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CRA File No. 9353
Council District: 10
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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 07, 2011 City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

VARIOUS ACTIONS RELATED TO:

JEFFERSON BOULEVARD AND 5TH AVENUE APARTMENTS. ENVIRONMENTAL ACTION, LOAN AGREEMENT AND COMMITMENT LETTER FOR JEFFERSON BOULEVARD HOUSING PARTNERS, L.P. NOT TO EXCEED A TOTAL OF \$3,000,000 FOR DEVELOPMENT OF JEFFERSON BOULEVARD AND 5TH AVENUE APARTMENTS AT 2401, 2415, 2421, AND 2425 W. JEFFERSON BOULEVARD IN THE MID-CITY RECOVERY REDEVELOPMENT PROJECT AREA.

RECOMMENDATION

That City Council approves recommendations on the attached Board Memorandum.

ENVIRONMENTAL REVIEW

The City of Los Angeles is the Lead Agency for the Proposed Project for purposes of the California Environmental Quality Act ("CEQA"). The City Planning Department acting through its Planning Commission adopted ENV-2008-3252-MND-DB-REC-1 (MND) and approved the Proposed Project on August 19, 2009. The CRA/LA's environmental responsibility, as a Responsible Agency under CEQA, is to consider environmental effects of the Proposed Project as shown in the MND prepared by the Lead Agency prior to acting on the Proposed Project.

The California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096 (f) permit the CRA/LA to adopt a resolution certifying that it has reviewed and considered the environmental effects of the Project as shown in the City of Los Angeles Mitigated Negative Declaration ENV-2008-3252-MND-DB-REC-1 (MND). CRA/LA staff has completed its review and considered the environmental effects of the Project (findings are set forth in Attachments E2 – Environmental Resolution and E-3 – MND Attachment to Environmental Resolution).

FISCAL IMPACT STATEMENT

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



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

MEMORANDUM

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DATE: MARCH 17, 2011

TO: CRA/LA BOARD OF COMMISSIONERS

FROM: CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER

STAFF: LESLIE LAMBERT, REGIONAL ADMINISTRATOR
MICHELLE BANKS-ORDONE, PROJECT MANAGER
JERRY HAMMOND, SENIOR HOUSING FINANCE OFFICER

SUBJECT: Jefferson Boulevard and 5th Avenue Apartments. Environmental Action, Loan Agreement and Commitment Letter for Jefferson Boulevard Housing Partners, L.P. not to exceed a total of \$3,000,000 for development of Jefferson Boulevard and 5th Avenue Apartments at 2401, 2415, 2421 and 2425 W. Jefferson Boulevard in the Mid-City Recovery Redevelopment Project Area HOLLYWOOD & CENTRAL REGION (CD 10)

MD1550
MD3300
100494

INVESTMENT COMMITTEE: Approved January 12, 2011

RECOMMENDATIONS

That the CRA/LA Board of Commissioners take the following actions:

1. Adopt a resolution certifying that it reviewed and considered the environmental effects of the subject affordable housing project ("Project") as shown in the City of Los Angeles Mitigated Negative Declaration ENV 2008-3252-MND-DB-REC-1 ("MND") pursuant to California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096(f);
2. Adopt a resolution making a finding that an economically feasible alternative method of financing the Project on substantially comparable terms without subordination of the CRA/LA's deed of trust and affordability restrictions on the subject property is not reasonably available, and authorizing subordination of CRA/LA's deed of trust, covenants, and use restrictions to conventional loans during both the construction and permanent phases of the Project; and
3. Adopt a resolution making findings required by Sections 33131, 33132, 33133, and 33445 of the California Health & Safety Code, and request that the City Council adopt said resolution.

That the CRA/LA Board of Commissioners, subject to City Council review and approval, authorize the Chief Executive Officer or designee to:

4. Execute a loan agreement and related documents with Jefferson Boulevard Housing Partners, L.P. ("Borrower") to provide a loan totaling not more than \$1,500,000 from the Mid-City Recovery Redevelopment Project Area Low and Moderate Income Housing Funds ("CRA/LA Loan") and take such other actions as are necessary to carry out said Loan Agreement; and

5. Issue a commitment letter to Borrower in an amount not to exceed \$1,500,000 for State Department of Housing and Community Development ("HCD") Proposition 1C Infill and Infrastructure Grant funds to be reflected in budget line items Affordable housing (Objective Code MD1550) and Public Improvements (MD3300) and take such other actions as are necessary to carry out said commitment letter.

SUMMARY

Approval of the Loan Agreement and the commitment letter would provide a total of \$3 million (\$1.5 million in Project Area Low and Moderate Income Housing Funds ("LMIHF Loan") and \$1.5 million in HCD Proposition 1C IIG funds ("Prop 1C Commitment") to the Project. The recommended actions are necessary to permit Borrower to demonstrate a CRA/LA funding commitment needed to apply for other Project funding sources with application deadlines in the first quarter of 2011. Release of the described CRA/LA funds (except for \$100,000 retained for relocation purposes) will occur concurrently with the close of other Project construction loans. Additionally, such release of CRA/LA funds is conditioned on Borrower's securing other funding commitments in an aggregate amount sufficient to allow it to acquire the Site and construct the Project. The total acquisition price for the Site is \$2.25 million, and the estimated Project construction cost is \$15.55 million. The Project is comprised of 39 affordable family units and one two-bedroom manager's unit. It includes three residential levels over one ground level of parking, office space and community space (including a community service area for residents). Restrictive income and use covenants will be recorded and in effect for a period not less than 55 years.

PREVIOUS ACTIONS

Initial Action.

DISCUSSION & BACKGROUND

Project Site

The Site is located near stations along the Exposition Light Rail Line and the proposed Crenshaw/LAX Transit Corridor. Development of this Project helps implement the Proposition 1C IIG award (to CRA/LA) from HCD. This award funds in-fill and infrastructure projects in contiguous portions of the Project Area (and the Crenshaw Amended Redevelopment Project Area). Such projects in these two Areas would not occur without these HCD funds.

The Project implements well the HCD grant because (1) its affordable housing units contribute to the existing level of grant funding (the total \$14.67 million grant award was based in part on the number of units and their affordability levels), (2) HCD has specifically requested that its Prop 1C funds subsidize transit oriented housing development, and (3) infrastructure improvements built with Prop 1C funds must be constructed by December 31, 2012, or the award will be reduced. The Project includes eligible on-site infrastructure improvements under the grant such as site clearance, grading and parking, which will be developed within the required time frame.

