



DATE / **MAR 17 2011**

FILE CODE /

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Los Angeles / California 90017-2381

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[www.crala.org](http://www.crala.org)

CRA File No. 9387  
Council District: 9  
Contact Person: David Riccitiello  
Jenny Scanlin  
(213) 922-7825

Honorable Council of the City of Los Angeles  
John Ferraro Council Chamber  
200 N. Spring Street  
Room 340, City Hall  
Los Angeles, CA. 90012

Attention: Sharon Gin, Office of the City Clerk

**COUNCIL TRANSMITTAL:**

Transmitted herewith, is a Board Memorandum adopted by the Agency Board on March 17, 2011 City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

**VARIOUS ACTIONS RELATED TO:**

**HORIZONS AT 29<sup>TH</sup> STREE PHASE A-2 AND B.** AMEND EXISTING \$500,000 ACQUISITION AND PREDEVELOPMENT LOAN WITH UHC 00014 LOS ANGELES, LP TO ADD \$600,000 FOR A LOAN AMOUNT OF \$1,100,000 AND EXTEND THE TERM OF THE LOAN FOR THE DEVELOPMENT OF PHASE A-2 OF HORIZONS AT 29<sup>TH</sup> STREET, AN APPROXIMATE 29 UNIT AFFORDABLE HOUSING PROJECT AT 848 – 854 E. 29<sup>TH</sup> STREET AND 2901 SOUTH GRIFFITH AVENUE AND PROVIDE A NEW ACQUISITION AND PREDEVELOPMENT LOAN TO UHC 00082 70-UNITS OF AFFORDABLE HOUSING AT 704 E. 29<sup>TH</sup> STREET IN THE COUNCIL DISTRICT NINE COORIDORS SOUTH OF THE SANTA MONICA FREEWAY RECOVERY REDEVELOPMENT PROJECT AREA. DOWNTOWN REGION (CD9)

**RECOMMENDATION**

That City Council approves recommendations on the attached Board Memorandum.

**ENVIRONMENTAL REVIEW**

The City of Los Angeles is the lead agency for the Project for purposes of CEQA. On February 14, 2008, the City of Los Angeles, acting through its Planning Department approved the project and adopted a Mitigated Negative Declaration (MND). The CRA/LA's responsibility, as a Responsible Agency under CEQA, is to consider environmental effects of the Project as shown in the MND prepared by the lead agency prior to acting on the Project.

On February 5, 2009, the CRA/LA Board of Commissioners adopted a Resolution certifying that it had reviewed and considered the environmental effects of the project as shown in the City of Los Angeles Mitigated Negative Declaration (ENV 2005-5551-MND-REC1 ENV 2005-5551-MND-REC1-"MND") pursuant to California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096(f). Review of the proposed project by CRA/LA staff indicates that no new significant effects that had not already been addressed in the adopted MND would occur, and that there have been no changes to the proposed project, nor circumstances under which the proposed project would be undertaken. Therefore, no further environmental review is required.

**FISCAL IMPACT STATEMENT**

There is no fiscal impact to the City's General Fund, as a result of this action.



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Christine Essel, Chief Executive Officer

cc: Sharon Gin, Office of the City Clerk (Original & 3 Copies on 3-hole punch)  
Lisa Johnson Smith, Office of the CAO  
Ivania Sobalvarro, Office of the CLA  
Steve Ongele, Office of the Mayor  
Noreen Vincent, City Attorney's Office  
Jan Perry, CD9

bcc: Ras Mallari  
Nenita Tan, Office of the City Controller  
Records (2 copies)  
Tim Chung, City Attorney office  
David Riccitiello  
Jenny Scanlin

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA

MEMORANDUM

S7  
C91400  
100059

**DATE:** MARCH 17, 2011

**TO:** CRA/LA BOARD OF COMMISSIONERS

**FROM:** CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER

**STAFF:** DAVID RICCITIELLO, REGIONAL ADMINISTRATOR  
JENNY SCANLIN, PROJECT MANAGER

**SUBJECT:** **Horizons at 29th Street Phase A-2 and B.** Amend existing \$500,000 Acquisition and Predevelopment Loan with UHC 00014 Los Angeles, LP to add \$600,000 for a loan amount of \$1,100,000 and extend the term of the loan for the development of Phase A-2 of Horizons at 29<sup>th</sup> Street, an approximate 29 unit affordable housing project at 848 - 854 E. 29th Street and 2901 South Griffith Avenue and provide a new Acquisition and Predevelopment Loan to UHC 00082 Los Angeles L.P. for Phase B in the amount of \$3,750,000 for development of 70-units of affordable housing at 704 E. 29<sup>th</sup> Street in the Council District Nine Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area.  
DOWNTOWN REGION (CD 9)

**RECOMMENDATIONS**

1. That the CRA/LA Board of Commissioners, subject to City Council review and approval:
  - A. Authorize the Chief Executive Officer (CEO) or designee to negotiate and execute an amended loan agreement with UHC 00014 Los Angeles, LP to increase the loan amount by \$600,000 from \$500,000 to \$1,100,000 for acquisition and predevelopment activities associated with a 29-unit affordable housing project located at 848 - 854 E. 29th Street and 2901 South Griffith Avenue (Phase A-2), and take all necessary action to carry out the amended loan agreement;
  - B. Authorize the Chief Executive Officer (CEO) or designee to negotiate and execute an Acquisition and Predevelopment Loan Agreement with UHC 00082 Los Angeles, LP for \$3,750,000 for acquisition and predevelopment activities associated with a 70-unit affordable housing project located at 704 E. 29<sup>th</sup> Street, and take all necessary action to carry out the loan agreement (Phase B);
  - C. Approve the expenditure of \$600,000 in Fiscal Year 2012 Tax Increment and \$3,750,000 from Fiscal Year 2013 and 2014 Low and Moderate Income Housing Trust Funds and Tax Increment from the Council District Nine Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area; and
  - D. Waive the requirement of Section 8.40 of the CRA/LA's Housing Policy to allow for subordination of the acquisition and predevelopment loans to other acquisition financing
2. That the CRA/LA Board of Commissioners:

- E. Adopt Resolutions for the Phase A-2 Amended Loan Agreement and the Phase B Acquisition and Predevelopment Loan making the findings that an economically feasible alternative of financing on substantially comparable terms but without subordination of the CRA/LA Deeds of Trust, covenants and use restrictions is not reasonably available, and authorize the subordination of the CRA/LA's Deeds of Trust, covenants and use restrictions to the acquisition, construction and permanent loans provided for the Phase A-2 and Phase B;
- F. To the extent that these particular projects are subject to that certain Cooperation Agreement ("Cooperation Agreement") dated as of March 10, 2011, entered in by and between the City and CRA/LA, CRA/LA requests that the City Council: (1) eliminate the \$4,305,000 in funding for the 29<sup>th</sup> Street Crossings Project from the coverage of the Cooperation Agreement concurrently with CRA/LA's execution of this Amended Acquisition and Predevelopment Loan Agreement with UHC 00014 Los Angeles, L.P. and the Acquisition and Predevelopment Loan Agreement with UHC 00082 Los Angeles, L.P. *or* (2) if the CRA/LA no longer has the authority to enter into this Amended Acquisition and Predevelopment Loan Agreement with UHC 00014 Los Angeles, L.P. and the Acquisition and Predevelopment Loan Agreement with UHC 00082 Los Angeles, L.P., authorize the Los Angeles Housing Department to enter into an acquisition and predevelopment loan agreements on behalf of the City to implement the Horizons at 29<sup>th</sup> Street affordable housing project in accordance with the Cooperation Agreement subject to the terms recommended in this Board Memorandum and the documents negotiated and prepared by CRA/LA.

