Limited Partner. Ownership structure will consist of the following:

1. Supportive Housing LLC as Managing General Partner (0.01%)
2. A Community of Friends Initial Limited Partner (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$6,404,900
Accrued Deferred Interest – HHH	\$26,561
Tax Credit Equity	\$11,977,039
Conventional Loan	\$7,140,000
GP Equity	\$85,100
Deferred Dev. Fee	\$1,363,907
LA County CDC NPLH	\$7,760,000
Total	\$ 34,757,507

PROPOSED USES

Uses	Amount
Acquisition	\$2,577,073
Construction	\$20,422,382
Developer Fee	\$3,863,907
Soft Costs	\$7,894,145
Total	\$ 34,757,507

AFFORDABILITY STRUCTURE

Unit Type	Percent Median	Total Number of Units
0 Bedroom	30%	7
0 Bedroom	50%	7
1 Bedroom	30%	29
2 Bedroom	30%	20
Mgr-3 Bedroom	MKT	1
Total		64

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$6,404,900 is recommended. HHH funds represent \$100,077 per unit and 18% of the total development cost. The total development cost per unit is \$543,086. HHH funding is leveraged with 4% tax credit equity, a conventional bank loan, GP Equity, and County of Los Angeles NPLH funds.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in February 2021, and anticipated to be completed by February 2023.

STAFF REPORT
As of: February 21, 2020

62nd Street PSH
1408 62nd Street
Los Angeles, CA 90044

Traditional New Construction
Council District 8

PROJECT DESCRIPTION

1408 62nd Street (project), located in South LA, will be a supportive housing development consisting of no less than 19 affordable housing units for homeless individuals and chronically homeless individuals and one manager's unit. The project is to be constructed as a new two-story building. The project will consist of 19 studio apartments and a one-bedroom manager's unit. Amenities include wrap around social services provided in community and social service spaces, drought tolerant landscaping and unique naturally lit private living areas.

The 6,074 square foot site is currently located on the Southwest corner of Normandie and 62nd Street and has a single-story vacant commercial building and an occupied single family home that will be demolished. The current occupants of the single family home are renters and will be relocated. The RETHINK team has contracted with Overland Pacific and Cutler to implement a relocation plan for the tenants. The plan, which will be approved by HCIDLA, will include tenant interviews and present the tenant with three comparable housing options. The plan will pay tenant moving expenses plus any rent differential for 42 months. The project is located in Council District 8 and is currently zoned C2. The project is in a Tier 2 TOC and expects to benefit from by-right density bonus and parking incentives.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Project owner is Restore Neighborhoods LA-owned LLC (100%). RETHINK Housing, LLC, which is wholly owned by Genesis LA, will control the site until the projects are ready to pull permits and start construction, at which time an RNLA entity will acquire the site at-cost from RETHINK Housing, LLC. Genesis LA will finance construction. HHH Challenge Funds will be used by RNLA to reimburse Genesis for the land acquisition and to pay HHH generated costs (e.g. prevailing wage and bonding requirements)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$2,000,000
Genesis LA Loan	\$1,784,957
<u>Developer Equity</u>	<u>\$165,536</u>
Total	\$ 3,950,493

PROPOSED USES

Uses	Amount
Acquisition	\$675,929
Construction	\$2,168,821
Developer Fee	\$408,876
<u>Soft Costs</u>	<u>\$696,867</u>
Total	\$3,950,493

FUNDING RECOMMENDATION

RNLA is utilizing \$2 million of their \$10.0 million HHH Challenge commitment to support the project. This represents \$105,263 per PSH unit and 50.1% of the total development cost of \$3,950,493. The total development cost per unit is \$197,525. HHH funding is leveraged with a loan from Genesis LA and developer equity.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in February 2021, and anticipated to be completed by February 2022.

STAFF REPORT
As of: February 21, 2020

South Figueroa PSH
5900 South Figueroa
Los Angeles, CA 90003

Traditional New Construction
Council District 9

PROJECT DESCRIPTION

5900 Figueroa (project), located at 5900-5904 South Figueroa in South Los Angeles, will be a supportive housing development consisting of no less than 39 affordable housing units for homeless individuals and chronically homeless individuals and one manager's unit.

The project is to be constructed as a new two-story building. The project will consist of 39 studio apartments and a one-bedroom manager's unit. Amenities include wrap around social services provided in community and social service spaces, drought tolerant landscaping and unique naturally lit private living areas.