There are currently four structures on the Site. Three are former residential structures converted to commercial use and operated as the Cornerstone Learning Academy. The fourth structure is an abandoned service station. In July-August 2007, Borrower entered purchase agreements with the owners of the lots comprising the Site (i.e., Lacy and Leilani McAllister, and Michelle McGinnis). These agreements were extended through September 30, 2011 to give Borrower additional time to obtain all funding commitments necessary to move forward with Project construction.

Project History and Developer

The Project genesis occurred in 2008 when New Urban Partners, LLC - comprised of Global Housing Development and DN AM Construction Company ("DN AM") ("Project Sponsor") - brought the Project concept to CRA/LA staff. Over the past several years competition among affordable housing developers for limited public funds has been fierce due to the financial downturn. To improve the Project prospects in upcoming funding application rounds, New Urban Partners LLC sought a partnership with Thomas Safran Associates, Inc. ("TSA"). TSA is a well-established developer with a strong track record and excellent reputation in both affordable housing development and management. TSA has successfully partnered with Housing Corporation of America ("HCA") on fifteen affordable housing projects, providing non-profit status for the Borrower, and will play the same role in this deal. Jefferson Boulevard Housing Partners, L.P. is the "Borrower" of the subject CRA/LA Loan and "Developer" of the subject Property. A diagram of the organizational structure is presented in Attachment H.

Constituent Members of Developer

The roles of the constituent members of Developer are contained in Memoranda of Understanding ("MOU") between the Project Sponsor and TSA to construct and operate the Project. As general partner of Developer, TSA will manage the overall operation of the Project and consult with Global Housing Development, Inc., the co-administrative general partner, on major decisions. TSA will also provide supportive services to Project residents. HCA will be brought in at a later date as the managing general partner, and its non-profit status will improve competitiveness for public funding of the Project. DN AM will also be a co-administrative general partner, and per the MOU, shall become the Project's prime contractor only if all of the following conditions are complied with:

- A competitive bid process (acceptable to CRA/LA) is conducted for the Project contractor, and DN AM wins the bid;
- DN AM provides a payment and performance bond; and
- DN AM agrees to submit to TSA's final decision-making authority with regard to the Project (including Project construction).

A final MOU and/or Partnership Agreement executed by all parties must reflect the aforementioned conditions prior to disbursement of any CRA/LA funds.

The Developer's general partner (TSA) has the highly experienced and successful Thomas Safran as its principal. TSA has developed 35 affordable housing projects, of which five were CRA/LA financed: Hollywood El Centro, La Brea Franklin Apartments, Montecito Apartments, Rittenhouse Square, and Strathern Park. TSA has two other CRA/LA funded projects in the pipeline: Canby Woods, and Dunbar Hotel Apartments (rehabilitation). In addition, TSA manages more than 3,000 units in Southern California with a reputation for very attentive maintenance and care of its residents.

As stated above, Global Housing Development, Inc. ("Global Housing") is part of New Urban Partners LLC. With Kaifa Tulay as its President, Global Housing has developed Arlington-Rodeo Apartments, Fumbah Manor and Benton Green (all affordable housing projects, the first two funded in part by CRA/LA). DN AM Construction, with Dae Woo Nam as its principal, has over two decades of experience in affordable rental housing built with prevailing wage workers. HCA has developed and/or owned 55 affordable housing complexes. Its total work consists of 5,341 units (mostly located in California), and it has partnered with TSA on Rittenhouse Square, Skyline Village and Casa Lucerna.

All constituent members of Developer are currently in good standing with the exception of DN AM Construction ("DN AM"). DN AM has four outstanding liens related to a housing rehabilitation project at 9th and Broadway in downtown Los Angeles. Once a final Certificate of Occupancy ("C of O") is

issued (in the near future) for this project, construction retention should be released to permit payment of the outstanding liens. Funding of the CRA/LA Loan will be conditioned upon satisfactory release of these liens.

Developer Selection Process

This Project was Developer-initiated with the support of Council District 10.

Proposed Project

The Site is generally situated south of the Santa Monica Freeway and north of Exposition Blvd. midway between Crenshaw Blvd. and Western Avenue. It fronts on Jefferson Blvd., a commercial thoroughfare comprised mostly of a mix of older commercial structures and residential structures converted into commercial uses. The surrounding area is predominantly residential and is characterized by small, single-family residences dating from the 1920's and 1930's.

The proposed Project is a 48,802 SF, 4-story development with 9 one-bedroom apartments (705 sq. ft.), 19 two-bedrooms (917 sq. ft.), and 12 three bedrooms (1,171 sq. ft.). Based on HCD rents, 18 units will be restricted to Very Low Income households, 10 units to Low Income households, and 11 units to Moderate Income households (the two-bedroom manager's unit will be unrestricted). The Project will include approximately 9,542 sq. ft. of circulation, lobby, office and restroom space, 1,456 sq. ft. of community and social service space, and 71 at-grade secured, covered parking spaces. The existing structures on the Site will be demolished.

A relocation plan is not required because only one small business currently operates on-site with few employees. However, after the CRA/LA Loan is fully executed, the existing business will be provided relocation benefits consistent with all applicable laws and requirements. A CRA/LA-approved relocation consultant, Del Richardson and Associates, was selected to administer the relocation process which will be overseen by CRA/LA Real Estate staff. Relocation funds totaling \$100,000 will be withheld from the total \$1.5 million LMIHF loan amount and deposited in a separate CRA/LA retention account. Once relocation activities/payments have been made by Developer to the satisfaction of staff, the withheld funds will be released to Developer or his vendors based on invoices. In the event relocation costs exceed the amount withheld, Developer will not be compensated by CRA/LA for the overage. Instead, Developer will be responsible for absorbing such overage.

Community Benefits

The proposed Project will eliminate existing dilapidated and deteriorated structures, site conditions, as well as provide sound and safe housing for families and large families. Additionally, it will plant six trees. Also, Developer will comply with all applicable CRA/LA Policies, which are listed in the Project Summary Report (Attachment G). The Project will also provide much needed public improvements within the contiguous portion of the Project Area and the Crenshaw Amended Redevelopment Project Area as a result of the HCD Prop 1C IIG Award preserving the \$14.7 million allocation.

Financial Analysis

The proposed Project is slated to commence construction after the Borrower successfully obtains commitments/awards for all funding sources. The other sources of funding are contingent upon the total \$3 million commitment comprised of \$1.5 million from LMIHF and \$1.5 million from Prop 1C funds. If LAHD and TCAC commitments/awards are successfully obtained in the upcoming rounds, construction could commence in late summer 2011. Developer will be allowed up to two attempts to obtain LAHD and TCAC commitments/awards. If unsuccessful, the CRA/LA will reconsider whether the funds should be reprogrammed for other use(s).