### **SUMMARY**

The recommended actions authorize the negotiation and execution of an Amended Loan Agreement (the "Amended Loan") with UHC 00014 Los Angeles, LP in the amount of \$1,100,000 for acquisition and predevelopment activities associated with the Horizons at 29<sup>th</sup> Street Phase 2-A Affordable Housing Project (the "Project" or "Phase A-2"), a 29 unit affordable housing at 848 - 854 E. 29th Street and 2901 South Griffith Avenue and a new Acquisition and Predevelopment Loan with UHC 00082 Los Angeles L.P. for Phase B in the amount of \$3,750,000 (the "Phase B Loan") for acquisition and predevelopment related costs on adjacent parcels developing approximately 70-units of affordable housing at 704 E. 29<sup>th</sup> Street (the "Sites") (see Attachment A).

Amended Loan proceeds will be used to for predevelopment activities including finalizing design and engineering for the Phase A-2 Project. UHC 00014 Los Angeles, L.P. has the last parcel under contract and expects to close escrow in the next six months. For Phase B, loan proceeds will be utilized for the acquisition, holding costs and remediation of contaminated industrial properties and predevelopment related expenses.

Although prior actions allowed for the subordination of the Phase A-2 Loan, due to the loan increase, the CRA/LA needs to make the subordination findings again. It is anticipated that the CRA/LA's loans for the Phase A-2 Project and Phase B will be subordinate to a traditional lender providing additional acquisition and predevelopment funds and therefore will require subordination resolutions to be adopted and waivers from Section 8.04 of the CRA/LA Housing Policy.

### **PREVIOUS ACTIONS**

February 5, 2009 – CRA/LA Board of Commissioners Consideration of Environmental effects of the Project and restructuring of an existing \$3,500,000 acquisition and predevelopment loan

with Urban Housing Communities, LLC for a two-phase affordable housing development located at 814-848 E. 29<sup>th</sup> Street and 2901 S. Griffith Avenue (CF 09-0285)

March 15, 2007 – CRA/LA Board of Commissioners Authorization to execute an acquisition and predevelopment loan agreement with UHC LA 29 LP. (CF 07-5087)

## DISCUSSION & BACKGROUND

### Developer Entity

UHC 00014 Los Angeles, LP and UCH 00082 Los Angeles L.P. are limited partnerships in which Urban Housing Communities LLC, a for profit affordable housing developer that specializes in multifamily and senior housing facilities in the State of California is the co-general partner and WCH Affordable I, LLC is the nonprofit managing general partner, with Western Community Housing Inc., a nonprofit, as the sole member and manger. Urban Housing Communities LLC was formed in 2003 by key executives of ASL Housing, AIG SunAmerica and with collective development experience of approximately 10,000 housing units in California and Hawaii. Presently, Urban Housing Communities has seven projects under construction in California and two additional projects in Hawaii.

### Description and Project Context

The Phase A-2 Project is located on the 848 - 854 E. 29th Street and 2901 South Griffith Avenue in the CD9 Project Area. The Site consists of three properties, totaling approximately .54 acres of land area. UHC 00014 Los Angeles, LP owns two properties, including a prior corner/liquor store and a vacant lot, and is in escrow with the last remaining property owner (an owner-occupied single-family dwelling) to acquire the balance of the parcels that comprise the Phase A-2 Project Site. The Phase A-2 Project is adjacent to Horizons on 29<sup>th</sup> Street, Phase A-1, a 38 unit multifamily affordable housing project currently under construction. The CRA/LA provided a permanent loan of \$3 million to support Phase A-1, which developed a blighted and contaminated industrial property a community-serving affordable housing project. Both projects have received a CALReUSE grant from the California Pollution Control Financing Authority to assist in the complicated and expensive task of remediating the properties to residential standard.

The surrounding neighborhood is currently comprised of diverse and conflicting uses including a metal plating shop adjacent to a public school and single family and multi-family residences. Horizons on 29<sup>th</sup> Street Phase A-1, A-2 and B are part of a larger effort to transition this block from industrial land use to residential uses as permitted under the redevelopment plan. The developer has obtained a general plan (community plan) amendment and rezoning to (T)(Q) R3-1 multi-family residential zoning. The Phase A-2 Project and Phase B are located in an area which CRA/LA and the City's Planning Department determined was generally appropriate for conversion to non-industrial zoning, making it consistent with the CRA/LA's Industrial Land Use Directions set forth in January 2008.

The community has advocated for removal of these industrial uses from the neighborhood in order to improve air quality and health conditions for residents and children who attend the 28<sup>th</sup> Street Elementary School. The Los Angeles Association of Community Organizations for Reform Now (ACORN) led the effort in filing a class action lawsuit against one of the industrial businesses in April 2006. The long-term objective is to transform 29<sup>th</sup> Street between San Pedro Avenue and Griffith Avenue from its current industrial use to a predominantly residential street that will provide affordable rental housing with support services for the residents of the area.

The proposed Phase A-2 Project will offer up to 29 two- and three-bedroom apartments for very-low, low and moderate income families. The proposed Project is also proposed to include a

community room featuring a supportive resident services program, computer lab, lounge, full-service kitchen, laundry facilities and an office for the on-site manager. Outdoor amenities will include BBQs, picnic tables and informal seating. The standard apartment will offer a covered patio or balcony, central heating and air conditioning, walk-in closets, Energy Star appliances, water-saving kitchen and bathroom fixtures, tankless water heaters, high-speed internet access and wiring for cable television at a minimum.

The proposed Phase B Project will provide up to 70-units of housing for very-low, low and moderate income families on approximately 51,689 square feet located at 704 East 29<sup>th</sup> Street, Los Angeles. The developer is negotiating a lease to own purchase of the plating plant property which makes up approximately half of the Phase B site and would need to acquire two additional properties in order to accomplish a 70-unit project. The preliminary plan for the Project is that it shall consist of new construction of a four - story residential apartment building to be constructed on the site, consisting of approximately 72,498 square feet, with public-private spaces for residents, along with a variety of common space, such as a community room, studio, classroom, laundry room, children's play area, parking and substantial landscaping. Phase B shall be comprised of 53 two-bedrooms and 17 three-bedrooms units. One two-bedroom unit will be reserved for an on-site manager. The size of the building, its massing, design concepts, number of units and number of bedrooms are all preliminary as of the date of this Agreement and are anticipated to be subject to change with the express written consent of CRA/LA.

#### Community Benefits

Both the Phase A-2 Project and Phase B will provide housing for very-low, low and moderate-income families; replace a corner market/liquor store, outdated industrial Brownfield properties, including a plating plant, with community serving affordable housing and services; and eliminate blight. Both projects will be able to comply with the CRA/LA Housing Policy's affordability mix. Applicable CRA/LA Policies include: Construction Careers and Project Stabilization, Construction Jobs Local Hiring, Living Wage, Contractor Responsibility, Equal Benefits, Housing, and Prevailing Wage.

#### VariANCES from CRA/LA Policies and/or Guidelines

The proposed funding requires a waiver of the adopted Housing Policy's Section 8.04 that requires any CRA/LA predevelopment loan be secured by a first deed of trust. The Developer anticipates additional acquisition financing from a conventional lender will be senior to the CRA/LA Acquisition and Predevelopment Loan.

