




Eric Garcetti, Mayor
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INTER-DEPARTMENTAL MEMORANDUM

TO: PROPOSITION HHH CITIZENS OVERSIGHT COMMITTEE

FROM: Rushmore Cervantes 
Los Angeles Housing + Community Investment Department

DATE: April 18, 2018

REGARDING: FY 2018-19 Project Expenditure Plan Report

RECOMMENDATIONS

The Housing and Community Investment Department of Los Angeles (HCIDLA) is recommending 24 projects from the Proposition HHH Permanent Supportive Housing Loan Program (HHH) to be included in the Fiscal Year 2018-2019 (FY19) Project Expenditure Plan (PEP). These 24 projects within nine council districts will include a total of 1,518 units, of which 1,243 are Permanent Supportive Housing (PSH) units and 248 are affordable units, and are requesting a total of \$238,515,511 in HHH funds (Attachment A).

These 24 projects were selected from a pool of projects that: 1) met the established HHH threshold requirements under HCIDLA's first two Call for Projects; and, 2) demonstrated the ability to begin construction within one (1) year of receiving HHH financing. A total of seven (7) projects will remain in the HHH pool, and HCIDLA will recommend HHH funding for those projects in subsequent PEPs when the projects are ready to proceed within the required timeframe.

The average HHH contribution per unit in this PEP is approximately \$157,000. For every \$1 of HHH funds invested, over \$3 of non-city sources is leveraged. The 24 recommended projects directly or indirectly support 7,018 jobs, with an average of 292 jobs supported per project.

- I. The General Manager of the Los Angeles Housing + Community Investment Department (HCIDLA) respectfully requests that the Proposition HHH Citizens Oversight Committee recommend to the Administrative Oversight Committee for consideration and to the City Council's Homelessness and Poverty Committee for further consideration, relative to the Proposition HHH Permanent Supportive Housing Loan Program, to:

- a. Approve the Proposition HHH Permanent Supportive Housing Project Expenditure Plan Fiscal Year 2018-19 (Attachment A), that the final HHH financial commitment not exceed \$238,515,511 for project costs;
- b. Authorize the HCIDLA General Manager, or designee, to negotiate and execute loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Proposition HHH Permanent Supportive Housing Project Expenditure Plan Fiscal Year 2018-19 (Attachment A) with each of the borrowers on projects selected for funding, subject to the approval of the City Attorney as to form; and
- c. That the disbursement of HHH funds will take place after the sponsor obtains enforceable commitments for all proposed funding, including, but not limited to, the full amount of funding and/or tax credits proposed.

ATTACHMENTS:

- 1) Attachment A: HHH Project Expenditure Plan FY 2018-19
- 2) Attachment B: HHH Staff Reports

HHH FY 2018-19 Project Expenditure Plan

#	CFP	Council District	Project Name	Developer Name	Address	Total HHH Request	Est. Construction Loan Closing	Est. PSH Units	Est. Affordable Units	Mgr Units	Tax Credit Equity	TDC	Jobs Supported
1	Winter 2017	8	Depot at Hyde Park	Depot at Hyde Park Partners, LP	6527 S Crenshaw Bl.	\$ 7,200,000	12/23/2018	25	17	1	\$ 7,291,389	\$ 23,256,685	221
2	Winter 2017	10	Adams Terrace	Adams Terrace, LP	4347 W Adams Bl.	12,000,000	12/1/2018	43	41	2	14,696,435	42,363,034	415
3	Winter 2017	4	McCadden Campus Senior Housing	McCadden Plaza LP	1118 N McCadden PL	5,500,000	12/23/2018	25	72	1	11,101,690	44,053,286	416
4	Winter 2017	13	PATH Villas Hollywood	PATH Ventures	5627 W Fernwood Ave	11,780,000	6/12/2019	49	10	1	11,753,923	33,769,951	329
5	Winter 2017	10	Gramercy Place Apts	Hollywood Community Housing Corpo	2375 W Washington Bl.	9,920,000	12/1/2018	31	31	2	15,939,139	36,315,577	360
6	Winter 2017	9	Casa de Rosas Campus	WARD Economic Development Corpor	2600 S Hoover St	7,920,000	7/1/2018	36	0	1	4,747,232	18,938,064	140
7	Winter 2017	1	Cambria Apts	Cambria PSH, L.P. (Affirmed Hsg)	1532 W Cambria St	12,000,000	12/1/2018	56	0	1	10,510,952	26,387,793	252
8	Winter 2017	11	Missouri & Bundy Housing	Missouri and Bundy Housing LP (TSA)	11950 W Missouri Ave	11,520,000	12/1/2018	37	36	1	13,143,667	33,621,721	354
9	Winter 2017	8	Isla de Los Angeles	Clifford Beers Housing	283 W Imperial HWY	11,660,000	12/1/2018	53	0	1	6,741,868	21,761,570	217
10	Winter 2017	1	Firmin Court	Decro Corporation	418 N Firmin St	11,940,000	11/1/2018	42	21	1	10,690,559	30,056,520	291
11	Winter 2017	1	Hartford Villa Apts	Hartford Villa, L.P.	445 S Hartford Ave	12,000,000	9/1/2018	100	0	1	22,500,000	43,159,535	388
12	Winter 2017	10	PATH Villas Montclair	PATH Ventures	4220 W Montclair St	9,900,000	5/1/2019	45	0	1	10,605,032	26,002,599	235
13	Winter 2017	10	433 Vermont Apts	Western Community Housing / WCH A	433 S Vermont Ave	7,200,000	3/1/2019	71	0	1	23,667,786	48,889,129	446
14	Winter 2017	9	Residences on Main	Coalition for Responsible Community I	6901 S Main St	10,780,000	12/1/2018	49	0	1	8,124,115	24,588,641	242
15	Winter 2017	7	Summit View Apts	11681 Foothill, L.P. (LAFH)	11681 W Foothill Bl.	10,560,000	12/1/2018	48	0	1	8,893,528	24,434,827	255
16	Winter 2017	1	West Third Apts Preservation	Figueroa Economical Housing Develop	1900 W 3rd St	10,291,998	5/1/2018	136	0	1	11,713,853	42,772,025	433
17	Winter 2017	8	Western Ave Apts	Figueroa Economical Housing Develop	5501 S Western Ave	4,660,033	5/1/2018	33	0	1	3,130,411	12,003,942	118
18	Winter 2017	11	Building 205	Figueroa Economical Housing Develop	11301 Wilshire Bl. #205	12,000,000	5/1/2018	66	0	1	10,636,511	37,994,432	391
19	Winter 2017	11	Building 208	Figueroa Economical Housing Develop	11301 Wilshire Bl. #208	11,660,000	5/1/2018	53	0	1	8,367,259	35,355,102	360
20	Feb 2018	9	Broadway Apts	Figueroa Economical Housing Devt Cor	301 W 49th St 1-30	4,443,480	8/23/2018	34	0	1	2,781,984	9,841,430	56
21	Feb 2018	9	68th & Main St	Coalition for Responsible Community I	6714 S Main St	12,000,000	12/1/2018	59	0	1	8,385,551	25,852,727	243
22	Feb 2018	7	Metamorphosis on Foothill	Clifford Beers	13574 W Foothill Bl.	10,340,000	12/23/2018	47	0	1	8,622,726	23,725,808	230
23	Feb 2018	13	Melrose Apts	Affirmed Housing	4766 W Melrose Ave	9,240,000	3/25/2019	42	0	1	7,183,664	22,816,848	206
24	Feb 2018	14	Rosa De Castilla Apts	East LA Community Corp	4208 E Huntington Dr S	\$ 12,000,000	1/15/2019	63	20	2	\$ 19,890,830	\$ 44,056,994	420
TOTAL						\$ 238,515,511		1243	248	27	\$ 261,120,104	\$ 732,018,240	7018

Total Overall Units:	1518
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STAFF REPORT
As of: January 9, 2018

Depot at Hyde Park
6527-6531 Crenshaw Blvd. Los Angeles, CA 90043

New Construction
Council District No: 8

PROJECT DESCRIPTION

Depot at Hyde Park in South Los Angeles will be a 43 unit mixed income new construction development consisting of 21 1-bedrooms, 11 2-bedrooms and 11 3-bedrooms for a total of 76 bedrooms and approximately 1500 sf of ground floor retail space. Designed with the history of the Hyde Park neighborhood in mind, the architects thoughtfully designed the Depot at Hyde Park to look like a modern train station depot. The 1 bedroom units will range in size from 594-684 SF, the 2 bedroom units will range in size from 906-1235 SF and the 3 bedroom units will range in size from 1286-1378 SF. The Depot at Hyde Park development came to fruition when we responded to HCIDLA's RFP in July of 2016. GTM Holdings, LLC was selected to develop the site of the former and now closed Hyde Park Library site. To maximize the potential of the library site, they purchased the 10 unit apartment building directly to the south of the site. Depot at Hyde Park will require the demolition of the library site as well as the 10 unit apartment building. In demolishing the 10 1-bedroom units, Depot at Hyde Park will replace those existing 10 bedrooms with 76 new bedrooms.

Common space amenities are expected to include a drought tolerant landscaped central courtyard, 877 square feet of community room space on the 2nd floor, onsite laundry facilities and a community playground for the families living at Depot at Hyde Park.

Depot at Hyde Park intends to provide 25 homeless units. Of those 25 units, 13 will be reserved for chronically homeless and the 4 two bedroom units intend to serve homeless families, possibly referrals from Jenesse Center which will be operating the ground floor retail space as a job training center for victims of domestic violence. The remaining 18 units, of two bedroom unit will be set aside for the manager, will be reserved for families at 50% and 60% of area median income.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan, tax credit equity from the sale of 4% Low Income Housing Tax Credits (LIHTC), Affordable Housing and Sustainable Communities Program funds (AHSC), AB1290, and HCIDLA Land Loan.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Depot at Hyde Park Partners, LP currently owns the building at 6531 Crenshaw Blvd. GTM Holdings, LLC ("GTM") was selected as the developer for 6527 Crenshaw Blvd. in HCIDLA's RFP/Q dated July 2016 and intends to have Depot at Hyde Park Partners, LP become the owner for the 6527 Crenshaw site. Currently Depot at Hyde Park Developers, LLC is the sole general partner for Depot at Hyde Park Partners, LP but we intend to admit Women Organizing Resources, Knowledge and Services ("WORKS") or an affiliated entity as the Managing General Partner. GTM and WORKS will be co-developers of the Depot at Hyde Park.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	7,200,000
HCID Land Loan	775,000
Conventional/Bank Financing	3,487,000
Deferred Dev Fee	954,296
Tax Credit Equity	7,291,389
AB1290	500,000
AHSC	3,049,000
Total	\$ 23,256,685

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom		0	0	0	0	0	0
1 Bedroom		19	2	0	0	0	21
2 Bedroom		0	1*	0	2	8	11
3 Bedroom		0	0	0	2	9	11
Total		19	3	0	4	17	43

*Includes manager unit

FUNDING RECOMMENDATION

An HCILDA HHH funding of \$7,200,000 is recommended. The HCIDLA funding is leveraged with conventional financing and tax credit equity. HHH funds will represent 31% of the total development cost and will finance 25 PSH units and 17 affordable units.