Upon approval of the recommendations, CRA/LA will enter into the CRA/LA Loan and a Commitment Letter with Borrower, which will provide a total of \$3 million in construction loan funds that will, upon satisfaction of the CRA/LA conditions precedent set forth in the CRA/LA Loan Agreement ("Loan Agreement"), automatically convert to a permanent loan. Upon execution of the contract with the State of California for the Prop 1C funds, a second Loan Agreement will be executed which incorporates the requirements of this funding. Of the total \$3 million, \$1.5 million of LMHF will have a 55-year term and 3% simple interest accruing from the date of the promissory note, payable based on CRA/LA's prorata share of residual receipts loans (see Attachment B, Project Term Sheet). The remaining \$1.5 million in Prop 1-C funds was awarded to CRA/LA for development of projects in a defined geographical area in which the subject Site is situated. These Prop 1C Loan funds will have a 55 year loan term and 0% interest payable from the date of the C. of O., also payable from residual receipts and will only be spent for eligible off-site and on-site expenses as identified in the approved Project proforma and required under the terms of grant.

The Project's total development cost is \$15.55 million, or approximately \$398,707 per affordable unit (\$191,970 per bedroom). These figures are inclusive of 71 parking spaces, approximately 11,000 sq. ft. of circulation and community space, open space, LEED sustainability features and other project amenities. Each of the \$1.5 million CRA/LA administered Loans as a percentage of total development cost is 9.7%, and the per-unit contribution to the Project for the 39 affordable units from each source is \$38,462.

CRA/LA is authorized to administer the use of Proposition 1C IIG funds under the guidelines of the grant. HCD executed the Award Letter for the Crenshaw Corridor on May 20, 2010 (Attachment I), which was received by CRA/LA in August 2010.

ECONOMIC IMPACT

The following table* describes the economic impacts estimated to be created by this project.

Estimated Economic Impacts Created by this Project*	
Estimated Construction Jobs Created	86
Estimated Permanent Jobs Created	2

*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, U.S. Department of Housing and Urban Development, CRA/LA, and the City and County of Los Angeles.

In addition to the creation of these construction and permanent jobs, redevelopment of the site will eliminate the existing deteriorated structures and improve the neighborhood by replacing them with a new, high-quality apartment building that will benefit 39 low and moderate income households.

SOURCE OF FUNDS

Mid-City Recovery Redevelopment Project Area Low and Moderate Income Housing Funds and State Department of Housing and Community Development Proposition 1C Infill and Infrastructure Grant

PROGRAM AND BUDGET IMPACT

This action is consistent with the Amended FY2011 Budget and Work Program relating to the Mid-City Recovery Redevelopment Project Area. Following the approval of this Project, \$1,725,900 of \$5,526,900 will remain for Affordable Housing. There are sufficient funds to make any required State ERAF payments. There is no impact on the City's General Fund.

ENVIRONMENTAL REVIEW

The City of Los Angeles is the lead agency for the Proposed Project for purposes of the California Environmental Quality Act (CEQA). The City Planning Department acting through its Planning Commission adopted ENV-2008-3252-MND-DB-REC-1 (MND) and approved the Proposed Project on August 13, 2009. The CRA/LA's environmental responsibility, as a Responsible Agency under CEQA, is to consider the environmental effects of the Proposed Project as shown in the MND prepared by the lead agency prior to acting on the Proposed Project.

The California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096(f) permit the CRA/LA to adopt a resolution certifying that it has reviewed and considered the environmental effects of the Project as shown in the City of Los Angeles Mitigated Negative Declaration ENV 2008-3252-MND-DB-REC-1 ("MND"). CRA/LA staff has completed its review and considered the environmental effects of the Project (findings are set forth in Attachments E-2 – Environmental Resolution, and E-3 - MND Attachment to Environmental Resolution).

FINDINGS

The California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096(f) permit the CRA/LA to adopt a resolution certifying that it has reviewed and considered the environmental effects of the Project as shown in the City of Los Angeles Mitigated Negative Declaration ENV 2008-3252-MND-DB-REC-1 ("MND"). CRA/LA staff has completed its review and considered the environmental effects of the Project (findings are set forth in Attachments E-2 – Environmental Resolution, and E-3 - MND Attachment to Environmental Resolution).

Staff recommends that the CRA/LA Board of Commissioners make a finding that an economically feasible alternative method of financing or refinancing without subordination of CRA/LA's deed of trust and affordable housing covenant is not reasonably available, but only when the CRA/LA obtains written commitments reasonably designed to protect the CRA/LA's investment in the event of default (see Attachment E-1 – Subordination Resolution). The Subordination Agreement will contain notice provisions such as one or more of the following rights as set forth in the statute:

- A. A right of the CRA/LA to cure a default on the loan(s).
- B. A right of the CRA/LA to negotiate with the lender after notice of default from the lender.
- C. An agreement that if prior to foreclosure of a loan, the CRA/LA takes title to the property and cures the default on the loan(s), the lender will not exercise any right it may have to accelerate the loan(s) by reason of transfer of title to the CRA/LA.
- D. Right of the CRA/LA to purchase property from the owner at any time after a default on the loan(s).

Staff recommends that the CRA/LA Board of Commissioners make findings as required by Sections 33131, 33132, 33133, and 33445 of the California Health & Safety Code regarding public infrastructure improvements to be financed with HCD Proposition 1C IIG proceeds awarded to the CRA/LA (Attachment E-4 Joint Resolution).

As Indicated in Attachment C, Affordable Housing Information, with the approval of this proposal, the Mid-City Redevelopment Project will not have provided sufficient affordable housing units to comply with the 15% Inclusionary Housing requirement. CRA/LA staff expects to come into compliance on or before the December 31, 2014 statutory compliance deadline as the result of the development of one or more proposed affordable family projects on CRA/LA-owned sites that are currently under consideration.

As indicated in Attachment C, with the approval of this proposal, the Mid-City Recovery Redevelopment Project will not have spent funds from the Low and Moderate Income Housing Fund in proportion to need, in that the amount of LMIFH spent to date on Senior Housing will exceed the allowable percentage. CRA/LA staff expects to come into compliance on or before the December 31, 2014 statutory compliance deadline as a result of funding the development of one or more proposed non-age restricted affordable housing projects currently under consideration.