The State Redevelopment Law was amended in 1989 (Section 33334.14) to allow subordination of income and use restrictions. The subordination is permitted when the CRA/LA makes a finding that an economically feasible alternative method of financing or refinancing without subordination is not reasonably available and when the CRA/LA obtains written commitments reasonably designed to protect the CRA/LA's investment in the event of default. Currently, no domestic lending institutions are willing to provide conventional financing without subordination of covenants, as well as CRA/LA loans and ground leases. Prior to agreeing to such subordination to private lenders, the CRA/LA will require that the Subordination Agreement contains notice and cure provisions which reasonably protect the CRA/LA's covenant in the event of the Developer's default under any of the senior loans. Phase B is expected to have a senior conventional lender on the purchase of some of the properties and although the CRA/LA will have a First Trust Deed in the Leasehold Interest during the remediation of the metal plating property and then a First Trust Deed in the metal plating property after the property is clean and ready for title transfer the conventional lender is requesting a subordination resolution for the balance of properties that will need to be purchased. Prior to agreeing to such subordination, the CRA/LA will require that the Subordination Agreement contains notice and

cure provisions which reasonably protect the CRA/LA's covenant in the event of the Developer's default under any of the senior loans (Subordination Resolutions, Attachment E).

### Financial Analysis

CRA/LA authorization of the Amended Loan for Phase A-2 will provide up to \$1,100,000 in funds for a two-year term. The preliminary total development cost estimate for the future Phase A-2 Project is \$18,709,001 (\$645,138 per unit). The CRA/LA's proposed contribution of \$1,100,000 currently represents 6% of the total development budget and a \$37,931 per unit investment.

The Phase 2-A Amended Loan is set for a two-year term with an interest rate of 3%. The Developer intends to pursue tax credits in the July 2011 round and hopes to begin construction by December 2011 and have stabilized occupancy by April 2013. If UHC 00014 Los Angeles, LP is able to acquire the final property and obtain additional financing for the Project, UHC 00014 Los Angeles, LP may return with a request for the CRA/LA to convert the Acquisition and Predevelopment Loan into a Construction/Permanent Loan. At that time, the CRA/LA may also consider the Project's design.

The Phase B Loan provides up to \$3,750,000 in funds for a five-year term. The preliminary total development cost estimate for the future Phase B Project is \$38,911,786 (\$555,883 per unit). The CRA/LA's proposed contribution of \$3,750,000 currently represents 10% of the total development budget and a \$53,571 per unit investment. The Phase B Loan is set for a five-year term with an interest rate of 3%. If all properties are successfully acquired and construction and permanent financing sources are obtained it is anticipated that the developer will return with a request to convert the Acquisition and Predevelopment Loan into a Construction/Permanent Loan.

### ECONOMIC IMPACT

The following table\* describes the economic impacts estimated to be created by this project, if completed as currently proposed.

<b>Estimated Economic Impacts Created by Phase A-2 and B Combined</b>	
<b>Estimated Construction Jobs Created</b>	<b>315</b>
<b>Estimated Permanent Jobs Created</b>	<b>4</b>
<b>Estimated Gross Property Tax Increment (TI) Revenue</b> (Year 1 of Tax Increment Generated)	<b>\$0</b>
<b>Estimated Net Present Value (NPV) of Net Property TI Generated</b> (Revenue to the CRA/LA Project Area through the last Tax Increment Receipt Date)	<b>\$0</b>
<b>Estimated NPV of Property TI for Affordable Housing</b> (25% set-aside towards the CRA/LA Low and Moderate Income Housing Fund through the last Tax Increment Receipt Date)	<b>\$0</b>
<b>Estimated NPV of Utility User Tax Revenue</b> (Revenue to City of Los Angeles)	<b>\$357,761</b>
<b>Estimated NPV of Sales Tax Revenue</b> (1% portion of taxable sales to City of Los Angeles)	<b>N/A</b>
<b>Estimated NPV of Business Tax Revenue</b> (Revenue to City of Los Angeles)	<b>N/A</b>

\*The figures provided in the table about are for estimation purposes only; actual fiscal impact or job creation may be higher or lower than these estimates. Standardized formulas were used to generate these figures and are based on accepted econometric practices and basic tax calculations taken from research performed by a variety of sources, including the Los Angeles Economic Roundtable, California Redevelopment Association, US Department of Housing and Urban Development, CRA/LA, and the City and County of Los Angeles.

**SOURCE OF FUNDS**

CD9 Project Area Tax Increment

**PROGRAM AND BUDGET IMPACT**

Approval of this item will allocate tax increment from the Fiscal Year 2012, 2013 and 2014 budgets for Council District Nine Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area.

There is no impact on the City's General Fund as a result of this action.

**ENVIRONMENTAL REVIEW**

The City of Los Angeles is the lead agency for the Project for purposes of CEQA. On February 14, 2008, the City of Los Angeles, acting through its Planning Department approved the project and adopted a Mitigated Negative Declaration (MND). The CRA/LA's responsibility, as a Responsible Agency under CEQA, is to consider environmental effects of the Project as shown in the MND prepared by the lead agency prior to acting on the Project.

On February 5, 2009, the CRA/LA Board of Commissioners adopted a Resolution certifying that it had reviewed and considered the environmental effects of the project as shown in the City of Los Angeles Mitigated Negative Declaration (ENV 2005-5551-MND-REC1 ENV 2005-5551-MND-REC1 -"MND") pursuant to California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096(f). Review of the proposed project by CRA/LA staff indicates that no new significant effects that had not already been addressed in the adopted MND would occur, and that there have been no changes to the proposed project, nor circumstances under which the proposed project would be undertaken. Therefore, no further environmental review is required.

**HOUSING INCLUSIONARY AND PROPORTIONALITY REQUIREMENTS**

As indicated in Attachment C, Affordable Housing Information, with the approval of Horizons on 29<sup>th</sup> Street Phase A-2 and B, the CD9 Redevelopment Project will be on target to comply with the 15% Inclusionary Housing Requirement.

As indicated in Attachment C, Affordable Housing Information, with the approval of Horizons on 29<sup>th</sup> Street Phase A-2 and B the CD9 Project Area will not have spent funds from the Low and Moderate Income Housing Fund (LMIHF) in proportion to need, in that the amount of LMIHF spent to date of Moderate Income exceeds the allowable percentage. Staff expects to come into compliance on or before the December 31, 2014 statutory compliance deadline by future LMIHF for Low- and very low income housing. There are currently 7 projects in the pipeline totaling approximately \$15 million in funding, including Florence Mills Theater, Figueroa Apartments, Paradise Baptist, Slauson-Wall, and Washington Boulevard-Mercy Housing.

**AUTHORITY GRANTED TO CEO OR DESIGNEE**

If the recommendations are approved, the CRA/LA Chief Executive Officer or designee would be authorized to take such actions as may be necessary to carry out the agreements, including, but not limited to, executing the CRA/LA Loan Documents and taking the following actions: (1) extending the Initial Term of the Loan by up to one additional year for a total not to exceed three years for the Phase A-2 Project and six years for Phase B; (2) approving revisions to the Project Budgets, so long as the changes do not increase the amount of the CRA/LA Loans or otherwise have a material adverse impact on the feasibility of the projects; (3) negotiating and executing

subordination agreements meeting the requirements of California Health and Safety Code Section 33334.14, and making reasonable modifications to the CRA/LA Loan Documents that may be requested by any Senior Lender or Tax Credit Equity Investor, so long as such changes do not adversely affect the receipt of any material benefit by CRA/LA; (4) negotiating and executing Inter-creditor Agreements with and Estoppel Certificates to other lenders, to the extent such Inter-creditor Agreements and Estoppel Certificates are consistent with the terms of the Loan Agreement; and (5) approving certain non-material revisions to the terms of the agreements reasonably requested by a Permitted Lender or Tax Credit Equity Investor.