Prepared By: Los Angeles Housing and Community Investment Department
 Note: Report as of January 9, 2018. All projects are subject to change until loan closing.

STAFF REPORT
As of: January 11, 2018

Adams Terrace
4347 W Adams Blvd
Los Angeles, CA 90018

New Construction
Council District No: 10

PROJECT DESCRIPTION

Adams Terrace consists of the new construction of two four-story buildings on two vacant lots located across the street from each other in the West Adams neighborhood of the City of Los Angeles. The two buildings have a contemporary design and will mirror each other in style. The residential units and common areas cumulatively total approximately 89,209 square feet. The project includes 86 residential units: 27 studio units and 57 one-bedroom units. The project is located in the West Adams neighborhood of the City of Los Angeles, which has easy access to a variety of public transit options. West Adams is in close proximity to the urban center so residents would have convenient access to extensive resources, job opportunities, and other amenities.

Common area amenities include at-grade, covered parking for vehicles, secured bicycle parking, landscaped courtyards, laundry rooms, community rooms, and property management and resident services offices. Unit amenities include energy efficient light fixtures, water efficient water fixtures, central heating and cooling, stove and range, and a refrigerator. All project-based voucher units will be furnished and move-in ready.

The social service components for the residents will serve individual senior daily needs and seniors who are at risk of being homeless. The project is dedicating a minimum of ten percent (10%) of the overall units for seniors at risk of being homeless. It is the goal of the Borrower to continue to serve this specific population and has been a mission of the organization to prevent homelessness through social services provided to the community.

The target population for Adams Terrace includes low income seniors, age 55 and older and homeless and chronically homeless households of high acuity individuals with special needs. Half of the units, a total of 43, will be reserved for homeless and chronically homeless residents. Outreach was conducted with the Neighborhood Council, City Council and community organization to welcome this population into the area.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan, tax credit equity from State Housing Tax Credits from the California Tax Credit Allocation Committee (CTCAC), grants from the California Department of Housing and Community Development, and an HCIDLA Seller Note.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with Abode Communities as the Managing General Partner. Abode plans to exit upon tax credit closing to be replaced by a to-be-determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 12,000,000
4% TCAC Equity	14,696,435
HACOLA-COI	1,500,000
Conventional/Bank Financing	2,848,600
GP Equity	2,232,636
HCID Seller Note	895,000
HCD AHSC	4,956,603
HCD IIG	2,933,760
Deferred Dev Fee	300,000
Total	\$ <u>42,063,034</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	Non HHH	Total
0 Bedroom	0	14	0	0	13	0	27
1 Bedroom	0	29	0	0	28	0	57
2 Bedroom	2	0	0	0	0	0	2
3 Bedroom	0	0	0	0	0	0	
Total	2	43	0	0	41	0	86

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$12,000,000 is recommended. The project is competing for HCD funds. HCID funds will represent \$255,319 per unit and 28.5% of the total development cost. The HCID funding is leveraged with tax credit equity, conventional financing, GP equity, and state grant funds (if secured).

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 10, 2018

McCadden Campus Senior Housing
1118 N McCadden Pl. Los Angeles, CA 90038

New Construction
Council District No: 4

PROJECT DESCRIPTION

The McCadden Campus Senior Housing is a ground-up, new construction project located in the heart of Hollywood, Los Angeles. Designed as a 5-story building with 98-units serving seniors (aged 62+), 25-units are specifically set aside as permanent supportive housing for formerly homeless (12-units) and chronically homeless (13-units) seniors. The 98-unit mix includes 19 studios, 75 one-bedrooms, and 3 two-bedrooms. McCadden Campus Senior Housing is the third and final phase of the large, three acre Anita May Rosenstein Campus that will provide comprehensive supportive services and amenities for the LGBT community and others in Los Angeles.

McCadden Campus Senior Housing will feature approximately 920 SF of indoor community space with a TV and seating area, a computer room, a lobby, a room for services, restrooms, and laundry facilities. The project will also have well-designed outdoor space, including a 4,700 SF main courtyard, with landscaped areas and pathways, integrating it into the larger campus. Of note, McCadden Campus Senior Housing will be adjacent to the LGBT Center campus' senior service center. Project residents will have access to the comprehensive supportive services, job training, counseling, media classrooms, social programming, and community serving retail, theater, and galleries at the campus. Each unit will have a refrigerator, oven and stove, air conditioning and heating, cable and internet hook-ups.

The target population for this project is low-income and formerly homeless seniors. Of the total 98-units in the project, 25-units will be set aside as permanent supportive housing for homeless and chronically homeless seniors. A minimum of 50% of the permanent supportive units will serve individuals disabled with special needs who are chronically homeless and assessed with a high acuity score through the Coordinated Entry System (CES). The remainder of the assisted units will serve individuals with low to mid-level acuity scores as assessed through the CES.

PROJECT FINANCE SUMMARY

The McCadden Campus Senior Housing project will be financed with up to 11 different funding sources. They propose to use a combination of tax-exempt bonds, 4% Low Income Housing Tax Credits (LIHTCs), Community Development Block Grant funds (CDBG), Proposition HHH funds (HHH), Affordable Housing and Sustainable Communities funds (AHSC), Los Angeles County 3rd District Funds (via the Los Angeles Community Development Corporation), Federal Home Loan Bank Affordable Housing Program funds (AHP), Infill Infrastructure Grant funds (IIG) and deferred developer fee. Currently, they have an enforceable funding commitment from AHP. They will apply to the State for AHSC funds in January 2018. All additional funding applications shall be submitted on or around 2Q 201.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The site is currently owned by the AMR Campus QALICB, Inc. ("Seller"), a California nonprofit public benefit corporation as evidenced by the current title report included in this application. The applicant, McCadden Plaza LP, has executed a Purchase and Sale Agreement ("PSA") with the Seller to purchase an

airspace parcel created by a recording tract map for \$4,930,158. The PSA is also included in this application. The Administrative General Partner of the McCadden Plaza LP is McCadden Plaza Affordable Housing LLC (0.0049%) and its sole member is Thomas L. Safran. The Managing General Partner is the McCadden Campus LLC (0.0051%) of which the sole member is the Los Angeles LGBT Center. The Partnership will admit a tax credit equity investor (the 99.99% Investor Limited Partner) at a later date.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 5,500,000
4% TCAC Equity	11,101,690
LA County 3rd Dist.	1,500,000
Perm Loan - CCRC	7,250,000
GP Equity	2,216,008
MHP or HCD Prop 1C	3,087,000
AHP/FHLBSF	1,215,000
CDBG	4,930,158
Cap and Trade	6,000,000
Deferred Dev Fee	1,198,465
Deferred Interest	159,958
Total	\$ <u>44,158,279</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	5	0	0	0	14	19
1 Bedroom	0	23	0	0	0	52	75
2 Bedroom	1	2	0	0	0	1	4
3 Bedroom	0	0	0	0	0	0	0
Total	1	30	0	0	0	67	98

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$5,500,000 is recommended. HCID funds will represent \$56,122 per unit and 12.5% of the total development cost. This project has AHSC financing and was included in the 6 early projects which are going to committee/council.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 11, 2018

PATH Villas Hollywood
5627 W Fernwood Ave
Los Angeles, CA 90028

New Construction
Council District No: 13

PROJECT DESCRIPTION

PATH Villas Hollywood is a tear-down/new construction, 60-unit housing development comprised of 49 studio units, 10 one-bedroom units, and a two-bedroom manager's unit. It will be developed as a six-story single-structure over a level of underground parking. The development includes 45,437 gross residential building square feet and a 7,416 square foot underground level with 14 automobile parking spaces, 66 bicycle parking spaces, and storage space. The ground floor of the residential structure will largely be devoted to community service spaces such as a community room and teaching kitchen, landscaped courtyard, and case management offices.

The property will provide a range of amenities to tenants. The ground floor includes a large community room and teaching kitchen, an open-air courtyard, property management office, and on-site case management offices. Unit amenities include central air conditioning, oven/range, refrigerator, private bathrooms, and 1-bedroom units will have a private balcony.

PATH Villas Hollywood (PVH) will serve homeless, chronically homeless, and developmentally disabled households with the intention of helping them reintegrate into the local community and increase their independent living skills by providing tenants with on-site case management, service coordination and supportive services. PATH (PVH's parent company)'s goal is to end homelessness for individuals, families and communities by building affordable permanent supportive housing. The decision to set-aside a portion of these units for developmentally disabled households was made after many discussions with Brilliant Corners about the compatibility of the core populations we serve and the incredible need for affordable housing for many developmentally disabled households that are at an ever-present risk of falling into homelessness.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of State Housing Tax Credits from the California Tax Credit Allocation Committee (CTCAC), grants from the California Department of Housing and Community Development, and a grant from Brilliant Corners.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

PATH Villas Hollywood (PVH) LA LP is currently made up of PATH Ventures (Initial Limited Partner) and PVH GP LLC (the General Partner), and PATH Ventures is the sole-member and manager of PVH GP LLC. At construction closing, PATH Ventures will be replaced by a to-be-determined tax-credit investor.