AUTHORITY GRANTED TO CEO OR DESIGNEE

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, CRA/LA staff is not aware of any domestic lending institutions willing to provide conventional financing without subordination of covenants, as well as CRA/LA loans. Such well-margined low-risk loans are still eligible for credit under the Community Reinvestment Act. The conventional construction and permanent lender has indicated that subordination of the CRA/LA's covenants will be required.

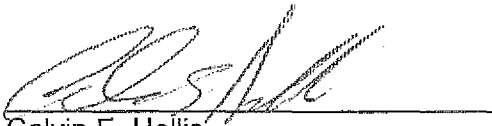
It is anticipated that the Loan Agreement will authorize the CRA/LA Chief Executive Officer or designee to take such actions as may be necessary to implement it, including, but not limited to, executing related CRA/LA loan documents and taking the following actions: (1) approving revisions to the Project Budget, 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 Project; (2) 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; (3) 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 Agreements; (4) approving certain non-material revisions to the terms of the Loan Agreements reasonably requested by a Permitted Lender or Tax Credit Equity Investor; and (5) administrative actions such as disbursement agreements and reporting procedures necessary to secure and reimburse HCD Proposition 1C IIG funds.

PROJECT SUPPORT

Councilmember Herb Wesson and the Mid-City Project Area Committee support the recommended actions.

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.

- Attachment A: Location Map
- Attachment B: Project Term Sheet
- Attachment C: Affordable Housing Information
- Attachment D: Sources/Uses
- Attachment E: Resolutions
 1. Subordination Resolution
 2. Environmental Resolution
 3. MND Attachment to Environmental Resolution
 4. 33131, 33132, 33133 and 33445 Resolution
- Attachment F: Elevation
- Attachment G: Project Summary Report
- Attachment H: Organizational Structure
- Attachment I: HCD Prop 1C IIG Award Letter

ATTACHMENT A
LOCATION / SITE MAP

Jefferson Blvd. & 5th Ave. Apts.
2401, 2415, 2421 and 2425 W. Jefferson Boulevard Los Angeles, CA 90018
Hollywood/Central Region, Mid-City Recovery Redevelopment Project Area



ATTACHMENT B PROJECT TERM SHEET

Basic Project Information	
Project Name:	Jefferson and 5 th Apartments
Address	2401, 2415, 2421 and 2425 W. Jefferson Boulevard
Region and Project Area:	Hollywood/Central; Mid-City Recovery Redevelopment Project Area
Borrower (Legal Entity):	Jefferson Blvd. Housing Partners, L.P.
Developer/Sponsor:	New Urban Partners, LLC, Hsg Corp of America, Thomas Safran Assoc., Inc, and Housing Corporation of America
Total # of Units / Affordable	40 / 39
Project Type	
New Cnstr. or Acq. & Rehab.	New Construction
Family / Senior / Special Needs	Family
Financial Details	
Appraised Value of Property	\$3.3 million Date of Appraisal April 9, 2008
Total Development Cost / Per Unit	\$15,549,588 /\$388,740 (40 units total)
Loan Terms	
CRA/LA Loan Amount:	\$1.5mm (excludes a commitment for an additional \$1.5mm from Prop 1C IIG)
Per Total Units	\$37,500
Per Affordable Units	\$38,462
Source of CRA/LA funding:	Mid-City Recovery Redevelopment Project Area Low and Moderate Income Housing Funds (\$1.5mm)
Interest Rate/Term of Loan:	CRA/LA: 3.0%, 55 yrs.
For what is CRA/LA paying: <i>(check all applicable categories)</i>	<input checked="" type="checkbox"/> From LMIHTF CRA/LA is reimbursing for 1) acquisition (acquisition will occur concurrent with the construction loan closing – CRA/LA is <u>not</u> making an "acquisition" loan, but a portion of its funds will be used for reimbursement) and 2) relocation. <input type="checkbox"/> Predevelopment/Soft Costs <input checked="" type="checkbox"/> Relocation <input checked="" type="checkbox"/> Construction/Hard Costs
Other Financing	
CRA/LA Lien Priority? Subordination of Housing Covenant?	3rd position (could be 4 th or 5 th position if HCD and/or AHP require subordination); list all senior lenders: Union Bank, LAHD (and possibly HCD and/or AHP) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (if yes, prepare 33334.14 findings)
Other Project Funding Sources:	<input checked="" type="checkbox"/> TCAC – 9% <input type="checkbox"/> CDLAC – 4% <input type="checkbox"/> CDLAC/Bond Only (no tax credits) LAHD <input type="checkbox"/> MHSA HCD: TOD ____; INFILL X; MHP ____; GHI ____ <input type="checkbox"/> City of Industry AHP <input checked="" type="checkbox"/> Other: Developer equity
Any special provisions/conditions precedent or subsequent? <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?	Developer has obtained several extensions to its Purchase & Sale Agreement. The Loan Agreement will provide for 2 attempts to obtain LAHD and TCAC commitments/awards.

Consistent with CRA/LA Housing Policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (if No, brief justification for deviation): The non-age restricted affordable housing percentage exceeds 20%, but is expected to come into compliance with funding of future family projects.

ATTACHMENT C AFFORDABLE HOUSING INFORMATION SHEET

Project Name: Jefferson & 5th Apts.
 Project Address: 2401, 2415, 2421 and 2425 W. Jefferson Boulevard
 Project Developer: Jefferson Boulevard Housing Partners, LP

CRA/LA Region: Hollywood/Central
 Project Area: Mid-City Recovery Redevelopment P.A.
 Date of Pro Forma: 1/14/11

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)	\$652	\$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		5	8	5		18	45%
Low Income		2	5	3		10	25%
Moderate Income		2	5	4		11	28%
Manager's Unit			1			1	3%
Unrestricted						0	0%
TOTALS	0	9	19	12	0	40	100%

TAX CREDIT INCOME TARGETING							
	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total Units	% Total
30% AMI			2	2		4	10%
35% AMI						0	0%
40% AMI		2	6	3		11	28%
45% AMI		0		0		0	0%
50% AMI		5	5	5		16	40%
55% AMI						0	0%
60% AMI		2	4	2		8	20%
Manager's Unit			1			1	3%
Unrestricted						0	0%
TOTAL UNITS	0	9	19	12	0	40	100%

INCLUSIONARY HOUSING ANALYSIS							
Project Area:	All new and substantially rehabilitated units (2002 to Present)		Jefferson & 5th Apts. (This Project)		Total Units Developed		Overall %
Income Levels	# of Units	%	# of Units	%	# of Units	%	
Very-Low Income	32	38%	13	46%	100	39%	40% of 15%
Low Income	119	55%	10	26%	129	50%	
Moderate Income	17	8%	11	28%	28	11%	60% of 15%
TOTAL	216	100%	39	100%	257	100%	