Christine Essel  
Chief Executive Officer

By:

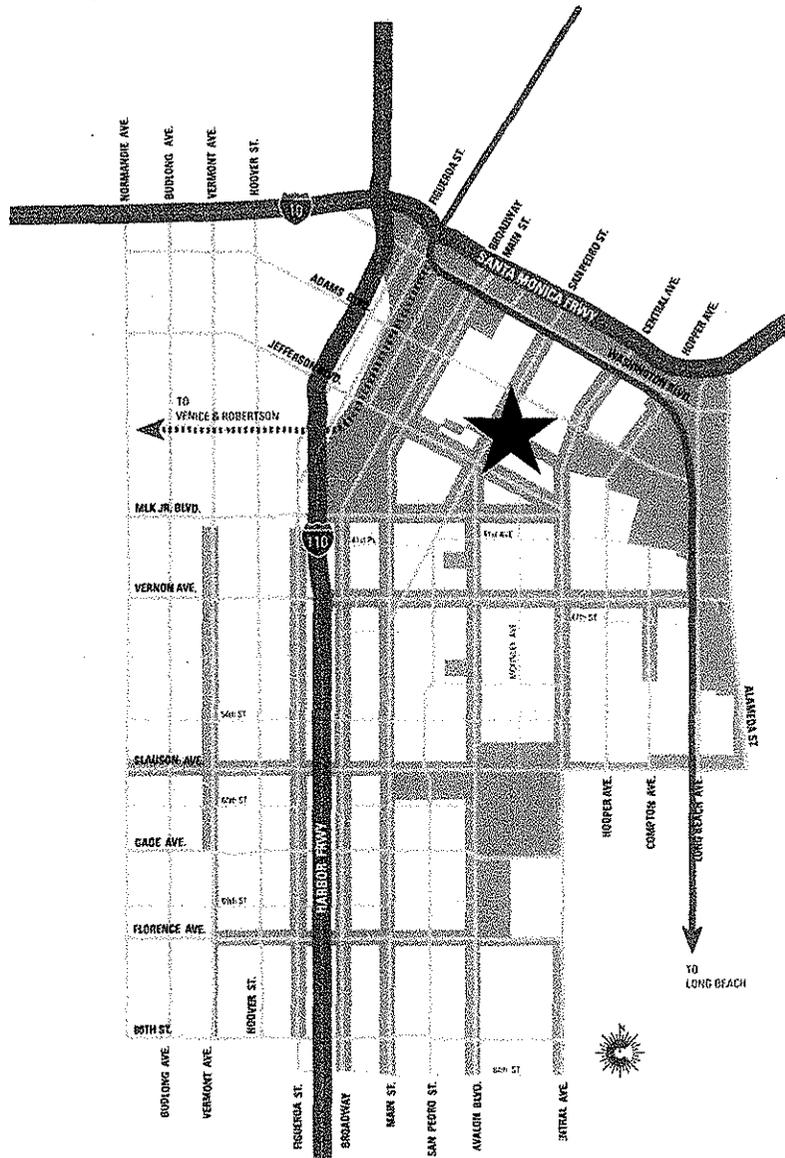


Calvin E. Hollis  
Chief Operating Officer

There is no conflict of interest known to me which exists with regard to any CRA/LA officer or employee concerning this action.

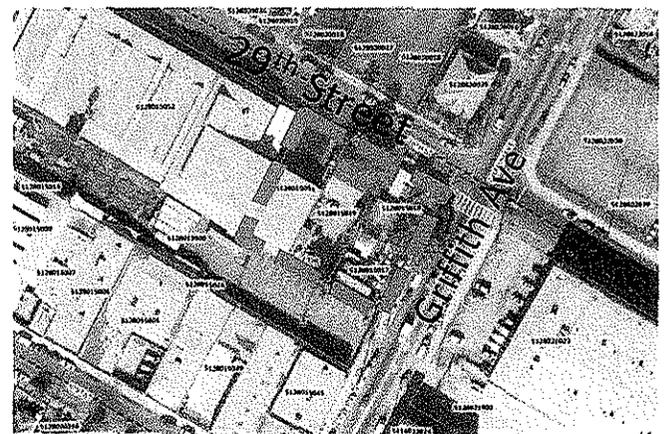
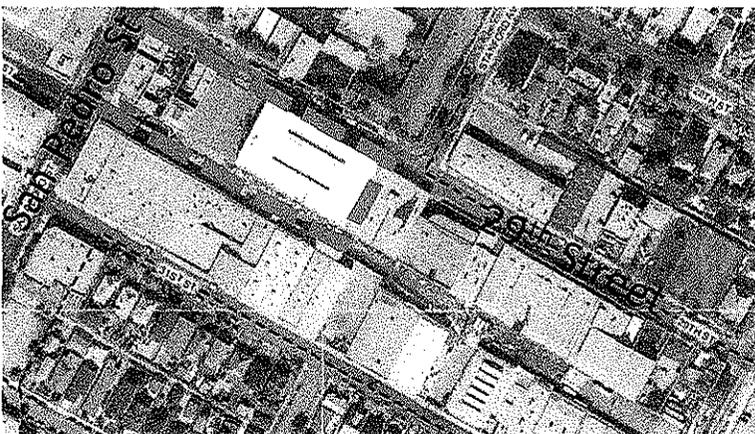
#### ATTACHMENTS

- Attachment A: Location/Site Map
- Attachment B: Project Term Sheet
- Attachment C: Affordable Housing Information
- Attachment D: Sources and Uses
- Attachment E: Subordination Resolution
- Attachment F: Project Summary Report



Project Site Phase B

Project Site Phase A2



706-736 E. 29<sup>th</sup> Street & 2906 S. San Pedro Street  
APN's: 5128015032, 5128015039, 5128015034, 5128015041,  
5128015030, 5128015031

848-854 E. 29<sup>th</sup> Street & 2901 S. Griffith Avenue  
APN's: 5128015051, 5128015019, 5128015018, 5128015017

## ATTACHMENT B PROJECT TERM SHEET – PHASE A-2

<b>Project Name:</b>	Horizons at 29 <sup>th</sup> Street
<b>Address</b>	848 - 854 E. 29th Street and 2901 South Griffith Avenue, Los Angeles, CA 90001 Downtown Region
<b>Region and Project Area:</b>	CD9 Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area
<b>Borrower (Legal Entity):</b>	UHC 00014 Los Angeles, LP
<b>Developer/Sponsor:</b>	Urban Housing Communities
<b>Total # of Units / Affordable</b>	29 / 28
<b>New Cnstr. or Acq. &amp; Rehab. Family / Senior / Special Needs</b>	New Construction Family
<b>Appraised Value of Property</b>	2,327,640
<b>Total Development Cost / Per Unit</b>	18,709,100 / \$645,138
<b>CRA/LA Loan Amount:</b>	\$1,100,000
Per Total Units <input type="checkbox"/> Per Affordable Units	<input type="checkbox"/> \$37,931 / <input type="checkbox"/> \$39,286
<b>Source of CRA/LA funding:</b>	CD9 Tax Increment
<b>Interest Rate/Term of Loan:</b>	3% / 2 years
<b>For what is CRA/LA paying:</b> <input type="checkbox"/> <input type="checkbox"/> (check all applicable categories) <input type="checkbox"/>	Acquisition Predevelopment/Soft Costs Relocation Costs
<b>CRA/LA Lien Priority? Subordination of Housing Covenant?</b>	2nd position until construction commencement; list all senior lenders: US Bank x Yes or <input type="checkbox"/> No (if yes, prepare 33334.14 findings)
<b>Other Project Funding Sources:</b> <input type="checkbox"/>	TCAC – 9% LAHD CalREuse Grant
<b>Any special provisions/conditions precedent or subsequent?</b> <input type="checkbox"/> <u>Examples:</u> Allocation by TCAC within how many rounds; commitment from other funding sources (may include commitment of equity factor); timing of CRA/LA funding; non-disturbance agreement if it is a leasehold deal; any unique, project-specific issue?	
<b>Consistent with CRA/LA Housing Policy?</b> <input type="checkbox"/>	Yes