PERMANENT FUNDING SOURCES

	Source	Amount
HHH		\$ 11,780,000
4% TCAC Equity		11,753,923
AHSC		6,368,578
IIG		847,750
GP Equity		100
Deferred Dev Fee		1,319,600
Brilliant Corners		1,700,000
Total		\$ <u>33,769,951</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	50% AMI	60% AMI	MKT	Total
0 Bedroom	0	20	0	29	0	0	49
1 Bedroom	0	5	5	0	0	0	10
2 Bedroom	0	0	0	0	0	1	1
3 Bedroom	0	0	0	0	0	0	0
Total	0	25	5	29	0	1	60

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$11,780,000 is recommended. The project is competing for HCD funds. HCID funds will represent \$199,661 per unit and 34.9% of the total development cost. The HCID funding is leveraged with tax credit equity, state grant funds (if secured), and a Brilliant Corners grant.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 10, 2018

Gramercy Place Apartments
2375 W Washington Blvd
Los Angeles, CA 90018

New Construction
Council District No: 10

PROJECT DESCRIPTION

Gramercy Place Apartments is a new construction project of a 64 unit, four-story mixed use building located along Washington Blvd within the Angelus Vista neighborhood of Mid City in Los Angeles. The project will offer affordable senior housing, 2,336 square feet of ground floor commercial retail space, amenity space for residents, and office space for leasing, managers, and service provision. Of the 64 units, 6 will be 2-bedrooms and 58 will be 1-bedrooms, with 50% of the units reserved for formerly-homeless seniors and the remaining for seniors making up to 60% of the area median income. The project is also located in an amenity-rich area less than 0.5 miles from major public transit options and, the 10 freeway, multiple grocery store options, and a range of restaurants, shopping options, and medical service clinics.

The project is conceived as one building comprising a cluster of six apartment wings which sit atop a subterranean parking podium. Each residential unit will contain a full kitchen with a refrigerator and disposal, central heat and air, and balcony or patio. Residents will also have access to onsite laundry facilities and a gym, a 1,136 square foot community room with a kitchen, and a community garden. an office/ meeting room for onsite service providers, a and 282 square foot exercise room.

Gramercy Place Apartments will provide 19 units for homeless frequent users of DHS, 12 units for homeless frequent users of DHS who are also clients of DMH, and 31 units for low-income households earning at or below 60% of AMI. The choice to house low-income seniors as well as low-income households was based on the neighborhood's desire to see affordable homes available for adults on fixed-incomes. The rising cost of housing in Los Angeles makes it difficult for low-income families, and especially seniors on a fixed income, to afford adequate housing, which is partially contributed to increasing population of homeless seniors in the City of Los Angeles.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of State Housing Tax Credits from the California Tax Credit Allocation Committee (CTCAC), operating subsidies from the California Department of Mental Health, a conventional loan, and a long term ground lease with the City of Los Angeles.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with Hollywood Community Housing Corporation (HCHC) as the Managing General Partner and a to-be-determined tax credit investor as the limited partner. The property is currently owned by the City of Los Angeles, but HCHC has executed an Exclusive Negotiating Agreement and will complete a Disposition and Development Agreement with the City to assume a long-term lease for the site.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$9,920,000
4% TCAC Equity	15,939,139
MHSA	3,000,000
MHP or HCD Prop 1C	651,545
Conventional/Bank Financing	2,929,600
GP Equity	1,526,293
HCID Ground Lease	2,349,000
Total	\$ 36,315,577

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	60% AMI	Total
1 Bedroom	0	31	27	58
2 Bedroom	2	0	4	6
Total	2	31	31	64

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$9,920,000 is recommended. HCID funds will represent \$160,000 per unit and 27.3% of the total development cost. The HCID funding is leveraged with tax credit equity, a MHSA grant, and conventional financing.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 9, 2018

The Campus at Casa de Rosas
2600 S Hoover Street
Los Angeles, CA 90007

Rehab
Council District No: 9

PROJECT DESCRIPTION

The Campus at Casa de Rosas will be developed by a 50/50 partnership between WARD Economic Development Corporation (WEDC) and Integral Development, LLC (Integral) who have proposed a “Campus” style development of approximately 37 units of Permanent Supportive Housing for Veterans and Single Parenting Veterans with children up to the age of five who have experienced homelessness. The units will be filled utilizing the Coordinated Entry System (CES), targeting women veterans with young children and/or individuals with high acuity levels. Of the units stipulated, 15 will be designated as studios, 19 will be designated as one-bedroom units, 2 will be designated as two-bedroom units and one will be a Managers unit. As part of the Campus style of development, the team has included on-site child care and community facilities for meetings, engagement and trainings.

HCDILA currently owns the site. The property was originally transferred to HCDILA from the Community Redevelopment Agency (CRA/LA) in June 2013. In March 2015, the Mayor and City Council authorized HCDILA to release a Request for Proposal (RFP) for the selection of an affordable housing developer for the property; On December 7, 2015, HCDILA released a RFP for the selection of a developer; On June 6, 2015, HCDILA transmitted the recommendation to select WEDC/Integral based on the proposal receiving the highest score, 87.84 out of 100 possible points among the four proposers; On June 26, 2016, the Mayor and City Council authorized HCDILA to proceed with the disposition and development of the project, specifically, authority to execute an Exclusive Negotiating Agreement (ENA), authority to execute a Disposition and Development Agreement (DDA), authority for a sales ordinance, if applicable, and authority to include WEDC/Integral into HCDILA’s Managed Pipeline upon execution of the DDA. On August 29, 2016, all parties executed the ENA which provides site control of the property to the partnership.

The development is a simple courtyard designed to provide a central communal space and to maximize access to natural light and ventilation. The program is articulated through the building form and massing with sensitivity to its surrounding context. The development includes a community room, two case management offices, gymnasium with restrooms and a property management office. The interior common courtyard will lend itself to a secure livable environment, in addition to informal tenant to tenant interactions. The courtyard will allow residents to develop a sense of community. The project will have washer and dryers and a secure entrance monitored by security cameras.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan, California Housing and Community Development (HCD) MHP Loan, HCD Seller Take Back Loan, and tax credit equity from the sale of 4% Low Income Housing Tax Credits (LIHTC) from the California Tax Credit Allocation Committee (CTCAC).

The Borrower will also request 24 Project Based VASH Housing Vouchers from Housing Authority of the City of Los Angeles (HACLA) to subsidize a portion of the homeless units' rent.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with WEDC and Integral collectively serving as the Managing General Partner and a to-be-determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$6,459,110
HCID-Take Back	3,936,000
Permanent Loan	2,000,000
HCD MHP	1,795,722
Tax Credit Equity	4,747,232
Total	\$ 18,938,064

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	50% AMI	Total
0 Bedroom		9	2	4	15
1 Bedroom		9	3	7	19
2 Bedroom	1	1	1	0	3
Total	1	19	6	11	37

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$6,459,110 is recommended. The project is applying for TCAC funds. HCID funds will represent \$179,420 per affordable unit and 34% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 8, 2018

Cambria Apartments
1532-1538 Cambria Street
Los Angeles, CA. 90017
New Construction
Council District No: 1

PROJECT DESCRIPTION

The subject property is located on the south side of Cambria Street, 120 feet east of the intersection of Cambria Street and Union Avenue in Los Angeles with an address of 1532-1538 Cambria Street Los Angeles, CA 90017. The site is rectangular in shape and contains approximately 15,258 square feet or 0.350 acres. Other site qualities include 120 linear front feet along Cambria Street approximately 127 feet of depth and level topography. The proposed new construction project will include a total of 57 residential units consisting of 48 studios at 380 square feet each, 8 one-bedrooms at 500 square feet each, and a two-bedroom manager's unit at 800 square feet.

Cambria Apartments is a permanent supportive housing development created to align its goals with the City of Los Angeles Proposition HHH Permanent Supportive Housing Program, which is to reduce homelessness in downtown Los Angeles. Project will provide 56 units to permanently house individuals experiencing homelessness and a two-bedroom manager's unit. The proposed new construction will be a 5-story wood frame building with a playful contemporary architecture. The street level (approximately 11,000 square feet) will accommodate the building entry, reception desk, resident mailboxes, leasing office, manager's unit, laundry room, community room, courtyard, and will have elevators and stair access to the upper floors. The community room will include a kitchen, computer room, and television room, all accessible to the residents. The kitchen layout is designed to offer cooking classes to the residents. Floors two through five will house 48 studios and 8 one-bedrooms. The fifth floor will have a roof deck with landscaping and outdoor patio for the residents to enjoy. Parking spaces are not required but the design will offer 6 parking spaces for staff onsite.

Proposed amenities include air conditioning, private bathrooms, kitchen with all appliances, furniture and window blinds. Each residential unit will be furnished with a bed, table, chairs and sofa.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program, the proposed financing is comprised of a conventional loan, AHP/FHLBSF, and 4% Federal and State Housing Tax Credits from the California Tax Credit Allocation Committee (CTCAC).

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Currently, Affirmed Housing Group, Inc., a Delaware for-profit corporation, has formed a Limited Partnership (Cambria PSH, LP) that currently owns 100% of the affordable housing project, Cambria Apartments. Affirmed Housing Group currently owns 1% interest, and James Silverwood owns 99% of Cambria PSH, LP as reflected in the existing Limited Partnership Agreement. However, the proposed ownership will change as follows: An administrative general partner will be formed to own 0.9% of the partnership, a managing general partner will be admitted to own 0.1% of the partnership and an equity investor will be admitted to own 99% of the partnership. The administrative general partner will be an Affirmed Housing entity

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$12,000,000
Tranche B –USBank	2,083,972
AHP/FHLBSF	1,120,000
GP Equity	672,869
Tax credit equity	10,510,952
Total	\$ 26,387,793

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	Total
0 Bedroom		48	48
1 Bedroom		8	8
2 Bedroom	1	0	1
Total	1	56	57

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$12,000,000 is recommended. The project is competing for TCAC 4% federal and state tax credits. HCID funds will represent \$210,526 per unit and 45% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 9, 2018

Missouri and Bundy Apartments
11950 W. Missouri Avenue
Los Angeles, CA 90025

New Construction
Council District No: 11

PROJECT DESCRIPTION

Missouri and Bundy Housing, a new construction ground-up development located at 11950 Missouri Avenue in West Los Angeles, The project is designed as one contemporary 6-story stucco building that shall be clad in synthetic vertical wood slats. This new affordable community will include a total of 74 units consisting of 40 one-bedrooms, 19 two-bedrooms, 14 three-bedrooms and one three-bedroom manager's unit. One-bedroom units will be approx. 600 sq. ft, two-bedrooms about 800 sq. ft. and three-bedrooms about 1,200 sq. ft. Additionally, the project will provide many resident-benefiting social and supportive services that are run and/or coordinated on-site by Thomas Safran & Associates Inc. (TSA Management, the project's property manager.