PROPORTIONALITY ANALYSIS							
Project Area:	LMHF Expenditures (2002 to Present)		Jefferson & 5th Apts. (This Project)		Total		Requirement
Income Levels	\$	%	\$	%	\$	%	
Very-Low Income	\$1,095,400	42%	\$1,384,615	46.0%	\$2,481,015	44%	At least 45%
Low Income	1,097,900	40%	769,231	26.0%	1,807,031	32%	At least 26%
Moderate Income	460,000	18%	846,154	28.0%	1,305,954	23%	Maximum 29%
Market Rate					0		Maximum 29%
TOTAL	\$2,595,000	100%	\$3,000,000	100%	\$5,595,000	100%	

AGE RESTRICTED HOUSING EXPENDITURES							
Project Area:	LMHF Expenditures (2002 to Present)		Jefferson & 5th Apts. (This Project)		Total		Requirement
Income Levels	\$	%	\$	%	\$	%	
Age Restricted	\$1,600,000	52%	\$0	0%	\$1,600,000	29%	Maximum 20%
Non-Age Restricted	995,000	35%	\$3,000,000	100%	\$3,995,000	71%	Minimum 80%
TOTAL	\$2,595,000	100%	\$3,000,000	100%	\$5,595,000	100%	

HOUSING POLICY ANALYSIS					
	# of Units	% Total	Trust Funds Only	Other CRA Funds	Combined Funds
Below 30% AMI	4	10%	At least 30%	At least 10%	At least 20%
31% - 50% AMI	27	69%			
51% - 80% AMI	8	21%	N/A	At least 10%	
81% - 120% AMI	0	0%	Maximum 30%	N/A	N/A
Manager's Unit	0	0%	N/A	N/A	N/A
TOTAL	39	100%			

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

Project Name: Jefferson and Fifth Avenue Apartments
 Project Address: 2421 - 2423 Jefferson Boulevard, Los Angeles, CA 90018
 Project Developer: Jefferson Boulevard Housing Partners, LP
 Project Area: 31250
 Date of Pro Forma: 1/14/2011

USES	SOURCES					TOTAL SOURCES BY USES				
	CRAIA	LAHD	OTHER PUBLIC	CONVENTIONAL LENDER	TAX CREDIT EQUITY	DEFERRED COSTS	OTHER SOURCES	TOTAL	\$ PER UNIT	% PHASE
ACQUISITION & PREDEVELOPMENT										
Acquisition & Closing Costs							\$250,000	\$250,000	\$6,250	25%
Fees/Permits/Studies							\$680,800	\$680,800	18,520	65%
Direct Construction Costs							\$0	\$0	0	0%
Indirect Construction Costs							\$0	\$0	0	0%
Rent-up Costs							\$0	\$0	0	0%
Financing Costs							\$8,200	\$8,200	2,230	9%
Developer Fee							\$0	\$0	0	0%
Total Acquisition/Predevelopment:	\$0	\$0	\$0	\$0	\$0	\$0	\$1,938,000	\$1,938,000	\$25,000	100%
\$ Per Unit	0	0	0	0	0	0	25000			
% Total Construction Cost:	0	0	0	0	0	0	1			
CONSTRUCTION										
Acquisition & Closing Costs	\$1,500,000	\$940,500						\$2,440,500	\$61,013	18%
Fees/Permits/Studies		691,339						\$691,339	17,283	4%
Direct Construction Costs	1,500,000	2,473,031		5,436,744				\$9,409,775	236,244	61%
Indirect Construction Costs				63,256				\$411,966	10,299	3%
Rent-up Costs					348,709			\$35,000	3,375	1%
Financing Costs								\$336,008	20,900	5%
Developer Fee								\$1,625,000	40,625	10%
Total Construction:	\$3,000,000	\$4,104,870	\$0	\$5,500,000	\$1,494,718	\$1,450,000	\$0	\$16,649,598	\$388,740	160%
\$ Per Unit	75000	102621.75	0	137500	37367.94239	36250	0			
% Total Construction Cost:	0.192931151	0.263985778	0	0.353707128	0.095125873	0.093250061	0			
PERMANENT										
Acquisition & Closing Costs	\$1,500,000	940,500						\$2,440,500	61,013	18%
Fees/Permits/Studies		691,339						\$691,339	17,283	4%
Direct Construction Costs	1,500,000	2,473,031		1,125,000	4,311,744			\$9,409,775	236,244	61%
Indirect Construction Costs					411,966			\$411,966	10,299	3%
Rent-up Costs					135,000			\$135,000	3,375	1%
Financing Costs					836,008			\$836,008	20,900	5%
Developer Fee			400,000					\$1,625,000	40,625	10%
Total Permanent:	\$3,000,000	\$4,104,870	\$400,000	\$1,125,000	\$6,419,718	\$500,000	\$0	\$16,649,598	\$388,740	160%
\$ Per Unit	75000	102621.75	10000	28125	160492.9424	12500	0			
% Total Construction Cost:	0.192931151	0.263985778	0.025724155	0.072349185	0.412664528	0.032155193	0			

ATTACHMENT E-1 – SUBORDINATION RESOLUTION

SUBORDINATION RESOLUTION

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 DEEDS OF TRUST.

WHEREAS, the Community Redevelopment Agency of the City of Los Angeles, California (the "CRA/LA") proposes to enter into a loan agreement secured by a deed of trust ("Deed of Trust"), in connection with providing \$1,500,000 to Jefferson Blvd. & 5th Ave. Apts., LP, a California limited partnership (the "Developer"), pursuant to which the CRA/LA will provide financial assistance to the Developer for the purpose of developing 40 units of housing, of which 39 units will be affordable to moderate income, low income and very low income households (the "Project") and one unit will be for a Property Manager; and

WHEREAS, the loan agreements require covenants to be recorded against the 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", which term shall include any recorded notice of such restrictions); and

WHEREAS, the Developer has obtained commitments of financing from lender(s) conditioned upon the subordination of the CRA/LA's Income and Rent Restrictions and Deed of Trust; and

WHEREAS, there has been presented to the CRA/LA evidence sufficient on which to find that an economically feasible alternative method of financing the Project on substantially comparable terms and conditions, but without subordination of the Income and Rent Restrictions and Deeds 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 CRA/LA hereby finds that an economically feasible alternative method of financing the Project on substantially comparable terms and conditions, but without said subordination, is not reasonably available.
2. The CRA/LA hereby authorizes the Chief Executive Officer of the CRA/LA, or such other official of the CRA/LA as the Chief Executive Officer may designate, to take such actions as may be necessary in order to subordinate the CRA/LA's loan, Deed of Trust, and Income and Rent Restrictions to the lien(s) of lender(s) providing financing for the Project, but only upon receipt by the Chief Executive Officer or such designee of written commitments from such lender, reasonably designated to protect the CRA/LA's investment in the event of default, such as the following:

- (a) A right of the CRA/LA to cure a default on the loan;
- (b) A right of the CRA/LA 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 CRA/LA takes title to the property and cures the default on the loan, the lender will not exercise any right it may have to accelerate the loan by reason of the transfer of title to the CRA/LA.
- (d) A right of the CRA/LA to purchase the property from the Developer at any time after a default on the loan.