**ATTACHMENT B  
PROJECT TERM SHEET – PHASE B**

<b>Project Name:</b>	Horizons at 29 <sup>th</sup> Street
<b>Address</b>	704 E, 29 <sup>th</sup> Street, Los Angeles, CA 90001
<b>Region and Project Area:</b>	Downtown Region CD9 Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area
<b>Borrower (Legal Entity):</b>	UHC 00082 Los Angeles, LP
<b>Developer/Sponsor:</b>	Urban Housing Communities
<b>Total # of Units / Affordable</b>	70 / 69
<b>New Cnstr. or Acq. &amp; Rehab.</b>	New Construction
<b>Family / Senior / Special Needs</b>	Family
<b>Appraised Value of Property</b>	7,500,000
<b>Total Development Cost / Per Unit</b>	38,911,786 / \$555,883
<b>CRA/LA Loan Amount:</b>	\$3,750,000
Per Total Units <input type="checkbox"/> Per Affordable Units	\$53,571 / \$54,348
<b>Source of CRA/LA funding:</b>	CD9 Tax Increment
<b>Interest Rate/Term of Loan:</b>	3% / 5 years
<b>For what is CRA/LA paying:</b>	Acquisition Predevelopment/Soft Costs Relocation Costs
<b>CRA/LA Lien Priority? Subordination of Housing Covenant?</b>	1 <sup>st</sup> Position on Palace Platting property; 2nd position on all other properties until construction commencement; senior lender anticipated to be Bank of America
<b>Other Project Funding Sources: <input type="checkbox"/></b>	TCAC – 9% LAHD City of Industry Developer Equity
<b>Any special provisions/conditions precedent or subsequent? <input type="checkbox"/> Examples:</b> Allocation by TCAC within how many rounds; commitment from other funding sources (may include commitment of equity factor); timing of CRA/LA funding; non-disturbance agreement if it is a leasehold deal; any unique, project-specific issue?	
<b>Consistent with CRA/LA Housing Policy? <input type="checkbox"/></b>	Yes

**ATTACHMENT C  
AFFORDABLE HOUSING INFORMATION SHEET**

Project Name: Horizons at 29th Street Phase A-2  
 Project Address: 848 - 854 E. 29th Street and 2901 South Griffith Avenue  
 Project Developer: UHC 00014 Los Angeles, LP

Redevelopment Project Area: CD9 Project Area  
 Date of Pro Forma: 3/11/2011

HCD MAXIMUM RENT ANALYSIS					
	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
Extremely Low Income (≤30% AMI)	\$331	\$378	\$425	\$473	\$510
Very-Low Income (31% - 50% AMI)	\$551	\$630	\$709	\$788	\$851
Low Income (51% - 80% AMI)	\$662	\$756	\$851	\$945	\$1,021
Moderate Income (81% - 120% AMI)	\$1,213	\$1,386	\$1,559	\$1,733	\$1,871
Manager's Unit	\$0	\$0	\$0	\$0	\$0
Unrestricted	Market	Market	Market	Market	Market

HCD INCOME TARGETING							
	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total Units	% Total
Very-Low Income			7	2		9	31%
Low Income			7	2		9	31%
Moderate Income			8	2		10	34%
Manager's Unit			1			1	3%
Unrestricted						0	0%
<b>TOTALS</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>6</b>	<b>0</b>	<b>29</b>	<b>100%</b>

TAX CREDIT INCOME TARGETING							
	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total Units	% Total
30% AMI			2	1		3	10%
35% AMI			5	1		6	21%
40% AMI						0	0%
45% AMI			7	2		9	31%
50% AMI						0	0%
55% AMI						0	0%
60% AMI			8	2		10	34%
Manager's Unit			1			1	3%
Unrestricted						0	0%
<b>TOTAL UNITS</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>6</b>	<b>0</b>	<b>29</b>	<b>100%</b>

INCLUSIONARY HOUSING ANALYSIS							
Project Area	All new and substantially rehabilitated units (2002 to Present)		848 - 854 E. 29th Street and 2901 South Griffith Avenue (This Project)		Total Units Developed		Obligation
CD9 Project Area	# of units	%	# of units	%	# of units	%	
Very-Low Income	185	17%	9	31%	194	17%	40% of 15%
Low Income	451	42%	9	31%	460	41%	60% of 15%
Moderate Income		0%	10	34%	10	1%	
Market Rate	446	41%	1	3%	447	40%	
<b>TOTAL</b>	<b>1082</b>	<b>100%</b>	<b>29</b>	<b>100%</b>	<b>1111</b>	<b>100%</b>	

PROPORTIONALITY ANALYSIS							
Project Area	LMIHF Expenditures (2002 to Present)		848 - 854 E. 29th Street and 2901 South Griffith Avenue (This Project)		Total		Requirement
CD9 Project Area	\$	%	\$	%	\$	%	
Very-Low Income	\$6,221,797	30%	\$600,000	55%	\$6,821,797	31%	At least 45%
Low Income	\$6,041,089	29%	\$500,000	45%	\$6,541,089	30%	At least 26%
Moderate Income	\$8,625,233	41%		0%	\$8,625,233	39%	Maximum 29%
Market Rate		0%		0%	\$0	0%	Maximum 29%
<b>TOTAL</b>	<b>\$20,888,119</b>	<b>100%</b>	<b>\$1,100,000</b>	<b>100%</b>	<b>\$21,988,119</b>	<b>100%</b>	

AGE RESTRICTED HOUSING EXPENDITURES							
Project Area	LMIHF Expenditures (2002 to Present)		848 - 854 E. 29th Street and 2901 South Griffith Avenue (This Project)		Total		Requirement
CD9 Project Area	\$	%	\$	%	\$	%	
Age Restricted	\$1,866,190	9%		0%	\$1,866,190	8%	Maximum 20%
Non-Age Restricted	\$19,001,928	91%	\$1,100,000	100%	\$20,101,928	92%	Minimum 80%
<b>TOTAL</b>	<b>\$20,868,118</b>	<b>100%</b>	<b>\$1,100,000</b>	<b>100%</b>	<b>\$21,968,118</b>	<b>100%</b>	

HOUSING POLICY ANALYSIS					
	# of Units	% Total	Trust Fund Only	Other CRA Funds	Combined Funds
Below 30% AMI	3	10%	At least 30%	At least 10%	At least 20%
31% - 50% AMI	15	52%			
51% - 80% AMI	10	34%	N/A	At least 10%	
81% - 120% AMI		0%	Maximum 30%	N/A	N/A
Manager's Unit	1	3%	N/A	N/A	N/A
<b>TOTAL</b>	<b>29</b>	<b>100%</b>			

The CRLA goal is to produce extremely low-income units whenever feasible. No project shall be funded in which the only assisted units are for moderate income households.