The target populations for this project are low income families. 36 units will be set aside for low incomes families that earn below 60% of Area Median Income. The remaining 37 units (or 50% of the total) shall be reserved as permanent supportive housing (PSH) for homeless and chronically homeless families with young children at or below 30% of Median Income. Of the PSH units, 19 units (or 51%) will be reserved for chronically homeless as assessed with a high acuity score through the Coordinated Entry System (CES). The remainder of the PSH units will serve individuals with mid-to-low level acuity scores as assessed through the Coordinated Entry System (CES), who may not meet the definition of "chronically homeless

The physical amenities at the development may be categorized by residential units and commercial space. All residential units will have a refrigerator, an oven and stove, dishwasher, microwave, carpet, window coverings, air conditioning and heating, and cable and internet hook-ups. All units will be served by an elevator. And there will be one level of at-grade gated parking garage accessed from Missouri Avenue.

Central community space will include wonderful amenities for the residents including a community kitchen, TV with seating area, a computer room, a fitness room, central laundry facilities, onsite management offices, and case workers offices. The project will also have well-designed outdoor courtyard landscaped areas, playground and BBQ. The garage level shall have dedicated long term bicycle parking for residents.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan (tax exempt bonds), and tax credit equity from the sale of 4% Low Income Housing Tax Credits (LIHTC) funds, State Housing Tax Credits from the California Tax Credit Allocation Committee (CTCAC) and HACLA's project based vouchers.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The site is currently owned by the City of Los. The applicant, Missouri and Bundy Housing, LP has an executed Exclusive Negotiating Agreement with the City of Los Angeles to ground lease the property.

The Administrative General Partner of the Missouri and Bundy Housing LP is Missouri and Bundy Housing, LLC and its sole member is Thomas L. Safran. The Managing General Partner will be a to-be-determined non-profit corporation

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$11,520,000
AHP/FHLBSF	730,000
CCRC Permanent Loan	7,200,000
Deferred Dev Fee	1,028,054
Tax Credit Equity	13,143,667
Total	\$33,621,721

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	50% AMI	60% AMI	Total
1 Bedroom		22	6	12	40
2 Bedroom		10	3	6	19
3 Bedroom	1	5	3	6	15
Total	1	37	12	24	74

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$11,520,000 is recommended. The project is competing for TCAC federal tax credit. HCID funds will represent \$155,676 per unit and 34% of the total development cost. The HCID funding is leveraged with conventional financing, deferred developers fee, AHP, and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 9, 2018

Isla de Los Angeles
283 W. Imperial Hwy
Los Angeles, CA 90061

New Construction
Council District No: 8

PROJECT DESCRIPTION

The proposed project is located in the corner of Imperial Highway and Broadway Avenue within Service Planning Area 6 in Council District 8. The project site is currently owned by Los Angeles Housing and Community Investment Department and was awarded to Clifford Beers Housing through a Request for Proposal process. The project site is a vacant triangular parcel, flat and paved consisting of approximately 18,000 sq. ft. The project will be a development constructed from recycled shipping containers for 53 individuals, and one manager's unit for a total of 54 new studio apartments. In addition to the 54 residential units, the project will also provide one commercial space, on-grade parking, a community room with kitchen on site, a secured pedestrian entry, management offices, and laundry facilities.

The apartments will be fully furnished and will include kitchens, full bathrooms, and living spaces. The project will utilize green design elements, orientation of the structure, and specific landscaping to minimize noise and air pollution from the 110 freeway to the west and the 105 freeway to the south. The project will also incorporate all applicable accessibility standards and will utilize a CASp consultant to verify conformance with HHH requirements.

The project will have 53 units for homeless individuals and one unit for property manager. Of the fifty-three households, twenty-four will be for chronically homeless who have severe mental illness and/or are frequent utilizers of the Department of Health Services programs and services. All units are restricted to households with incomes less than or equal to 40 percent of Area Median Income (AMI).

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan, and tax credit equity from the sale of 4% Low Income Housing Tax Credits (LIHTC) funds and State Housing Tax Credits from the California Tax Credit Allocation Committee (CTCAC).

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with Clifford Beers Housing as the Managing General Partner, American Family Housing as the Administrative General Partner, and a to be determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$11,660,000
HCID-Land	1,325,000
Permanent Loan	1,911,422
Deferred Dev Fee	123,180
GP Capital	100
Tax Credit Equity	6,741,868
Total	\$ 21,761,570

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom		24	29	0	0	0	53
1 Bedroom		0	0	0	0	0	0
2 Bedroom	1	0	0	0	0	0	0
Total	1	24	29	0	0	0	53

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$11,660,000 is recommended. The project is competing for TCAC funds. HCID funds will represent \$220,000 per unit and 54% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 10, 2018

Firmin Court
418 N Firmin St. Los Angeles, CA 90026

New Construction
Council District No: 1

PROJECT DESCRIPTION

Firmin Court (the "Project") is located in the Historic Filipinotown neighborhood, west of Downtown Los Angeles and south of the Silverlake and Echo Park neighborhoods. The area is undergoing revitalization, as with other neighboring areas around the greater Downtown LA. The site is located within the Tier 2 transportation corridor, with a major bus transit stop within 750'. In addition to its proximity to Downtown LA, just east of the 110 Freeway, Firmin Court is located within walking distance from the Betty Plasencia Elementary School and the Edward Roybal Learning Center. The Project is also within half mile of The Good Samaritan Hospital.

The Project consists of 63 affordable housing units plus a property manager unit for a total of 64 residential units including studios, one-bedroom, 2-bedroom, and 3-bedroom units in addition to a community room featuring a fully equipped kitchen and outdoor landscaped areas for the benefit of its residents. The Project will house 42 permanent supportive housing units with on-site counseling services.

Target population is persons experiencing homelessness in Los Angeles County and meet the DHS eligibility requirements for ICMS services. The project serves the 28-year-old mission of Decro Corporation to provide affordable, safe, secure housing for low-income individuals and to address the homeless crisis in the City of Los Angeles. The project will provide 42 units of permanent supportive housing with residents to receive services from St. Joseph Center, a well-established and well-regarded provider of comprehensive programs designed to meet the different needs of persons formerly homeless and ensure that they can integrate into the mainstream population.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of Federal Low-Income Housing Tax Credits (an annual allocation of \$1,090,982 in 4% Low-Income Housing Tax Credits), Project Based Vouchers (HACLA), FHA-insured mortgage under the 221(d)(4) program from Rose Community Capital, AHP funds from the Federal Home Loan Bank, Wells Fargo Bank or another similar financial institution for construction financing. Decro has submitted applications to Century Housing, the Local Initiatives Support Corporation, and Genesis LA for an acquisition loan. The acquisition loan would be taken out at close of the construction loan.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Two parcels are owned by homeowners and the third lot is vacant and owned by a trust. Decro Corporation intends to acquire the parcels and then after the close of escrow, it will form a California limited partnership and transfer ownership of the parcels to that partnership.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	11,940,000
Tranche B (Sec 8 Loan)	2,237,345
AHP/FHLBSF	640,000
Conventional/Bank Financing	4,066,155
Deferred Dev Fee	482,461
4% Tax Credit Equity	10,690,559
Total	\$ 30,056,520

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	29	0	0	0	0	29
1 Bedroom	0	13	0	0	0	4	17
2 Bedroom	1	0	0	0	0	13	14
3 Bedroom	0	0	0	0	0	4	4
Total	1	42	0	0	0	21	64

FUNDING RECOMMENDATION

An HCIDLA funding commitment of up to \$11,940,000 is recommended. HCID funds will represent \$186,562 per unit and 39.7% of the total development cost. The HCID funding is leveraged with tax credit equity, federal grant funds (if secured), and a conventional bank loan.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 10, 2018

Hartford Villa Apartments
445 S Hartford Ave. Los Angeles, CA 90017

New Construction
Council District No: 1

PROJECT DESCRIPTION

SRO Housing proposes developing a new construction Permanent Supportive Housing project consisting of 101 total units (100 Studio Apartments and 1 1BR Manager's Unit). The target special needs population is 75 VA VASH Homeless Veterans some of which are Chronically Homeless and 25 Chronic Homeless persons with Mental Illness. The Hartford Villas site is a currently VACANT lot at 445-459 S Hartford Street in the Central City West Area of Los Angeles. The proposed project consists of new construction of one seven-story building containing 100 studio apartments with an average of 360 - 400 SF plus one 1-bedroom manager's apartment. Two levels of secured subterranean parking garage for 101 spaces are also included. Each unit includes a private bathroom and a kitchenette. All units will be fully furnished with refrigerator, microwave oven, double bed, dresser, night stand and dining table and chairs. The units will include closet space and heating and air conditioning. All utilities are paid for by the landlord. The project will also include indoor community recreation space, including community kitchen and lounge areas. There will also be property management and social service offices onsite for the residents.

The Hartford Villa Apartments is intended for homeless and chronically homeless individuals of which 75 will be homeless/chronically homeless VASH-eligible veterans and 25 will be homeless/chronically homeless mentally ill individuals. All units are targeted to incomes at or below 50% and 30% of area median income. All rents will have subsidies from PBV or PBVASH previously committed by HACLA. SRO Housing Corp.'s numerous projects in downtown Los Angeles serving special needs tenants primarily utilize a Coordinated Entry System (CES) to fill vacancies.