The 9,600 square foot site, purchased from the neighboring Greater Cornerstone Baptist Church, currently has an occupied single family home that will be demolished. The current tenant, who holds a Section 8 voucher, will be relocated. Overland Pacific and Cutler is currently working on a relocation plan with the tenant. Surrounding uses include two-story apartment buildings, single-story commercial buildings and single family homes. The project is located in Council District 9 and is currently zoned C2. The project expects to utilize AB1763 to benefit from a density bonus.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Project owner is Restore Neighborhoods LA-owned LLC (100%). RETHINK Housing, LLC, which is wholly owned by Genesis LA, will control the site until the projects are ready to pull permits and start construction, at which time an RNLA entity will acquire the site at-cost from RETHINK Housing, LLC. Genesis LA will finance construction. HHH Challenge Funds will be used by RNLA to reimburse Genesis for the land acquisition and to pay HHH generated costs (e.g. prevailing wage and bonding requirements).

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$4,000,000
Genesis LA Loan	\$3,569,914
Developer Equity	\$331,072
Total	\$7,900,986

PROPOSED USES

Uses	Amount
Acquisition	\$1,351,859
Construction	\$4,337,641
Developer Fee	\$817,752
<u>Soft Costs</u>	<u>\$1,393,734</u>
Total	\$7,900,986

FUNDING RECOMMENDATION

RNLA is utilizing \$4 million of their \$10.0 million HHH Challenge commitment to support the project. This represents \$105,263 per PSH unit and 50.1% of the total development cost of \$3,950,493. The total development cost per unit is \$197,525. HHH funding is leveraged with a loan from Genesis LA and developer equity.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in April 2021, and anticipated to be completed by April 2022.

STAFF REPORT
As of: February 21, 2020

North Westlake PSH
405 North Westlake Blvd
Los Angeles, CA 90026

Traditional Construction
Council District 13

PROJECT DESCRIPTION

405 Westlake (project), located at 405 North Westlake Boulevard in Echo Park, will be a supportive housing development consisting of no less than 19 affordable housing units for homeless individuals and chronically homeless individuals and one manager's unit.

The project is to be constructed as a new two-story building. The project will consist of 19 studio apartments and a one-bedroom manager's unit. Amenities include wrap around social services provided in community and social service spaces, drought tolerant landscaping and unique naturally lit private living areas.

The 4900 square foot site currently has an unoccupied single family home that will be demolished. Surrounding uses include single-story commercial buildings, a two-story apartment building and single family homes. The project is located in Council District 13 and is currently zoned C2. The project is in a Tier 2 TOC and expects to benefit from a by-right density bonus and parking incentives.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Project owner is Restore Neighborhoods LA-owned LLC (100%). RETHINK Housing, LLC, which is wholly owned by Genesis LA, will control the site until the projects are ready to pull permits and start construction, at which time an RNLA entity will acquire the site at-cost from RETHINK Housing, LLC. Genesis LA will finance construction. HHH Challenge Funds will be used by RNLA to reimburse Genesis for the land acquisition and to pay HHH generated costs (e.g. prevailing wage and bonding requirements).

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$2,000,000
Genesis LA Loan	\$1,784,957
Developer Equity	\$165,536
Total	\$ 3,950,493

PROPOSED USES

Uses	Amount
Acquisition	\$675,929
Construction	\$2,168,821
Developer Fee	\$408,876
<u>Soft Costs</u>	<u>\$696,867</u>
Total	\$3,950,493

FUNDING RECOMMENDATION

RNLA is utilizing \$2 million of their \$10.0 million HHH Challenge commitment to support the project. This represents \$105,263 per PSH unit and 50.1% of the total development cost of \$3,950,493. The total development cost per unit is \$197,525. HHH funding is leveraged with a loan from Genesis LA and developer equity.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in December 2020, and anticipated to be completed by December 2021.

STAFF REPORT
As of: February 21, 2020

Lagoon PSH
724-728 North Lagoon Avenue
Los Angeles, CA 90744

Traditional New Construction
Council District 15

PROJECT DESCRIPTION

728 Lagoon (project), located at 724-728 North Lagoon Avenue in the Wilmington neighborhood, will be a supportive housing development consisting of no less than 34 2-bedroom units of PSH for homeless individuals and chronically homeless individuals and one manager's unit. Flyaway will use a shared housing model for at least a portion of the units. The project will include community room offices for services, outdoor sitting and BBQ areas, and a dog run.