## ATTACHMENT C AFFORDABLE HOUSING INFORMATION SHEET

Project Name: Horizons at 29th Street Phase B  
Project Address: 704 E. 29th Street  
Project Developer: UHC 00082 Los Angeles, LP

Redevelopment Project Area: CD9 Project Area  
Date of Pro Forma: 3/11/2011

HCD MAXIMUM RENT ANALYSIS					
	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
Extremely Low Income (≤30% AMI)	\$331	\$378	\$425	\$473	\$510
Very-Low Income (31% - 50% AMI)	\$551	\$630	\$709	\$788	\$851
Low Income (51% - 80% AMI)	\$662	\$756	\$851	\$945	\$1,021
Moderate Income (81% - 120% AMI)	\$1,213	\$1,366	\$1,559	\$1,733	\$1,871
Manager's Unit	\$0	\$0	\$0	\$0	\$0
Unrestricted	Market	Market	Market	Market	Market

HCD INCOME TARGETING							
	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total Units	% Total
Very-Low Income			16	6		22	31%
Low Income			16	5		21	30%
Moderate Income			20	6		26	37%
Manager's Unit			1			1	1%
Unrestricted						0	0%
<b>TOTALS</b>	<b>0</b>	<b>0</b>	<b>53</b>	<b>17</b>	<b>0</b>	<b>70</b>	<b>100%</b>

TAX CREDIT INCOME TARGETING							
	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total Units	% Total
30% AMI			5	2		7	10%
35% AMI			11	4		15	21%
40% AMI						0	0%
45% AMI			16	5		21	30%
50% AMI						0	0%
55% AMI						0	0%
60% AMI			20	6		26	37%
Manager's Unit			1			1	1%
Unrestricted						0	0%
<b>TOTAL UNITS</b>	<b>0</b>	<b>0</b>	<b>53</b>	<b>17</b>	<b>0</b>	<b>70</b>	<b>100%</b>

INCLUSIONARY HOUSING ANALYSIS							
Project Area:	All new and substantially rehabilitated units (2002 to Present)		704 E. 29th Street (This Project)		Total Units Developed		Obligation
	CD9 Project Area						
Income Levels	# of units	%	# of units	%	# of units	%	
Very-Low Income	185	17%	22	31%	207	18%	40% of 15%
Low Income	451	42%	21	30%	472	41%	60% of 15%
Moderate Income		0%	26	37%	26	2%	
Market Rate	446	41%	1	1%	447	39%	
<b>TOTAL</b>	<b>1082</b>	<b>100%</b>	<b>70</b>	<b>100%</b>	<b>1152</b>	<b>100%</b>	

PROPORTIONALITY ANALYSIS							
Project Area:	LMIHF Expenditures (2002 to Present)		704 E. 29th Street (This Project)		Total		Requirement
	CD9 Project Area						
Income Levels	\$	%	\$	%	\$	%	
Very-Low Income	\$6,221,797	30%	\$3,000,000	80%	\$9,221,797	37%	At least 45%
Low Income	\$6,041,089	29%	\$750,000	20%	\$6,791,089	28%	At least 26%
Moderate Income	\$8,625,233	41%		0%	\$8,625,233	35%	Maximum 29%
Market Rate		0%		0%	\$0	0%	Maximum 29%
<b>TOTAL</b>	<b>\$20,888,119</b>	<b>100%</b>	<b>\$3,750,000</b>	<b>100%</b>	<b>\$24,638,119</b>	<b>100%</b>	

AGE RESTRICTED HOUSING EXPENDITURES							
Project Area:	LMIHF Expenditures (2002 to Present)		704 E. 29th Street (This Project)		Total		Requirement
	CD9 Project Area						
Income Levels	\$	%	\$	%	\$	%	
Age Restricted	\$1,866,190	9%		0%	\$1,866,190	8%	Maximum 20%
Non-Age Restricted	\$19,001,928	91%	\$3,750,000	100%	\$22,751,928	92%	Minimum 80%
<b>TOTAL</b>	<b>\$20,868,118</b>	<b>100%</b>	<b>\$3,750,000</b>	<b>100%</b>	<b>\$24,618,118</b>	<b>100%</b>	

HOUSING POLICY ANALYSIS					
	# of Units	% Total	Trust Fund Only	Other CRA Funds	Combined Funds
Below 30% AMI	7	10%	At least 30%	At least 10%	At least 20%
31% - 50% AMI	36	51%			
51% - 80% AMI	26	37%	N/A	At least 10%	
81% - 120% AMI		0%	Maximum 30%	N/A	N/A
Manager's Unit	1	1%	N/A	N/A	N/A
<b>TOTAL</b>	<b>70</b>	<b>100%</b>			

The CRA/LA goal is to produce extremely low-income units whenever feasible. No project shall be funded in which the only assisted units are for moderate income households.

# ATTACHMENT D SOURCES AND USES INFORMATION SHEET

Total Housing Units: 29

Project Name: Crossings on 29th Phase A-2  
 Project Address: 850 E 29th Street  
 Project Developer: UHC 00014 LOS ANGELES, L.P.  
 Project Area: Recovery Redevelopment Project for the Council District Nine Corridors South of the Santa Monica Freeway  
 Date of Pro Forma: 3/14/2011

USES	SOURCES					TOTAL SOURCES BY USES				
	CRAILA	LAHD	OTHER PUBLIC	CONVENTIONAL LENDER	TAX CREDIT EQUITY	DEFERRED COSTS	OTHER SOURCES	TOTAL	\$ PER UNIT	% PHASE
<b>ACQUISITION &amp; PREDEVELOPMENT</b>										
Acquisition & Closing Costs	\$1,100,000						\$1,804,601	\$2,904,601	\$100,159	88%
Fees/Permits/Studies							387,500	\$387,500	\$13,362	12%
Direct Construction Costs								\$0	\$0	0%
Indirect Construction Costs								\$0	\$0	0%
Rent-up Costs								\$0	\$0	0%
Financing Costs								\$0	\$0	0%
Developer Fee								\$0	\$0	0%
<b>Total Acquisition/Predevelopment:</b>	<b>\$1,100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,192,101</b>	<b>\$3,292,101</b>		<b>100%</b>
\$ Per Unit:	\$37,931	\$0	\$0	\$0	\$0	\$0	\$75,590	\$113,521		
% Total Construction Cost:	33%	0%	0%	0%	0%	0%	67%			
<b>CONSTRUCTION</b>										
Acquisition & Closing Costs	\$2,750,000			\$154,605			\$0	\$2,904,605	\$100,159	16%
Fees/Permits/Studies				2,070,594			0	\$2,070,594	\$71,400	11%
Direct Construction Costs		2,996,000	500,000	4,520,372			0	\$8,016,372	\$276,427	43%
Indirect Construction Costs				1,138,391			0	\$1,138,391	\$39,255	6%
Rent-up Costs							126,000	\$126,000	\$4,345	1%
Financing Costs				2,391,445			0	\$2,391,445	\$82,464	13%
Developer Fee				46,594			181,999	\$1,921,950	\$66,274	10%
<b>Total Construction:</b>	<b>\$2,750,000</b>	<b>\$2,996,000</b>	<b>\$500,000</b>	<b>\$10,322,001</b>	<b>\$1,693,357</b>	<b>\$307,999</b>	<b>\$0</b>	<b>\$18,569,357</b>		<b>100%</b>
\$ Per Unit:	\$94,828	\$103,310	\$17,241	\$355,931	\$58,392	\$10,621	\$0	\$640,323		
% Total Construction Cost:	15%	16%	3%	56%	9%	2%	0%			
<b>PERMANENT</b>										
Acquisition & Closing Costs	\$2,750,000			\$154,605			\$0	\$2,904,605	\$100,159	16%
Fees/Permits/Studies				667,395			0	\$2,070,594	\$71,400	11%
Direct Construction Costs		2,996,000	500,000	4,520,372			0	\$8,016,372	\$276,427	43%
Indirect Construction Costs				1,138,391			0	\$1,138,391	\$39,255	6%
Rent-up Costs							126,000	\$126,000	\$4,345	1%
Financing Costs				2,391,445			0	\$2,391,445	\$82,464	13%
Developer Fee				1,739,951			181,999	\$1,921,950	\$66,274	10%
<b>Total Permanent:</b>	<b>\$2,750,000</b>	<b>\$2,996,000</b>	<b>\$500,000</b>	<b>\$822,000</b>	<b>\$11,319,358</b>	<b>\$181,999</b>	<b>\$0</b>	<b>\$18,569,357</b>		<b>100%</b>
\$ Per Unit:	\$94,828	\$103,310	\$17,241	\$28,345	\$390,323	\$6,276	\$0	\$640,323		
% Total Construction Cost:	15%	16%	3%	4%	61%	1%	0%			