PROJECT FINANCE SUMMARY

The sources of permanent financing will be: Tax Credit Equity \$22,500,000. The project has been approved for the HCID Pipeline for submittal of an application to TCAC in February 2018, and the investor is committed to purchasing the credits awarded. HCID Prop HHH funds of \$12,000,000 which are the subject of this application. HCID AHTF PSHP funds of \$2,211,535, for which a commitment letter has previously been issued. County of Los Angeles funds of \$1,500,000, for which an enforceable commitment letter has previously been issued. The loan is payable from residual receipts. AHP funds awarded through Union Bank of \$1,000,000 which has been awarded by the Federal Home Loan Bank. The loan will be interest free and deferred. Hartford Villas has commitments from HACLA for 75 PBVASII and 25 PBV, which will subsidize the rents on all of the affordable units in the project. This subsidy also supports a "Tranche B" loan of \$3,948,000 committed by Chase Bank with a 15-year term and amortization to match the term of the subsidy contract

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The site is currently owned by Hartford Villa Apartments, L.P., which partnership will retain ownership and develop and own the Hartford Villa Apartments for the long term. The general partner of the L.P. is SRO Commercial LLC, whose sole member is Single Room Occupancy (SRO) Housing Corporation, a California non-profit corporation. The limited partnership interests will be sold to the tax credit investor, which will then own 99.99% of the interests. The General Partner will retain the controlling .01% interest in the project, and be responsible for all aspects of the development and management of the project.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	12,000,000
HCID (previously awarded AHTF)	2,211,535
AHP/FHLBSF	1,000,000
HACOLA-COI	1,500,000
Tranche B (Sec. 8 Loan)	3,948,000
Tax Credit Equity	<u>22,500,000</u>
Total	\$ 43,159,535

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom		50	0	0	50	0	100
1 Bedroom	1	0	0	0	0	0	1
2 Bedroom		0	0	0	0	0	0
Total	1	50	0	0	50	0	101

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment in the amount of \$12,000,000 is recommended. The project is competing for 9% TCAC funds. HHH funds will represent \$120,000 per unit and 28% of the total development cost. The HCID funding is leveraged with a “Tranche B” loan from Chase bank and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 9, 2018

PATH Villas Montclair
4220 Montclair Street
Los Angeles 90018

New Construction
Council District No: 10

PROJECT DESCRIPTION

Located on a vacant site in the Jefferson Park neighborhood, PATH Villas Montclair is a five-story permanent supportive housing development of 45 studio apartments and one two-bedroom manager's unit. Of the 45 units, 23 will be reserved for individuals experiencing chronic homelessness, and 22 will be reserved for individuals experiencing homelessness with special needs.

Amenities in the residential units include a refrigerator, kitchen sink, stovetop, storage cabinet and a full bathroom. A community room, supportive service and property management offices, bicycle storage, and 21 ground-level parking spaces will be situated on the first floor. An outdoor courtyard and covered terrace will be located on the second floor in the center of the structure, with the residential units on the second through fifth floors. A shared laundry facility will be located on the fourth floor.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a loan from the Community Development Commission of the County of Los Angeles (LACDC), a conventional loan, equity from the sale of 4% Low Income Housing Tax Credits (LIHTC), deferred developer fee, and General Partner equity.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a Limited Partnership with LINC Housing Corporation as the Managing General Partner and a to-be-determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH-Housing	\$9,900,000
LACDC	3,000,000
Permanent Loan	1,387,009
Tax Credit Equity	10,605,032
Deferred Developer Fee	1,110,458
General Partner Equity	100
Total	\$26,002,599

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom		23	0	0	22	0	45
1 Bedroom		0	0	0	0	0	0
2 Bedroom	1	0	0	0	0	0	1
Total	1	23	0	0	22	0	46

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$9,900,000 is recommended. The project will apply for non-competitive 4% LIHTC in an upcoming tax credit allocation round. HCID funds will represent \$215,217 per unit and 38.1% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 10, 2018

433 Vermont Apartments
433 South Vermont Avenue
Los Angeles, CA 90020

New Construction
Council District No: 10

PROJECT DESCRIPTION

433 Vermont Apartments will be the new construction of 72 units for low-income seniors and special needs population. The 72 units will consist of 57 One Bedroom units, 14 Two Bedroom units, and 1 Two Bedroom market rate manager's unit.

The project will also include approximately 1,034 SF of resident community space, a 347 square feet onsite gym, and 3,549 square feet of podium level open courtyard, exclusively for the residents. The ground floor of the building will be designated as community recreation space to be operated and maintained by the YMCA. The project will include 12,500 square feet of community recreation space. This includes two community spaces, a concession room, an office, as well as a meeting room.

433 Vermont Apartments project will serve three separate senior subpopulations, all of whom are 62 years or older. 18 of the units will target individuals who are chronically homeless. An additional 18 units will serve homeless seniors that currently utilize service from the County of Los Angeles, and 35 units will serve low income seniors without any additional restrictions or special needs.

On-site supportive services will be provided by The People Concern (formerly OPCC/LAMP). Services will include: case management and service coordination; volunteer coordination; community building, social, and recreational activities, including resident council; outreach and engagement of residents; assistance with independent living skills, including money management; linkages to mainstream resources, healthcare, dental care, substance abuse, and mental health services; and self-help groups/peer services.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan, funding from the County of Los Angeles, and tax credit equity from the sale of 9% Low Income Housing Tax Credits (LIHTC) funds and State Housing Tax Credits from the California Tax Credit Allocation Committee (CTCAC).

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with Western Community Housing as the Managing General Partner, and a to-be-determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$7,200,000
Permanent Loan Tranche A	\$1,840,002
DHS Overhang Loan Tranche B	\$3,992,988
PBV Overhang Loan Tranche B	\$890,382
County Donated Land	\$6,850,000
County CDC	\$1,500,000
County SNHP	\$2,175,000
AHP	\$710,000
Deferred Developer Fee	\$62,971
Tax Credit Equity	\$23,667,786
Total	\$ 48,889,129

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom		0	0	0	0	0	0
1 Bedroom		34	0	0	23	0	57
2 Bedroom	1	2	0	0	1	11	15
Total	1	36	0	0	24	11	72

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$7,200,000 is recommended. The project is competing for a 9% Tax Credit Allocation. HCID funds will represent \$100,000 per unit and 14.7% of the total development cost. The HCID funding is leveraged with conventional financing, funding from the County of Los Angeles, and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 9, 2018

**Residences on Main
6901 S. Main Street
Los Angeles, CA 90003**

**New Construction
Council District No: 9**

PROJECT DESCRIPTION

The proposed 50-unit permanent supportive housing project will be developed on .68 acres with frontage on S. Main Street and serve very low income Transition Aged Youth (TAY) and families. The property is comprised of two sites: Site 1 is 6901 S. Main Street and is a City-owned site that is vacant; and Site 2 is 6917 S. Main Street and currently improved with two dwelling units. Site 2 residents will be relocated pursuant to all applicable laws and requirements, and the improvements will be demolished. The craftsman styled urban infill project will have approximately 37,850 square feet of residential space. The project will be comprised of 21 studios, 15 one bedroom units, 6 two bedroom units (including one manager unit), and 8 three bedroom units, located in one four-story building. All units will come fully furnished. The property is well located along several transit lines and within two miles of the Metro Blue Line. The location will provide residents with convenient public transportation throughout Southern California.

The property will have a large community garden and community room, equipped with games, books, a television, and furniture and tables, on the ground level. On the second level the property will have an expertly landscaped courtyard with a fully equipped tot lot and outdoor seating, a fully furnished community room with technology available to residents, and a laundry facility. The property will also offer safe, enclosed bicycle parking for 54 cycles, as well as 25 parking stalls.

The social service components for the residents include case management staff that will provide case management, services coordination, and direct support services that address benefits advocacy, employment, mental illness, substance abuse, and disabling or chronic health conditions. For TAY and the children of families housed at the project, tailored services to support linkage to education supports, enrollment in school and/or vocational programs will also be provided. Families will be supported in connecting to subsidized child care if needed. The project will provide 100% permanent supportive housing to families and TAY experiencing homelessness that are in need of long-term, comprehensive supportive services, and will include 25 units for TAY and 24 units for families.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan, tax-exempt bond financing, tax credit equity from the sale of 4% Low Income Housing Tax Credits (LIHTC) funds, Los Angeles

County Community Development Commission loan, Federal Home Loan Bank Affordable Housing Program grant, and a HCIDLA land loan.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with LA Family Housing and the Coalition for Responsible Community Development as the Managing General Partner, , and a to be determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$8,800,000
HCID-Land Loan	1,120,000
Permanent Loan	2,292,600
FHLB AHP	700,000
LA County CDC	3,097,000
Accrued Interest	61,600
GP Capital Contribution	253,327
Tax Credit Equity	8,124,115
Total	\$ 24,448,642

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	50% AMI	Total
0 Bedroom		21	0	21
1 Bedroom		15	0	15
2 Bedroom	1	1	4	6
3 Bedroom		0	8	8
Total	1	37	12	50

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$8,800,000 is recommended. The project is competing for TCAC funds. HCID funds will represent \$179,592 per unit and 36% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: January 10, 2018

Summit View Apartments
11681 Foothill Boulevard
Los Angeles, CA 91342

New Construction
Council District No: 7

PROJECT DESCRIPTION

The proposed 49-unit permanent supportive housing project will be developed on 3.03 acres with frontage on Foothill Boulevard, Kagel Canyon Street and Gladstone Avenue, and serve very low income homeless and chronically homeless veterans. The site is currently undeveloped and vacant. The California ranch styled urban project will have approximately 36,578 square feet of residential space. The project will be comprised of 37 studios, 11 one bedroom units, and 1 two bedroom manager unit, located in four three and four-story buildings. The property is well located along several transit lines and will provide residents with convenient public transportation throughout Southern California.

The property will have a large terraced community garden with a walking trail, a community room for activities and social service programming and laundry rooms. There will also be office space for on-site social workers and the property management team. The property will have 17 parking stalls. The development is designed to meet accessibility requirements – 10% of the units (5 units) will comply with the Uniform Federal Accessibility Standards (UFAS) requirement for mobility accessibility and an additional 4% of the units (2 units) will comply with UFAS requirements for sensory accessibility. All residential units will include full bath, kitchenette, and come furnished (with all utilities paid) for residents.