The 18,000 square foot site is located in Council District 15 and is zoned RD1.5. Currently the property has a single story commercial building with a parking lot. The owner occupant is selling the property to relocate. Surrounding uses include two-story apartment buildings, single family homes and single-story retail.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Flyaway Homes LLC (100%). \$3.4 mm HHH plus approximately \$9.3 mm of private capital with private investors owning 100%.

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$3,400,000
Senior Secured Debt	\$8,835,000
<u>Limited Partner Equity</u>	<u>\$465,000</u>
Total	\$12,700,000

PROPOSED USES

Uses	Amount
Acquisition	\$2,172,970
Construction	\$6,972,300
Developer Fee	\$1,314,450
<u>Soft Costs</u>	<u>\$2,240,280</u>
Total	\$12,700,000

FUNDING RECOMMENDATION

Flyaway is requesting \$3.4 million of their \$19.5mm HHH Challenge commitment to support this project. This represents \$100,000 per PSH unit and 26.8% of the total development cost of \$12,700,000. The total development cost per unit is \$362,857. HHH funding is leveraged with private debt and equity.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in Fall 2020, and anticipated to be completed by 3rd quarter 2020.

STAFF REPORT
As of: February 21, 2020

Wyandotte PSH
15319 W Wyandotte
Los Angeles, CA 91406

Adaptive Reuse Construction
Council District 6

PROJECT DESCRIPTION

15319 Wyandotte (project), located at 15319 Wyandotte Street in Van Nuys, will be a supportive housing development consisting of no less than 22 studio units of supportive housing for homeless individuals and chronically homeless individuals and one manager's unit. The property is currently occupied by an operating self-storage facility that will be renovated and adapted for permanent supportive housing. The proposed project features a community room, an on-site case management office, bicycle parking area, an on-site manager's unit with dedicated parking, and outdoor seating, including a smoking area.

The 10,000 square foot site is located in Council District 6 and is zoned C2. The developer expects to gain a density bonus and parking incentives through AB2162. The developer is working with relocation specialist Pati Boyle to pay for the relocation of the personal effects of clients currently using the self-storage facility. Surrounding uses include single-story retail and commercial buildings, a two-story apartment building and single family homes.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Brilliant Corners is a 501(c)(3) nonprofit corporation (100%). The development team for this proposal brings together the three primary departments within Brilliant Corners: Housing Development, Supportive Housing Management and Case Management.

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$2,750,000
Permanent Loan	\$1,326,208
MHP	\$2,850,000
<u>4% LIHTC</u>	<u>\$2,500,000</u>
Total	\$9,426,208

PROPOSED USES

Uses	Amount
Acquisition	\$1,612,824
Construction	\$5,174,988
Developer Fee	\$975,613
<u>Soft Costs</u>	<u>\$1,662,783</u>
Total	\$9,426,208

FUNDING RECOMMENDATION

Brilliant Corners is requesting \$2.75 million of their \$7 million HHH Housing Challenge commitment to support this development. This represents \$125,000 per supportive housing unit and 29.1% of the total development cost of \$9,426,208. The total development cost per unit is \$409,835. HHH funding is leveraged with MHP, 4% LIHTC equity, and a conventional bank loan.

For operational expenses, the project is supported by a 15-year Master Rental Subsidy Agreement through LA County Department of Health Services and Brilliant Corners.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in December 2020, and anticipated to be completed by October 2021.

STAFF REPORT
As of: February 21, 2020

Harvard Gardens PSH
1043-1049 S Harvard Blvd Los
Angeles, CA 90006

New Modular Construction
Council District 10

PROJECT DESCRIPTION

1043 Harvard (TBD project name), located at 1043 S Harvard Boulevard near Koreatown, will be a supportive housing development consisting of 47 affordable housing units for seniors experiencing homelessness. The 22,208 SF development will offer one parking space, as well as four short-term bike parking stalls and 40 long-term bike parking stalls.

The project is to be constructed as a new four-story building: three stories of Type V modular construction with one-time used shipping containers. The project will consist of 38 studios, 8 1-BR units, and 1 1-BR manager's unit. Amenities include 1,226 SF of first-floor community and service space, as well as a 782 SF courtyard, a 1,495 SF rear yard, and 459 SF rooftop patio.