# ATTACHMENT D SOURCES AND USES INFORMATION SHEET

Project Name: Crossings on 29th Phase B  
 Project Address: 704 E. 29th Street, Los Angeles  
 Project Developer: UHC 00082 LOS ANGELES, L.P.  
 Project Area: Recovery Redevelopment Project for the Council District Nine Corridors South of the Santa Monica Freeway  
 Date of Pro Forma: 3/14/2011

Total Housing Units: 70

USES	SOURCES					DEFERRED COSTS		OTHER SOURCES	TOTAL SOURCES BY USES		
	CRA/LA	LAHD	OTHER PUBLIC	CONVENTIONAL LENDER	TAX CREDIT EQUITY		TOTAL		\$ PER UNIT	% PHASE	
<b>ACQUISITION &amp; PREDEVELOPMENT</b>											
Acquisition & Closing Costs	\$2,000,000			\$3,808,064					\$5,808,064	\$82,972	72%
Fees/Permits/Studies							541,250		\$541,250	\$7,732	7%
Direct Construction Costs	1,750,000								\$1,750,000	\$25,000	22%
Indirect Construction Costs									\$0	\$0	0%
Rent-up Costs									\$0	\$0	0%
Financing Costs									\$0	\$0	0%
Developer Fee									\$0	\$0	0%
<b>Total Acquisition/Predevelopment:</b>	<b>\$3,750,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,808,064</b>	<b>\$0</b>	<b>\$0</b>	<b>\$841,250</b>		<b>\$8,099,314</b>		<b>100%</b>
\$ Per Unit:	\$53,571	\$0	\$0	\$54,401	\$0	\$0	\$7,732		\$115,704		
% Total Construction Cost:	46%	0%	0%	47%	0%	0%	7%				
<b>CONSTRUCTION</b>											
Acquisition & Closing Costs	\$2,000,000			\$1,983,269					\$5,808,064	\$82,972	15%
Fees/Permits/Studies				4,453,356					\$4,453,356	\$63,619	11%
Direct Construction Costs	1,750,000	7,642,991	879,000	8,798,707					\$19,070,698	\$272,439	49%
Indirect Construction Costs			700,000	1,573,865					\$2,273,865	\$32,484	6%
Rent-up Costs							618,000		\$618,000	\$8,829	2%
Financing Costs				4,687,803					\$4,687,803	\$66,969	12%
Developer Fee							280,300		\$280,300	\$28,571	5%
<b>Total Construction:</b>	<b>\$3,750,000</b>	<b>\$7,642,991</b>	<b>\$1,579,000</b>	<b>\$21,497,000</b>	<b>\$3,544,495</b>	<b>\$898,300</b>	<b>\$0</b>		<b>\$38,911,786</b>		<b>100%</b>
\$ Per Unit:	\$53,571	\$109,186	\$22,557	\$307,100	\$50,636	\$12,833	\$0		\$555,863		
% Total Construction Cost:	10%	20%	4%	55%	9%	2%	0%				
<b>PERMANENT</b>											
Acquisition & Closing Costs	\$2,000,000			\$2,028,000					\$5,808,064	\$82,972	15%
Fees/Permits/Studies									\$4,453,356	\$63,619	11%
Direct Construction Costs	1,750,000	7,642,991	879,000	8,798,707					\$19,070,698	\$272,439	49%
Indirect Construction Costs			700,000	1,573,865					\$2,273,865	\$32,484	6%
Rent-up Costs							618,000		\$618,000	\$8,829	2%
Financing Costs				4,687,803					\$4,687,803	\$66,969	12%
Developer Fee							262,451		\$262,451	\$28,571	5%
<b>Total Permanent:</b>	<b>\$3,750,000</b>	<b>\$7,642,991</b>	<b>\$1,579,000</b>	<b>\$2,028,000</b>	<b>\$23,649,344</b>	<b>\$262,451</b>	<b>\$0</b>		<b>\$38,911,786</b>		<b>100%</b>
\$ Per Unit:	\$53,571	\$109,186	\$22,557	\$28,971	\$337,848	\$3,749	\$0		\$555,863		
% Total Construction Cost:	10%	20%	4%	5%	61%	1%	0%				

ATTACHMENT E -1

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CA  
RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA REGARDING THE SUBORDINATION OF ITS USE RESTRICTIONS PURSUANT TO SECTION 33334.14 OF THE COMMUNITY REDEVELOPMENT LAW AND THE SUBORDINATION OF ITS DEED OF TRUST.

WHEREAS, the Community Redevelopment Agency of the City of Los Angeles, California ("Agency") proposes to enter into a Acquisition and Predevelopment Loan Agreement in connection with providing \$3,750,000 to UHC 00083 Los Angeles, L.P., a California Limited Partnership ("Borrower") pursuant to which the Agency will provide financial assistance to the Borrower for the purpose of constructing approximately 70 units of housing that are affordable to low income, extremely low and very low income families (the "Rental Project"); and

WHEREAS, the Loan Agreement requires covenants to be recorded against the Rental Project placing certain limits on the maximum rents that can be charged, and the maximum income that can be earned by tenants qualified to rent such housing (the "Income and Rent Restrictions"); and

WHEREAS, the Borrower has obtained commitments of financing from a lender conditioned upon the subordination of the Agency's Income and Rent Restrictions; and

WHEREAS, there has been presented to the Agency evidence sufficient on which to find that an economically feasible alternative method of financing the Rental Project on substantially comparable terms and conditions, but without subordination of the covenants and Deed of Trust, is not reasonably available.

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The Agency hereby finds that an economically feasible alternative method of financing the Rental project on substantially comparable terms and conditions, but without subordination, is not reasonably available.