The social service components for the residents include case management; mental health support and services; addiction/recovery services; employment and/or benefits advocacy; assistant in strengthening independent living skills; and building a more comprehensive natural social support system. Emphasis will be placed on stabilization and the overall well-being of tenants. The added reinforcement of access to on-site case managers will serve to ensure prompt interventions and prevention services to retain tenant stability. LA Family Housing (LAFH), the lead services provider, is confident that the nature and level of services proposed for the target population are appropriate and necessary to increase the incidence of successful housing retention for tenants.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a conventional loan, tax-exempt bond financing, tax credit equity from the sale of 4% Low Income Housing Tax Credits (LIHTC) funds, Los Angeles County Community Development Commission loan, deferred developer fee, and a Federal Home Loan Bank Affordable Housing Program grant. The project is also submitting for HUD-VASH vouchers in the December 2017 HACLA PBV round.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with LA Family Housing and Many Mansions as the Managing General Partner, and a to be determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$8,530,000
Permanent Loan	2,583,000
FHLB AHP	700,000
LA County CDC	3,000,000
LACDC Deferred Interest	107,300
Deferred Developer Fee	484,399
Tax Credit Equity	8,893,528
Total	\$ 24,298,227

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	50% AMI	Total
0 Bedroom		27	10	37
1 Bedroom		9	2	11
2 Bedroom	1	0	0	1
Total	1	36	12	49

FUNDING RECOMMENDATION

An HCIDLA HHH funding commitment of up to \$8,530,000 is recommended. The project is competing for TCAC funds. HCID funds will represent \$174,082 per unit and 35% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

**STAFF REPORT
January 23, 2018**

**West Third Apartments Preservation, L.P.
1900 W Third St
Los Angeles, CA 90057**

**Rehabilitation
Council District No: 1**

PROJECT DESCRIPTION

The proposed 137-unit project is the transformation of a motel in the Westlake area of Los Angeles to a renovated modern apartment complex for homeless or chronically homeless veterans. Providing only studio units, the two story project will also have a single manager's unit, community/service rooms, a communal kitchen, a laundry room, and counseling offices. The design of the building will be renovated and modernized, while all the mechanical, engineering, and plumbing in each unit will be new. The surrounding landscaping and parking will be improved as well. Since the current motel is underutilized and there is a substantial number of homeless veterans in the Westlake area of Los Angeles, this investment will both support an important subpopulation within the city and reduce the blight in the surrounding community.

In addition to new kitchen appliances, fully furnished bedrooms with new furniture, and televisions, the property will include counseling office to accommodate a counselor for every 16 residents and a community room.

The population served will be homeless and chronically homeless veterans. This property will be supported by project-based VASH vouchers, meaning residents pay only 30% of their income on rent and are provided with additional social service and counseling support. Step Up On Second will be providing the social services and serve as the property manager.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of conventional financing, 4% bond equity, and a seller's note.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Western Apartments will be owned by Figueroa Economical Housing Development Corp as the Managing General Partner, VHP as the Co-General Partner, Step Up on Second Street as the Administrative General Partner, as well as a to be determined limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 12,000,000
4% TCAC Equity	11,713,853
Conventional/Bank Financing	13,870,562
Seller Note	5,187,610
 Total	 <u>\$ 42,772,025</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	0	0	0	0	136	136
1 Bedroom	1	0	0	0	0	0	1
2 Bedroom	0	0	0	0	0	0	0
3 Bedroom	0	0	0	0	0	0	0
 Total	 1	 0	 0	 0	 0	 136	 137

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$12,000,000 is conditionally recommended, pending submission of a revised appraisal report. HCID funds represent \$88,235 per unit and 28% of the total development cost. The HCID funding will be leveraged with conventional financing, 4% bond equity, and a seller's note.

Prepared By: Los Angeles Housing and Community Investment Department

**STAFF REPORT
January 23, 2018**

**Western Avenue Apartments
5501 S Western Ave
Los Angeles, CA 90062**

**New Construction
Council District No: 8**

PROJECT DESCRIPTION

The proposed 33-unit project is the transformation of a motel in South Los Angeles to a renovated modern apartment complex for homeless and chronically homeless veterans. The Western Avenue apartments will be comprised of studio units, community rooms, a communal kitchen, a laundry room, and counseling offices. The design of the building will be renovated and modernized, while all the mechanical, engineering, and plumbing in each unit will be new. The surrounding landscaping and parking will be improved as well. Since the current motel is underutilized and there is a substantial number of homeless veterans in the south Los Angeles area, this investment will both support an important subpopulation within the city and reduce the blight in the surrounding community.

In addition to new kitchen appliances, fully furnished bedrooms with new furniture, and televisions, the property will include counseling office to accommodate a counselor for every 16 residents and a community room.

The population served will be homeless and chronically homeless veterans. This property will be supported by project-based VASH vouchers, meaning residents pay only 30% of their income on rent and are provided with additional social service and counseling support. Step Up On Second will be providing the social services and serve as the property manager.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of 4% TCAC bond equity and a conventional loan.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Western Apartments will be owned by Figueroa Economical Housing Development Corp as the Managing General Partner, VHP as the Co-General Partner, Step Up on Second Street as the Administrative General Partner, as well as a to be determined limited partner.

PERMANENT FUNDING SOURCES

	Source	Amount
HHH		\$ 6,787,742
4% TCAC Equity		3,130,411
Conventional/Bank Financing		2,085,789
Total		\$ <u>12,003,942</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	0	0	0	0	33	33
1 Bedroom	1	0	0	0	0	0	1
2 Bedroom	0	0	0	0	0	0	0
3 Bedroom	0	0	0	0	0	0	0
Total	1	0	0	0	0	33	34

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$6,787,742 is conditionally recommended, pending submission of a revised appraisal report. HCID funds represent \$205,689 per unit. The HCID funding will be leveraged with conventional financing and 4% bond equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of January 23, 2018

Building 205
11301 Wilshire Blvd #205
Los Angeles, CA 90073

Rehabilitation
Council District No:11

PROJECT DESCRIPTION

VA Building 205 is the transformation of an underutilized building in the West Los Angeles Veterans Administration Campus. The property is currently vacant office space that will become a total of 67 units (36 one-bedroom and 31 studio units) serving chronically homeless veterans. The building will also have a manager's unit, community rooms, a gym, a communal kitchen, a laundry room, and counseling offices. Due to the historic nature of the building, it will be restored accordingly, with extensive renovation required to create the proposed residential units; the design will be consistent with the surrounding VA buildings. Since this is an older building, the construction will involve the mitigation of all asbestos and lead and will involve substantial structural improvements. The units will range in size from 300 to 500 square feet. All of the surrounding landscaping and parking will be improved as well. Since the current property is sitting vacant, and is thus underutilized, and there is a substantial number of homeless veterans in the area, this investment will both support an important subpopulation within the city and reduce the blight in the surrounding community.

In addition to new kitchen appliances, fully furnished bedrooms with new furniture, and televisions, the property will include counseling office to accommodate a counselor for every 16 residents and a community room.

The population served will be homeless and chronically homeless veterans. This property will be supported by project-based VASH vouchers, meaning residents pay only 30% of their income on rent and are provided with additional social service and counseling support. Step Up On Second will be providing the social services and serve as the property manager.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of 4% bond equity, conventional financing, and a seller's note.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Building 205 is currently occupying federal land, but the project has been awarded an Enhanced Use lease to redevelop the property. The project will be owned by a tax credit Limited Partnership with Figueroa Economical Housing Development Corp as the Managing General Partner, VHP as the Co-General Partner, Step Up on Second Street as the Administrative General Partner, and a to be determined tax credit investor as the limited partner.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 12,000,000
4% TCAC Equity	10,636,511
Conventional/Bank Financing	6,431,502
Seller Note	8,926,419
 Total	 <u>\$ 37,994,432</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	0	0	0	0	36	36
1 Bedroom	0	0	0	0	0	31	31
2 Bedroom	0	0	0	0	0	0	0
3 Bedroom	0	0	0	0	0	0	0
 Total	 0	 0	 0	 0	 0	 67	 67

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$12,000,000 is recommended at this time. HCID continues to communicate with the borrower and a commitment for the current 2017 Winter HHH funding round will be contingent on the satisfaction of all outstanding items and concerns within the agreed-upon timeframe. HCID funds represent \$181,818 per unit and 31.6% of the total development cost. The HCID funding is leveraged with 4% bond equity, conventional financing, and a seller's note.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of January 23, 2018

Building 208
11301 Wilshire Blvd #208 Los Angeles, CA 90073

Building Rehabilitation
Council District No: 5

PROJECT DESCRIPTION

VA Building 208 is located in the Veterans Affairs Campus in West Los Angeles. The current three-story property dates back to 1940. A portion of the building is currently being used for medical services by the VA Campus. Building 208 will become a total of 54 units (28 one-bedroom units and 26 studio units) serving chronically homeless veterans. The building will also have a manager's unit. Due to the historic nature of the building it will be restored accordingly. The renovation will be extensive involving the creation of residential units meaning all of the mechanical, engineering and plumbing will be built for each unit. Since this is an older building the construction will involve the mitigation of all asbestos and lead and will involve substantial structural improvements throughout. The units will range in size from 300 to 500 square feet.

New amenities will be provided throughout the entire building. Amenities include, but are not limited to the following:

- new kitchens (stoves, cabinets, microwaves, sinks/faucets, refrigerators, dishwashers, garbage disposal, fully furnished units with televisions)
- new bathrooms (sink/faucets, bath tubs, toilets, mirrors), new bedroom furniture (mattress, bed frames, bedroom cabinets).
- new common areas including community/service rooms, gym, communal kitchen, laundry room, library and counseling offices

Since this building has a VASH contract it will have enough counseling areas to accommodate a counselor for every 16 residents.

The population served will be homeless or chronically homeless veterans. This property will have project based VASH which means that the residents will only use 30% of their income on rent but it also comes with social services and counseling for the veterans. (HCIDLA note: applicant declared the units will be 30% AMI in the application narrative, but submitted 60% AMI in the application units section).

PROJECT FINANCE SUMMARY

The permanent financing will involve tax-exempt bonds, tax credit equity, and HHH funds. The tax-exempt bonds will have a thirty-five (35) year term, and amortized over this term. After a pay down of a portion of the construction loan using the final installments of tax credit equity, the permanent portion of the tax-exempt financing will remain with Redstone Capital with a fixed interest rate expected to be 5.25% (if funded today).