ADOPTED: _____

Attachment E-2 – Environmental Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES (CRA/LA), CALIFORNIA, CERTIFYING THAT IT HAS REVIEWED AND CONSIDERED THE CITY OF LOS ANGELES PLANNING DEPARTMENT'S MITIGATED NEGATIVE DECLARATION, (ENV-2008-3252-MND-DB-REC-1) JEFFERSON BOULEVARD & 5TH AVENUE APARTMENTS PROJECT, LOCATED AT 2401, 2415, 2421 AND 2425 W. JEFFERSON BOULEVARD IN THE MID-CITY RECOVERY REDEVELOPMENT PROJECT AREA

WHEREAS, Jefferson Boulevard Housing Partners, L.P is proposing the construction and operation of a 4-story 40-unit affordable housing development ("proposed project"), within the Mid City Recovery Redevelopment Project area; and

WHEREAS, the City of Los Angeles Planning Department was the lead agency according to the California Environmental Quality Act ("CEQA") for the proposed Project and prepared a Mitigated Negative Declaration for the Project (2008-3252-MND-DB-REC-1); and

WHEREAS, the Mitigated Negative Declaration was adopted by the City of Los Angeles Planning Department, for the proposed project on August 13, 2009.

NOW, THEREFORE, BE IT RESOLVED by the Community Redevelopment Agency of the City of Los Angeles, California, as follows:

1. The Agency, as a responsible agency under CEQA, certifies that it has reviewed and considered the information in 2008-3252-MND-DB-REC-1 for the proposed project in accordance with CEQA.
2. Based on such review and consideration, the CRA/LA hereby determines:
 - a. No substantial changes are proposed in the proposed project that will require major revisions to the adopted Mitigated Negative Declaration.
 - b. No substantial changes have occurred with respect to the circumstances under which the proposed project is being undertaken that will require major revisions to the adopted Mitigated Negative Declaration; and
 - c. No new information of substantial importance to the proposed project, which was not known or could not have been known at the time the adopted Mitigated Negative Declaration was prepared has become available.

ADOPTED:

DEPARTMENT OF
CITY PLANNING
200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801
AND
1262 VAN NUTS BLVD., SUITE 351
VAN NUTS, CA 91401

CITY OF LOS ANGELES
CALIFORNIA

EXECUTIVE OFFICES

S. GAIL GOLDBERG, AICP
DIRECTOR
(213) 978-1271

JOHN A. DUGAN, AICP
DEPUTY DIRECTOR
(213) 978-1274

EVA YUAN-MCDANIEL
DEPUTY DIRECTOR
(213) 978-1273

FAX: (213) 978-1275

INFORMATION
(213) 978-1270

www.planning.lacity.org

CITY PLANNING COMMISSION

JANE'ELISON LUSHER
PRESIDENT

WILLIAM ROSCHEN
VICE-PRESIDENT

DIEGO CARDOSO
REGINA M. FREER
ROBIN R. HUGHES

FR. SPENCER T. KEZIOS
RICARDO LARA

CINDY MONTAÑEZ
MICHAEL K. WOOD

CABRIELE WILLIAMS
COMMISSION EXECUTIVE ASSISTANT
(213) 978-1300



ANTONIO R. VILLARAIGOSA
MAYOR

DEAN C. LOGAN, ACTING CO. CLERK

L. ARTERBERRY

DEPUTY

FILED

SEP 05 2008

NOTICE OF INTENT TO ADOPT

A MITIGATED NEGATIVE DECLARATION

Public Resources Code Section 21092 and Cal. Code of Regulations Title 14, Section 15072 (the Guidelines for the California Environmental Quality Act) require a local agency to provide a notice of intent to adopt a negative declaration or mitigated negative declaration to the public, responsible agencies, trustee agencies, and the county clerk of each county within which the proposed project is located, sufficiently prior to adoption by the lead agency of the negative declaration or mitigated negative declaration to allow the public and agencies the review period provided under Section 15105 of the Guidelines.

Project Title: ENV-2008-3252-MND

Project Location (include county): 2401-2425 W. Jefferson Blvd. and 3115 S. 4th Avenue; West Adams-Baldwin Hills-Leimert; Los Angeles

Project Description: This is a request to permit the construction of a mixed-use project, consisting of 54 low income apartment units and 9,000 square feet of commercial space with 95 parking spaces on a 31,389 square foot site in the C2-1-O Zone. Pursuant to the Density Bonus Ordinance No. 179,681, the applicant is requesting one On Menu Incentive to allow a 3:1 Floor Area Ratio (FAR) in lieu of the required 1.5:1 FAR, and one Off Menu Incentive to allow the waiver of the transitional height requirement to permit a height of 60 feet.

Schedule: The City of Los Angeles will receive comments on the proposed mitigated negative declaration beginning September 4, 2008 for 20 days, ending September 24, 2008. The City of Los Angeles, as lead agency, will make a determination on the project, following a public hearing to be scheduled.

Copies of the proposed mitigated negative declaration and all documents referenced in the proposed mitigated negative declaration are available for review during the lead agency's normal business hours at: City of Los Angeles Planning Department, Environmental Review Section, 200 North Spring Street, Room 750, Los Angeles, California 90012.