The 11,630 square foot site of two contiguous parcels currently consists of two single family rental homes that will be vacated before construction and subsequently demolished. All applicable relocation regulations have been followed, and the units will be withdrawn from the rental market before construction. Overland, Pacific and Cutler (OPC) has been hired to manage the relocation process. Surrounding uses include one to five-story apartment buildings. The project is located in Council District 10 is currently zoned R4-1 and the highest possible Transit Oriented Communities Guidelines (TOC) designation (TOC Tier 4). The developer expects to gain entitlements through the TOC program.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure will be a limited partnership (**Borrower: 1043 Harvard, LP**) that will consist of Daylight Harvard, LLC, as Co-Administrative General Partner, Angelino Supportive Housing Partners, LLC as Co-Administrative General Partner, and Decro Harvard, LLC, as Managing General Partner. The Limited Partnership will include an investor at construction loan close. The future ownership structure - at tax credit closing - will consist of the following:

1. Decro Harvard, LLC, as Managing General Partner (0.00424%)
2. Harvard PSH, LLC as Co-Managing General Partner (0.00001%)
3. Daylight Harvard, LLC, as Administrative General Partner (.00425%)
4. Angelino Supportive Housing Partners, LLC as Co-Administrative General Partner (.0015%)
5. Limited Partner, who has yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$8,260,000
Permanent Loan	\$4,654,754
<u>4% Tax Credit Equity</u>	<u>\$5,415,068</u>
Total	\$18,329,642

PROPOSED USES

Uses	Amount
Acquisition	\$3,136,202
Construction	\$10,062,973
Developer Fee	\$1,897,118
<u>Soft Costs</u>	<u>\$3,233,349</u>
Total	\$18,329,642

FUNDING RECOMMENDATION

Daylight Community Development is requesting \$8.26 million of their \$23.8 million HHH Housing Challenge Reservation for Tranche A funds to support this project. This represents \$179,565 per supportive housing unit and 45.1% of the total development cost of \$18,329,432. The total development cost per unit is \$398,470. HHH funding is leveraged with 4% tax credit equity, and a conventional bank loan.

The developer has committed tenant-based vouchers through LA County Department of Health Services, and will pool these vouchers into Master Rental Subsidy Agreements administered by Brilliant Corners.

Daylight is also requesting \$1,433,333 in HHH Tranche B funds to be utilized during the construction period to pay for hard development costs. These funds will be repaid during the construction period by the construction loan.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in February 2021, and anticipated to be completed by February 2022. The development team will be applying for 4% tax credits in the May 2020 round.

STAFF REPORT

As of: February 21, 2020

Oatsie's Place
16015 West Sherman Way
Los Angeles, CA 91406

New Modular Construction
Council District 6

PROJECT DESCRIPTION

Oatsie's Place (project), located at 16015 West Sherman Way in the Lake Balboa neighborhood, will be a supportive housing development consisting of 46 affordable housing units (inclusive of manager's unit) for women experiencing homelessness and survivors of domestic violence. The 21,714 SF development will offer three parking spaces, including one EV and one handicapped stall, as well as 4 short-term bike parking stalls and 39 long-term bike parking stalls.

The project is to be constructed as a new four-story building: four stories of Type V modular construction with one-time use shipping containers. The project will consist of 20 studios, 25 1-BR units, and 1 2-BR manager's unit. Amenities include 1,878 SF in first-floor community and service space, as well as a 1,327 SF courtyard and 2,523 SF rooftop patio.

The 12,353 square foot site of two contiguous parcels currently consists of an owner-occupied commercial building that will be vacated before construction and subsequently demolished. Per applicable relocation regulations, there will be no relocation benefits offered to this voluntary owner-occupied sale. Surrounding uses include two and three-story apartment buildings, and single and two-story commercial uses. Local Initiatives Support Corporation (LISC), the acquisition lender on the development, is also funding a grocery store directly across the street. The project is located in Council District 6 and is currently zoned C2. The developer expects to gain a density bonus and parking incentives through the use of AB1763 (Density Bonus) AB2162 (Permit Expediting for PSH Developments).

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure will be a limited partnership (**Borrower: 16015 Sherman, LP**) that will consist of Daylight Sherman, LLC, as Co-Administrative General Partner, Angelino Supportive Housing Partners, LLC as Co-Administrative General Partner, and Decro Sherman, LLC, as Managing General Partner. *(Please note that we may admit another MGP entity consisting of Decro and Downtown Women's Center if required and desired).* The Limited Partnership is to-be-determined and will include an investor at construction loan close. The future ownership structure - at tax credit closing - will consist of the following:

1. Decro Sherman, LLC, as Managing General Partner (0.0045%)
2. Daylight Sherman, LLC, as Co-Administrative General Partner (.0045%)
3. Angelino Supportive Housing Partners, LLC as Co-Administrative General Partner (.001%)
4. Limited Partner, who has yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$6,300,000
Permanent Loan	\$5,322,871
<u>4% Tax Credit Equity</u>	<u>\$5,245,234</u>
Total	\$16,868,105

PROPOSED USES

Uses	Amount
Acquisition	\$2,886,133
Construction	\$9,260,590
Developer Fee	\$1,745,849
<u>Soft Costs</u>	<u>\$2,975,534</u>
Total	\$16,868,105

FUNDING RECOMMENDATION

Daylight Community Development is requesting \$6.3 million of their \$23.8mm HHH Reservation to support this project.