In addition to the permanent loan, the developer will also be able defer a portion of the developer fee if necessary due to cost overruns. The deferred developer payment will be coming entirely from available cash flow. The remaining financing will be from tax credit equity paid at \$0.93 per credit dollar.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Building 208 is currently owned by the federal land but has been awarded an Enhanced Use Lease that will allow us to redevelop this property into affordable housing for homeless or chronically homeless

veterans. The lease will be for 75 years and will be executed at closing. To obtain the necessary funds, the leasehold interest will be sold to a limited partnership to generate tax credits and access the tax-exempt bonds. The ownership structure consists of the following:

1. Figueroa Economical Housing Development Corporation as the Managing General Partner (.06%)
2. VHP, LLC as the Co-General Partner (.02%)
3. Step Up on Second Street Inc. as the Administrative General Partner (.02%)
4. Limited Partner who has yet to be determined (99.99%)

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 11,880,000
4% TCAC Equity	8,367,259
HACOLA-COI	
Conventional/Bank Financing	5,089,740
GP Equity	
Seller Note	10,018,103
HCD AHSC	
HCD IIG	
Deferred Dev Fee	
Total	<u>\$ 35,355,102</u>

AFFORDABILITY STRUCTURE

HCIDLA note: applicant declared the units will be 30% AMI in the application narrative, but submitted 60% AMI in the application units section.

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	0	0	0	0	26	26
1 Bedroom	1	0	0	0	0	27	28
2 Bedroom	0	0	0	0	0	0	0
3 Bedroom	0	0	0	0	0	0	0
Total	1	0	0	0	0	53	54

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$11,880,000 is recommended at this time. HCID continues to communicate with the borrower and a commitment for the current 2017 Winter HHH funding round will be contingent on the satisfaction of all outstanding items and concerns within the agreed-upon timeframe.

STAFF REPORT
As of: April 11, 2018

Broadway Apartments Preservation L.P.
301 W 49th Street
Los Angeles, CA 90037

New Construction
Council District No: 9

PROJECT DESCRIPTION

Broadway Apartments is the transformation of a motel in South Los Angeles to a renovated modern apartment complex for homeless or chronically homeless veterans. The Broadway apartments will consist of approximately 35 units (9 one bedroom units and 26 studio units). The building will consist of a manager's unit and counseling offices. Mechanical, engineering and plumbing for each unit will be new. The design of the building will remain as is, but will be renovated and modernized. All of the surrounding landscaping and parking will be improved as well.

New amenities will be provided throughout the entire building. This includes new kitchens (stoves, cabinets, microwaves, sinks/faucets, refrigerators, dishwashers and garbage disposal), new bathrooms (sink/faucets, bath tubs, toilets and mirrors), new bedroom furniture (mattress, bed frames, fully furnished units with televisions and bedroom cabinets). New common areas including community/service rooms, laundry room, and counseling offices. Since this building has a VASH contract it will have enough counseling areas to accommodate a counselor for every 16 residents.

The population served will be homeless or chronically homeless veterans. The property will have project-based VASH, which means that the residents will only use 30% of their income on rent but also comes with social services and counseling for the veterans. Step Up On Second will be providing the social services and serve as the property manager, thus providing a comprehensive service plan for the residents.

PROJECT FINANCE SUMMARY

The construction financing will be financed by a combination of tax-exempt bonds, tax credit equity, and a deferral of a portion of the developer fee.

The permanent financing will involve tax-exempt bonds, tax credit equity, and HHH funds. In addition to the permanent loan, the developer will also be able defer a portion of the developer fee if necessary due to cost overruns. The deferred developer payment will be coming entirely from available cash flow.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Broadway Apartments is currently owned by a private company and is being purchased by Broadway Apartments Preservation, L.P., which will allow the project to be redevelop into affordable housing for homeless or chronically homeless veterans. The property escrow will be closing no later than December 31, 2018. The ownership structure consists of the following:

1. Figueroa Economical Housing Development Corporation as Managing General Partner (.06%)
2. VHP, LLC as the Co-General Partner (.02%)
3. Step Up on Second Street Inc. as the Administrative General Partner (.02%)
4. Limited Partner, who has yet to be determined (99.99%)

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 4,443,480
4% TCAC Equity	2,781,984
Other	2,615,966
Total	\$ <u>9,841,430</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	0	0	0	0	26	26
1 Bedroom	0	0	0	0	0	8	8
2 Bedroom	0	0	0	0	0	0	0
3 Bedroom	0	0	0	0	0	0	0
Total	0	0	0	0	0	34	34

JOBS SUPPORTED

Number of jobs supported through the construction financing of these projects. These jobs may be new or existing jobs.

Total Jobs Supported, by category		Construction Costs	
		<u>Direct Effect on Jobs Multiplier</u>	0.000006
TDC	\$ 9,841,430	# of Jobs Directly Supported	<u>32</u>
Land Acquisition	\$ 4,560,000		
		<u>Indirect Effect on Jobs Multiplier</u>	0.0000024
		# of Jobs Indirectly Supported	<u>13</u>
Net Development Costs	<u>\$ 5,281,430</u>		
		<u>Induced Effect on Jobs Multiplier</u>	0.0000022
		# of Jobs Induced	<u>12</u>
		Total Jobs Supported by Project	<u>56</u>
		(excluding Cost of Land Acquisition only)	

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$4,443,480 is conditionally recommended. Conditional approval is subject to an acceptable appraisal which supports the purchase price. The original request from the borrower was for \$6,523,569, however HCID adjusted down the amount because the value of the property was overstated (based on the actual purchase price). HCID funds will represent \$126,956 per unit and 46% of the total development cost. The HCID funding is leveraged with tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: March 27, 2018

68th and Main
6714 S Main St
Los Angeles, CA 90003

New Construction
Council District No: 9

PROJECT DESCRIPTION

The 68th & Main site is a flat, rectangular site, located on a corner lot in the neighborhood of Florence in South LA. The property is situated in a predominantly residential neighborhood along a major thoroughfare and is located directly across the street from Bethune Middle School. The property lies in close proximity to other commercial corridors along Slauson, Florence and Broadway.

68th & Main is a new construction project. The layout will consist of a four-story structure above 1 story of parking. The project will be designed to include community spaces, management spaces, supportive services offices and parking on the ground floor. There will be approximately 98 parking spaces included in the design (podium construction). In response to neighborhood preferences and the surrounding vernacular, the design of 68th & Main represents a modern style of architecture, incorporating a high 1st floor (15') glass window, exposed concrete, and a mixture of visually cohesive exterior finishes to break up space for added visual interest. At this time there are 2 commercial building(s) on the property. The owner of the property currently occupies the building(s) and will vacate the building(s) at closing. The buildings will be demolished as part of the demolition. The building program for 68th & Main includes 29 studio apartments and 30 one-bedroom and 1 two-bedroom Manager's unit.

Target Population: 50% of the units will be targeted to TAY populations, 25% of the units will be targeted to Homeless Adult and 25% of the units will be targeted to Veterans. 50% of the total units will be targeted to Chronically Homeless.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of Tax Exempt Bonds, 4% Tax Credit equity, LA County CDC funding, FHLBSF AHP and Deferred Developer Fee. They also will be submitting to the FHLB under their AHP program by the Fall of 2018. CRCDD acknowledges to HCIDLA that it plans to utilize HCIDLA as the issuer of the bonds for this project. The financing plan also assumes PBV's for all units and a Measure H Commitment for Supportive Services.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project is currently owned by a for-profit entity. CRCDD has a valid and enforceable Purchase and Sale Agreement and will develop the project on its own. CRCDD expects to create an LP structure with a Limited Partner (tax credit investor) and Coalition for Responsible Community Development (CRCDD) as the General Partner.

CRCDD is currently in escrow to acquire ownership of 68th & Main. CRCDD is the sole sponsor and developer of 68th & Main.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 12,000,000
4% TCAC Equity	8,385,551
Conventional/Bank Financing	2,790,000
AHP/FHLBSF	590,000
HACOLA-COI	1,500,000
Deferred Dev Fee	587,176
Total	<u>\$ 25,852,727</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	29	0	0	0	0	29
1 Bedroom	0	30	0	0	0	0	30
2 Bedroom	1	0	0	0	0	0	1
3 Bedroom	0	0	0	0	0	0	0
Total	1	59	0	0	0	0	60

JOBS SUPPORTED

Number of Jobs Supported through the construction financing of these projects. These jobs may be new or existing jobs.

Total Jobs Supported, by category		Construction Costs	
		Direct Effect on Jobs Multiplier	0.000006
TDC	\$ 25,852,727	# of Jobs Directly Supported	<u>138</u>
Land Acquisition	\$ 2,902,789		
		Indirect Effect on Jobs Multiplier	0.0000024
		# of Jobs Indirectly Supported	<u>55</u>
Net Development Costs	<u>\$ 22,949,938</u>		
		Induced Effect on Jobs Multiplier	0.0000022
		# of Jobs Induced	<u>50</u>
		Total Jobs Supported by Project	<u>243</u>
		(excluding Cost of Land Acquisition only)	

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$12,000,000 is recommended. The project is applying for TCAC funds. HCID funds will represent \$203,390 per unit and 46% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: March 27, 2018

Metamorphosis on Foothill
13574 W Foothill Blvd Los Angeles, CA 91342

New Construction
Council District No: 7

PROJECT DESCRIPTION

The Metamorphosis on Foothill development is located in the northern portion of the Valley and consists of a vacant rectangular parcel approximately 53,488 SF in size. The site is within the North Valley Area Planning Commission and zoned RD1.5-1XL. The project will consist of 48 units of permanent supportive housing, of which 25 will be studios with a minimum square footage of 350 and 23 will be one-bedroom units with a minimum square footage of 500. The project will be a 3-4 story Type-V apartment building with units organized to face a park within the site's interior. The large park is being provided as a benefit for the residents and also to the community, as it will be open the public. The project will also provide 31 surface parking spaces.

The apartment complex will feature secured entry, management and support service offices, bike storage, community garden planters, a community room, community kitchen, outdoor courtyard, and on-site laundry. Apartment amenities will include a full kitchen, bathroom, heating, air conditioning and furnishings. The building is also required to have 10% of mobility units and 4% communication feature units per HCIDLA. Metamorphosis will be developed to meet LEED Gold or higher. Environmental standards will utilize sustainable and energy-efficient features. CBH will also utilize carefully selected drought-tolerant planting throughout the numerous outdoor common areas and planting zones to mitigate air pollution.