2. The Agency hereby authorizes the Chief Executive Officer of the Agency, or such other official of the Agency as the Chief Executive Officer may designate, to take such actions as may be

necessary in order to subordinate the Agency's loan, deed of trust and housing covenants to the lien of the lender providing financing for the Rental Project, but only upon receipt by the Chief Executive Officer or such designee of written commitments from such lender, reasonably designated to protect the Agency's investment in the event of default, such as the following:

- (a) a right of the Agency to cure a default on the loan;
- (b) a right of the Agency to negotiate with the lender after the notice of default from the lender;
- (c) an agreement that if prior to foreclosure of the loan, the Agency takes title to the Rental Project and cure the default on the loan, the lender will not exercise any right of title to the Agency;
- (d) a right of the Agency to purchase the Rental Project from the Borrower at any time after a default on the loan.

ADOPTED: \_\_\_\_\_

ATTACHMENT E -2

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CA

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA REGARDING THE SUBORDINATION OF ITS USE RESTRICTIONS PURSUANT TO SECTION 33334.14 OF THE COMMUNITY REDEVELOPMENT LAW AND THE SUBORDINATION OF ITS DEED OF TRUST.

WHEREAS, the Community Redevelopment Agency of the City of Los Angeles, California ("Agency") proposes to enter into a Acquisition and Predevelopment Loan Agreement in connection with providing \$1,100,000 to UHC 00014 Los Angeles, L.P., a California Limited Partnership ("Borrower") pursuant to which the Agency will provide financial assistance to the Borrower for the purpose of constructing approximately 29 units of housing that are affordable to low income, extremely low and very low income families (the "Rental Project"); and

WHEREAS, the Loan Agreement requires covenants to be recorded against the Rental Project placing certain limits on the maximum rents that can be charged, and the maximum income that can be earned by tenants qualified to rent such housing (the "Income and Rent Restrictions"); and

WHEREAS, the Borrower has obtained commitments of financing from a lender conditioned upon the subordination of the Agency's Income and Rent Restrictions; and

WHEREAS, there has been presented to the Agency evidence sufficient on which to find that an economically feasible alternative method of financing the Rental Project on substantially comparable terms and conditions, but without subordination of the covenants and Deed of Trust, is not reasonably available.

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The Agency hereby finds that an economically feasible alternative method of financing the Rental project on substantially comparable terms and conditions, but without subordination, is not reasonably available.

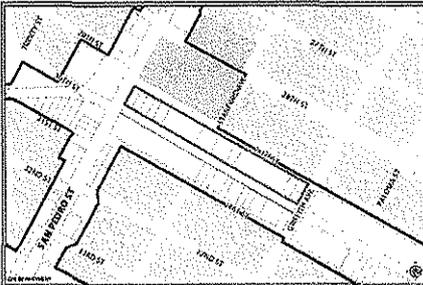
2. The Agency hereby authorizes the Chief Executive Officer of the Agency, or such other official of the Agency as the Chief Executive Officer may designate, to take such actions as may be

necessary in order to subordinate the Agency's loan, deed of trust and housing covenants to the lien of the lender providing financing for the Rental Project, but only upon receipt by the Chief Executive Officer or such designee of written commitments from such lender, reasonably designated to protect the Agency's investment in the event of default, such as the following:

- (a) a right of the Agency to cure a default on the loan;
- (b) a right of the Agency to negotiate with the lender after the notice of default from the lender;
- (c) an agreement that if prior to foreclosure of the loan, the Agency takes title to the Rental Project and cure the default on the loan, the lender will not exercise any right of title to the Agency;
- (d) a right of the Agency to purchase the Rental Project from the Borrower at any time after a default on the loan.

ADOPTED: \_\_\_\_\_

**DOWNTOWN REGION**



Maps created by CRA/LA GIS Team

**COUNCIL DISTRICT 9**

**29TH STREET CROSSINGS**

**Board Item Number:**  
**Board Date:** 3/17/2011

**Project Location**

**Primary Address:**  
814 E. 29th Street, Los Angeles, CA 90011

**Secondary Addresses:**  
848 E. 29th Street, Los Angeles, CA 90011  
2901 S. Griffith Avenue, Los Angeles, CA 90011

**Location Description:**  
South side of 29th Street between San Pedro and Griffith.

**Proposed CRA/LA Action**

Horizons at 29th Street Phase A-2 and B. Amend existing \$500,000 Acquisition and Predevelopment Loan with UHC 00014 Los Angeles, LP to add \$600,000 and extend the term of the loan for the development of Phase A-2 of Horizons at 29th Street, an approximate 29 unit affordable housing project at 848 - 854 E. 29th Street and 2901 South Griffith Avenue and provide a new Acquisition and Predevelopment Loan to 00082 Los Angeles L.P. for Phase B in the amount of \$3,750,000 for development of 70-units of affordable housing at 704 E. 29th Street in the Council District Nine Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area.

**Additional Information**

N/A

**Elected Officials**

- Council District 9, Jan Perry
- County Supervisor District 2, Mark Ridley-Thomas
- State Senate District 22, Kevin De León
- Congress District 31, Xavier Becerra
- Assembly District 46, John A. Pérez

**Project Description**

This three-phase affordable housing project with community space includes properties currently used for industrial purposes that are sited next to a residential community and local elementary school.

**Project Type**

Residential

*Construction Category:* New Construction

*Type of Housing:* Rental Housing

**Project Features:**

- Affordable Housing
- Apartments
- Balconies
- Community Room
- Gardening / Landscaping
- Playground
- Recreation Room

**Developer / Participant(s)**

*Legal Owner / Borrower:* UHC 00014 LP

*Developer Partner(s):* Heritage Housing Partners

**CRA/LA Project Staff**

- David Riccitiello, Regional Administrator
- Jenny Scanlin, Project Manager

**Project Activities**

*Completed Activities:*

- Board Authorization to Execute Agreement, 03/15/07
- Board Action, 02/05/09
- Construction Start, 11/01/10

*Scheduled Activities:*

**Agreement Type(s)**

- Cooperation Agreement
- Loan Agreement

**Sustainable Elements**

- Energy Reductions beyond Title 24
- No or Low VOC paint, carpeting, and/or adhesives
- Water Use Reduction

**Community Benefits**

- Construction Local Hiring
- Elimination of Blight
- Enhance Livability
- Environmental remediation of a contaminated site
- Improve Image of Area
- Increase Supply of Housing Stock
- Living Wage Jobs
- Prevailing Wage Jobs

**Strategic Plan Goals Met**

- 1.1.1 - Create 40,000 construction career-path jobs.
- 2.1.1 - Complete construction of at least 5,500 units of affordable housing in Redevelopment Project areas.

**CRA/LA Policies Applied**

- Construction Careers & Project Stabilization
- Construction Jobs Local Hiring Program
- Contractor / Service Worker Retention
- Contractor Responsibility
- Equal Benefits
- Housing Policy
- Living Wage
- Prevailing Wage

**CRA/LA Policies Not Applied**

*Not Applicable to the Project*

- Public Art Policy, Affordable housing exempt.
- Labor Peace Agreement, Hotel projects only.
- Child Care

**STATISTICS AT A GLANCE**

<b>Estimated Jobs Created:</b>	
Construction Jobs (est.)	116
Permanent Jobs (est.)	2
<b>Total Development Costs (TDC):</b> \$57 million	
<b>CRA/LA Investment:</b> \$8 million	
CRA/LA Investment % of TDC:	13.77%
<b>Total Housing Units:</b> 140	
Market Rate:	0
Manager's Unit(s):	2
<b>Total Affordable Housing Units:</b> 138	
HCD Very Low Income Units:	46
HCD Low Income Units:	44
HCD Moderate Income Units:	48
Undetermined Affordable Units:	0
<b>Total Development Cost Per Unit:</b> \$407,143	
<b>CRA/LA Investment Per Restricted Unit:</b> \$56,884	