This represents \$140,000 per PSH unit and 37.3% of the total development cost of \$16,868,105. The total development cost per unit is \$366,698. HHH funding is leveraged with 4% tax credit equity, and a conventional bank loan.

For operating expenses, the project is supported by a 15-year Master Rental Subsidy Agreement through LA County Department of Health Services and Brilliant Corners. The development team is in the final stages of negotiating that agreement.

Daylight is also requesting \$1,433,333 in HHH Tranche B funds to be utilized during the construction period to pay for hard development costs. These funds will be repaid during the construction period by the construction loan.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in December 2020, and anticipated to be completed by December 2021.

STAFF REPORT

As of: February 21, 2020

**Vanowen PSH
11604–11616 Vanowen Street
Los Angeles, CA 91606**

**New Modular
Construction Council
District 2**

PROJECT DESCRIPTION

11604 Vanowen (project), located at 11604–11616 Vanowen Street in North Hollywood, will be a supportive housing development consisting of 48 affordable housing units for homeless individuals and chronically homeless individuals and one manager’s unit. The project is to be constructed as a new three-story building: three stories of Type V modular construction with one-time use shipping containers. The project will consist of 49 residential units, comprised of 6 studio units, 42 one-bedroom units, and one two-bedroom manager’s unit. Amenities include a large open courtyard, tree yard, laundry facility, multiple community rooms, supportive services space, shared community kitchen, and landscaped open space at the ground level.

The 12,380 square foot site of three contiguous parcels currently has an owner-occupied auto repair shop which will be delivered vacant and subsequently demolished. Surrounding uses include single-story commercial buildings, a two-story apartment building and single family homes. The project is located in Council District 2 and is currently zoned C2.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The ownership structure will be a limited partnership (Borrower: 11604 Vanowen, LP) that will consist of Daylight Vanowen, LLC, as Co-Administrative General Partner, Angelino Supportive Housing Partners, LLC as Co-Administrative General Partner, and Decro Vanowen, LLC, as Managing General Partner (*please note that we may admit another MGP entity consisting of Decro and TPC if required*). The Limited Partnership is to-be-determined and will include an investor at construction loan close. The future ownership structure will consist of the following:

1. Decro Vanowen, LLC, as Managing General Partner (0.00475%)
2. Daylight Vanowen, LLC, as Administrative General Partner (.00475%)
3. Angelino Supportive Housing Partners, LLC as Co-Administrative General Partner (.0005%)
4. Limited Partner, who has yet to be determined (99.99%)

PROPOSED PERMANENT FUNDING SOURCES

Sources	Amount
HCID-HHH	\$4,900,000
Permanent Loan	\$6,294,981
<u>9% Tax Credit Equity</u>	<u>\$7,174,435</u>
Total	\$18,369,415

PROPOSED USES

Uses	Amount
Acquisition	\$3,143,007
Construction	\$10,084,809
Developer Fee	\$1,901,234
<u>Soft Costs</u>	<u>\$1,739,055</u>
Total	\$18,369,415

FUNDING RECOMMENDATION

Daylight Community Development is utilizing a portion of their \$23.8mm HHH Innovation commitment to support the development. The development team will be applying for 9% tax credits in the March 2020 round in the Special Needs set-aside. This project has already received authorization per Council File 16-0677.

Daylight will be requesting a project-level commitment of \$4,900,000 of HHH Tranche A funds for the development. This represents \$102,083 per PSH unit and 26.6% of the total development cost of \$18,369,415. The total development cost per unit is \$374,886. HHH funding is leveraged with 9% Tax Credit Equity, and a conventional bank loan.

For operational expenses, the project is supported by a 15-year Master Rental Subsidy Agreement through LA County Department of Health Services and Brilliant Corners. The development team is in the final stages of negotiating that agreement. Daylight is foregoing \$1,433,333 in HHH Tranche B funds from the \$23.8mm Daylight HHH Challenge Commitment in order to secure 9% tax credits from the Special Needs Set-Aside.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in November 2020 and anticipated to be completed by November 2021.