Metamorphosis on Foothill will become home to 47 households, either individuals or small families, who have experienced homelessness. 50% (24) units will be for individuals who are chronically homeless who are severely mentally ill and/or a frequent user of DHS services. All households will have incomes at or below 40 percent of AMI. One unit will be reserved for a property manager. The decision was made to serve this population as an effort to diffuse the homeless problems throughout Los Angeles and especially the Valley where supportive housing has been lacking relative to other parts of the City

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, Metamorphosis will be structured as a traditional Tax-Exempt Bond and 4% Tax Credit Deal. Also, a AHP application has been submitted to the Federal Home Loan Bank. The project will be developed on land owned by the City of Los Angeles and ground leased to the partnership, under terms of a Disposition and Development Agreement currently being negotiated with the City.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The City of Los Angeles has executed an ENA with Clifford Beers Housing and Abbey Road for the development of the subject property into a tax-credit housing development. Concurrently, a draft DDA is being reviewed and distributed by HCIDLA. Eventually, the City will offer a ground lease to a limited partnership consisting of Metamorphosis on Foothill, LLC (as Managing General Partner), Metamorphosis Abbey Road, LLC (as Administrative General Partner), and a Limited Partner to be determined. The LP structure will be identical to a standard tax-credit limited partnership structure.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 10,340,000
4% TCAC Equity	8,622,726
AHP/FHLBSF	750,000
Conventional/Bank Financing	2,400,000
GP Equity	100
Deferred Dev Fee	748,982
Column Financial/DOJ Funds	864,000
Total	\$ <u>23,725,808</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	25	0	0	0	0	25
1 Bedroom	1	0	22	0	0	0	23
2 Bedroom	0	0	0	0	0	0	0
3 Bedroom	0	0	0	0	0	0	0
Total	1	25	22	0	0	0	48

JOBS SUPPORTED

Number of jobs supported through the construction financing of these projects. These jobs may be new or existing jobs.

Total Jobs Supported, by category		<u>Construction Costs</u>	
		<u>Direct Effect on Jobs Multiplier</u>	0.000006
TDC	\$ 23,725,808	# of Jobs Directly Supported	<u>130</u>
Land Acquisition	\$ 2,020,000		
		<u>Indirect Effect on Jobs Multiplier</u>	0.0000024
		# of Jobs Indirectly Supported	<u>52</u>
Net Development Costs	<u>\$ 21,705,808</u>		
		<u>Induced Effect on Jobs Multiplier</u>	0.0000022
		# of Jobs Induced	<u>48</u>
		Total Jobs Supported by Project	<u>230</u>
		(excluding Cost of Land Acquisition only)	

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$10,340,000 is recommended. HCID funds will represent \$220,000 per unit and 84.36% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department

STAFF REPORT
As of: March 28, 2018

Melrose Apartments
4766 W Melrose Ave
Los Angeles, CA 90029

New Construction
Council District No: 13

PROJECT DESCRIPTION

Melrose Apartments will provide 42 low income units to permanently house individuals and Veterans experiencing homelessness. Looking at the overall design, the project will be a 5-story wood frame building with contemporary architecture housing 30 studios and 12 one-bedroom unit. The subject site consists of 2 platted parcels of land. The site is rectangular in shape and contains approximately 9,994 square feet or 0.23 acres. The two existing structures are both vacant and will be demolished, and relocation is not applicable. The project is located within one half mile of multiple bus stops, enhancing the connectivity and accessibility of the site.

The project will have a 1,035 square feet of open space and a garden on the first floor as well as a 2,300 square foot roof deck, which will offer additional seating and outdoor space for the residents. There will be 43 long-term and 4 short-term bike parking spaces available throughout the site for residents to use. A laundry room will be located on the first floor with 5 washers and 5 dryers to meet the ratio of 1 washer/dryer for every 10 units. The 1,000 square foot community room will offer a common kitchen, computer room and meeting space for service related activities. Additionally, the property management office and three (3) case management offices will be located on the first floor, providing tenants with the resources and support to remain permanently housed. Each residential unit will be furnished with a bed, table, chairs, sofa, and efficient appliances, including air conditioning. Kitchens will feature a refrigerator, range, kitchen sink, garbage disposal unit, and storage cabinets. A full bathroom including toilet and tub/shower will be provided.

The project intends to serve chronically homeless individuals or parents with one child for the one-bedroom units. A portion of the units, envisioned to be around 40%, will be reserved for homeless veterans who have served our country and require a stable home with high-quality services. The Housing First model, and specifically Permanent Supportive Housing, provides the necessary platform to house the chronically homeless population through both rental subsidies and intensive supportive services. Affirmed Housing has worked closely with communities to identify high need and high priority populations through the vulnerability indexes to identify homeless individuals.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of a tranche B loan, VHHP funding, general partner equity contribution, a deferred developer fee, and federal tax credit equity.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

The project will be owned by a tax credit Limited Partnership with Affirmed Housing Group. An Affirmed Housing entity will be the Administrative General Partner owning 0.9% of the partnership, a to be named Managing General Partner owning 0.1%, and a to be determined investor as the limited partner owning 99% of the partnership.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 9,240,000
4% TCAC Equity	7,183,664
VHHP Program Funds	3,248,184
Tranche B (Sec 8 Ln)	2,670,000
GP Equity	175,000
Deferred Dev Fee	300,000
Total	<u>\$ 22,816,848</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	30	0	0	0	0	30
1 Bedroom	1	12	0	0	0	0	13
2 Bedroom	0	0	0	0	0	0	0
3 Bedroom	0	0	0	0	0	0	0
Total	1	42	0	0	0	0	43

JOBS SUPPORTED

Number of jobs supported through the construction financing of these projects. These jobs may be new or existing jobs.

TDC	\$ 22,816,848	<u>Direct Effect on Jobs Multiplier</u>	0.000006
Land Acquisition	\$ 3,350,000	# of Jobs Directly Supported	<u>117</u>
		<u>Indirect Effect on Jobs Multiplier</u>	0.0000024
		# of Jobs Indirectly Supported	<u>47</u>
Net Development Costs	<u>\$ 19,466,848</u>	<u>Induced Effect on Jobs Multiplier</u>	0.0000022
		# of Jobs Induced	<u>43</u>
		Total Jobs Supported by Project	<u>206</u>
		(excluding Cost of Land Acquisition only)	

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$9,240,000 is recommended. The project is competing for TCAC funds. HCID funds will represent \$220,000 per unit and 40.5% of the total development cost. The HCID funding is leveraged with tax credit equity and VHHP funds.

STAFF REPORT
As of: March 28, 2018

Rosa De Castilla Apartments
4208 E Huntington Dr S
Los Angeles, CA 90032

New Construction
Council District No: 14

PROJECT DESCRIPTION

Rosa de Castilla Apartments is a new construction of a 4 story, 108,630 square foot residential building. It is situated on an urban infill site and designed in a contemporary style reflecting its urban setting. The existing site is currently vacant and has one commercial building and on-grade parking that was previously used as a supermarket, all of which will be demolished. The project is a mixed-use development which includes 85 residential units, 100% permanent supportive and affordable housing catering to a mix of homeless veterans and seniors, and very low and low-income families. The unit mix will include 5 studios, 55 one-bedroom units, 11 two-bedroom units, and 10 three-bedroom units. The project will include a 1 story at grade parking garage with 68 spaces including 5% allocated for charging stations.

The project is designed to provide a multitude of amenities within units and in community areas. Units are designed based on universal design principles and include full kitchens with cooking range, microwave, dishwasher, and refrigerators. Most areas of the building are visible from the central open spaces to ensure a safe and secure interaction among the residents. Rosa de Castilla will include a computer room, exercise room, support services offices, and an indoor/outdoor children's space and a multi-purpose room provide many opportunities for community activities, play and rest.

Community Engagement led ELACC to making the decision to serve a mixed population. Rosa de Castilla Apartments intends to serve a mix of large families and families/individuals who have been homeless, critically homeless veterans and seniors 62+. ELACC's decision in serving homeless veterans, homeless seniors and families came as a result of wanting to alleviate the current conditions of homelessness in Los Angeles. Homeless veterans and seniors account for over 11% of the homeless population in Los Angeles.

PROJECT FINANCE SUMMARY

In addition to the Proposition HHH Permanent Supportive Housing Loan Program (HHH) loan, the proposed financing is comprised of funding from tax credit equity from the sale of 9% Low Income Housing Tax Credits (LIHTC) funds, the state's Veterans Housing Homelessness Program, the County's Community Development Commission, a conventional loan, and a deferred developer fee.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Rosa de Castilla, L.P. owns the property. The proposed ownership structure will included a limited partner, who will have ownership of 99.99% of the owner entity and two Co-General Partners who will own 0.01%. East LA Community Corporation will add a Limited Liability Company as a Co-General Partner. The second Co-General Partner will be New Directions Housing, LLC.

PERMANENT FUNDING SOURCES

Source	Amount
HHH	\$ 12,000,000
9% TCAC Equity	19,890,830
VHHP Program Funds	5,943,177
Conventional/Bank Financing	4,582,000
GP Equity	100
Deferred Dev Fee	140,887
LACDC AHTF	1,500,000
Total	<u>\$ 44,056,994</u>

AFFORDABILITY STRUCTURE

Unit Type	Mgrs.	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Total
0 Bedroom	0	9	0	0	0	0	9
1 Bedroom	1	54	0	0	0	0	55
2 Bedroom	1	2	0	0	8	0	11
3 Bedroom	0	1	0	0	5	4	10
Total	2	66	0	0	13	4	85

JOBS SUPPORTED

Number of jobs supported through the construction financing of these projects. These jobs may be new or existing jobs.

Total Jobs Supported, by category		Construction Costs	
		<u>Direct Effect on Jobs Multiplier</u>	0.000006
TDC	\$ 44,056,994	# of Jobs Directly Supported	<u>238</u>
Land Acquisition	\$ 4,400,000		
		<u>Indirect Effect on Jobs Multiplier</u>	0.0000024
		# of Jobs Indirectly Supported	<u>95</u>
Net Development Costs	<u>\$ 39,656,994</u>		
		<u>Induced Effect on Jobs Multiplier</u>	0.0000022
		# of Jobs Induced	<u>87</u>
		Total Jobs Supported by Project	<u>420</u>
		(excluding Cost of Land Acquisition only)	

FUNDING RECOMMENDATION

A HCIDLA funding commitment of up to \$12,000,000 is recommended. The project is competing for TCAC funds. HCID funds will represent \$144,578 per unit and 27% of the total development cost. The HCID funding is leveraged with conventional financing and tax credit equity.

Prepared By: Los Angeles Housing and Community Investment Department