Signature: Maya E. Zaitzowsky Title: City Planner Date: 9/24/2008

THIS NOTICE WAS POSTED
ON SEP 05 2008
UNTIL OCT 03 2008
REGISTRAR-RECORDING/COUNTY CLERK

08 0031577

100

09/03/08 12:15PM 0000340057 782
CHECK #50.0
PAY TO L.A. TREASURER
COUNTY CLERK
FOR DEPOSIT ONLY

100

RESOLUTION NO. _____

A JOINT RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES AND THE LOS ANGELES CITY COUNCIL MAKING FINDINGS AS REQUIRED BY SECTIONS 33131, 33132, 33133, AND 33445 OF THE CALIFORNIA HEALTH AND SAFETY CODE AUTHORIZING THE USE OF TAX INCREMENT FUNDS TO PAY FOR CONSTRUCTION OF PUBLIC INFRASTRUCTURE IMPROVEMENTS INCLUDING THE USE OF STATE GRANT FUNDING IN THE MID-CITY RECOVERY REDEVELOPMENT PROJECT AREA

WHEREAS, the Redevelopment Plan for the Mid-City Recovery Redevelopment Project Area ("Project Area") was adopted by the Los Angeles City Council on May 10, 1996, by Ordinance No. 171064 for the purpose of eliminating blight in the Project Area; and

WHEREAS, the Redevelopment Plan provides that among its objectives are the following: installation, construction or reconstruction of streets, utilities, and other public facilities and improvements; and

WHEREAS, Exhibit 3 to the Redevelopment Plan contains a list of proposed public improvements including Jefferson Boulevard between Cochran Avenue and Cimarron Street and various street improvements (new curbs and gutter, sidewalks and parkways, driveways and curb cuts, street widening, etc.) as well as public improvements associated with individual projects; and

WHEREAS, pursuant to California Health and Safety Code Section 33490, the CRA/LA Board of Commissioners adopted a Five Year Implementation Plan for the Project Area on May 20, 2010 ("Implementation Plan"); and

WHEREAS, Section 1.C.5(f) of the Implementation Plan provides that CRA/LA will contribute to coordinating the provision of high quality public improvements; and

WHEREAS, Section 1.C.6 of the Implementation Plan provides for the promotion of sound residential neighborhoods (with careful attention given to the problems of increased land use densities) through mechanisms such as: land use, density, design and property management standards; public improvements, property rehabilitation, sensitive in-fill housing; traffic and circulation programming; and development of open spaces and other services necessary to enable residents to live and work in the Project Area; and

WHEREAS, the CRA/LA is now approving a \$1.5 million LMHIF Loan and a \$1.5 million Prop 1C Commitment for the development of the Jefferson Boulevard and 5th Avenue Apartments located in the Project Area; and

WHEREAS, in connection with the Prop 1C Commitment, up to \$1.5 million are committed to eligible on-site and off-site activities including certain public improvements without limitation, curbs, gutters, driveways, etc., which are part of the Jefferson Boulevard and 5th Street Apartments project; and

WHEREAS, the City of Los Angeles is unable to finance the cost of the Public Improvements because the City faces an approximate \$400 million General Fund deficit for the 2011-2012 fiscal year and the City Council has determined that a fiscal emergency exists in the City of Los Angeles; and

WHEREAS, HCD executed the Award Letter for the Mid-City Crenshaw Corridor Infill and Infrastructure Project for \$14.7 million on May 20, 2010, which was received by CRA/LA in August 2010; and CRA/LA is authorized to administer the use of Prop 1C funds under the guidelines of the grant; and

WHEREAS, Section 33131 of the California Health and Safety Code authorizes a redevelopment agency, with the consent of the legislative body, to (a) prepare and carry out plans for the improvement, rehabilitation, and redevelopment of blighted areas, (b) disseminate redevelopment information, and (c) prepare applications for various federal programs and grants relating to housing and community development and plan and carry out such programs within authority otherwise granted by this part, at the request of the legislative body; and

WHEREAS, Section 33132 of the California Health and Safety Code grants a redevelopment agency the ability to accept financial assistance from public or private sources as authorized by Chapter 6 (commencing with Section 33600) or any other provision in this part; and

WHEREAS, Section 33133 of the California Health and Safety Code grants a redevelopment agency the ability to accept any other assistance from the state or federal government or any public or private source for any redevelopment project within its area of operation or for the agency's activities, powers, and duties; and

WHEREAS, Section 33445 of the California Health and Safety Code authorizes a redevelopment agency, with the consent of the legislative body, to pay all or a part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvements that are publicly owned and are located inside or contiguous to the project area, if the legislative body determines all of the following: (1) that the improvements that are publicly owned are of benefit to the Project Area by helping to eliminate blight within the Project Area; (2) that no other reasonable means of financing the publicly owned improvements are available to the community; and (3) that the payment of funds for the publicly owned improvements is consistent with the Implementation Plan adopted pursuant to Section 33490; and

WHEREAS, the CRA/LA Board of Commissioners and the City Council of the City of Los Angeles, have reviewed and considered the facts, information and testimony presented to them with respect to the Public Improvements, including but not limited to the Board Memorandum dated March 17, 2011, which is incorporated herein by this reference, and do hereby base their consent and findings upon those facts.

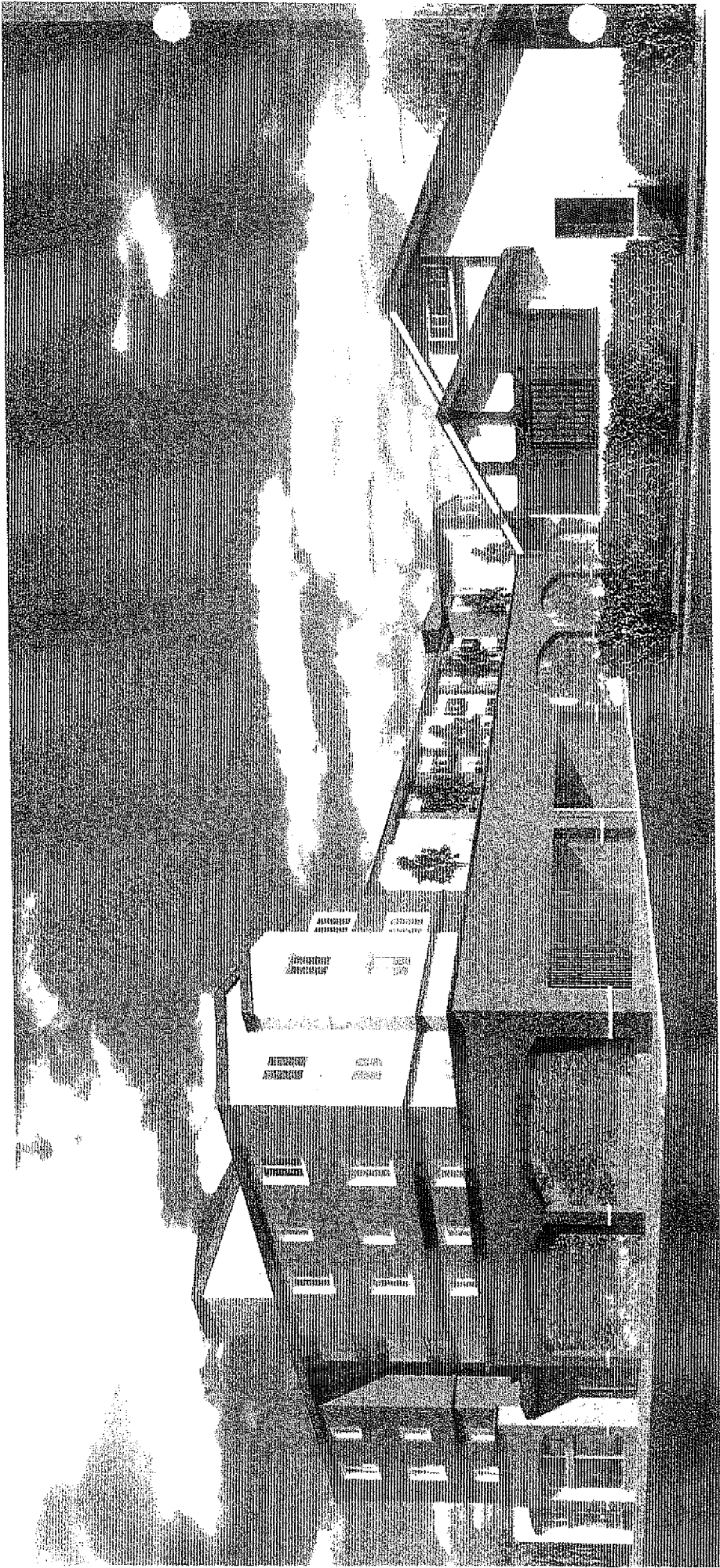
NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF LOS ANGELES DO HEREBY FIND AND RESOLVE AS FOLLOWS:

1. The construction of the Public Improvements is of benefit to the Project Area by helping to eliminate blight within the Project.
2. No other reasonable means of financing the construction of the Public Improvements are available to the community.
3. The payment of funds for the construction of the Public Improvements is consistent with the Implementation Plan.

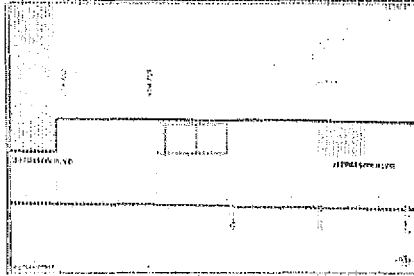
ADOPTED BY THE CRA/LA: _____

ADOPTED BY THE CITY COUNCIL: _____

ATTACHMENT F-1



View looking West from 4th Avenue.



Maps created by CRA/LA GIS Team

STATISTICS AT A GLANCE	
Total Project Size (sq ft):	48,802
Common Area (sq ft):	9,542
Community Room (sq ft):	1,458
Residential (sq ft):	37,804
Estimated Jobs Created:	
Construction Jobs (est.):	86
Permanent Jobs (est.):	2
Total Development Costs (TDC): \$16 million	
CRA/LA Investment:	\$3 million
CRA/LA Investment % of TDC:	19.28%
Total Housing Units: 40	
Market Rate:	0
Manager's Unit(s):	1
Total Affordable Housing Units: 39	
HCD Very Low Income Units:	18
HCD Low Income Units:	10
HCD Moderate Income Units:	11
Undetermined Affordable Units:	0
Total Development Cost Per Unit: \$388,740	
CRA/LA Investment Per Restricted Unit: \$76,923	

JEFFERSON BOULEVARD & 5TH AVENUE APARTMENTS

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

Project Location
Primary Address:
2401 W. Jefferson Blvd., L.A., Ca 90018

Secondary Addresses:
2425 W. Jefferson Blvd., L.A., Ca 90018
2415 W. Jefferson Blvd., L.A., Ca 90018
2421 W. Jefferson Blvd., L.A., Ca 90018

Location Description:
N. W. corner of W. Jefferson Blvd. and 5th Ave. fronting along W. Jefferson Blvd.

Proposed CRA/LA Action
Jefferson Boulevard and 5th Avenue Apartments, Environmental Action, and Loan Agreements and Commitment Letter for with Jefferson Boulevard Housing Partners, L.P. not to exceed a total of \$3,000,000 for development of Jefferson Boulevard and 5th Avenue Apartments project, at 2401, 2415, 2421 and 2425 W. Jefferson Boulevard in the Mid-City Recovery Redevelopment Project Area

Additional Information
N/A

Elected Officials

- Council District 10, Herb J. Wesson Jr.
- County Supervisor District 2, Mark Ridley-Thomas
- State Senate District 28, Curren D. Price Jr.
- Congress District 33, Karen Bass
- Assembly District 47, Holly J. Mitchell

Project Description
40 affordable family apt units (including 1 unrestricted mgr unit) over ground-level parking and community space.

Project Type
Residential
Construction Category: New Construction
Type of Housing: Rental Housing

Project Features:

- Affordable Housing
- Apartments
- Community Room
- Gardening / Landscaping
- Retail

Developer / Participant(s)
Developer: Global Housing Development, Inc.
Legal Owner / Borrower: Jefferson Boulevard Housing Partners, L.P.
Developer Partner(s): Thomas Safran and Associates
Public Agency Partners: City of Los Angeles Housing Department (LAHD)

CRA/LA Project Staff

- Leslie Lambert, Regional Administrator
- Jerry Hammond, Sr Housing Finance Officer

Project Activities
Completed Activities:

- Deal Points Meeting, 08/07/10
- Loan Committee, 01/12/11
- Agenda Review, 02/15/11

Scheduled Activities:

- Board Action, 03/17/11

Agreement Type(s)

- Loan Agreement

Terms of CRA/LA Investment:
Includes \$1.5 million of HCD Prop 1-C IG funds granted to CRA/LA, and \$1.5 million in CRA/LA low and moderate income housing funds.

Sustainable Elements

- Energy Reductions beyond Title 24
- Formaldehyde-free adhesives
- No or Low VOC paint, carpeting, and/or adhesives
- On-Site Renewable Energy
- Water Use Reduction

LEED® Attainment Level, Type
Silver

Community Benefits

- Construction Local Hiring
- Creation of Affordable Housing
- Elimination of Blight
- Enhance Livability
- Enhance Public Safety
- Improve Image of Area
- Improved Infrastructure
- Increase Supply of Housing Stock
- Living Wage Jobs
- Majority Union Jobs
- Neighborhood Stabilization
- New Affordable Covenants
- Permanent Local Hiring
- Prevailing Wage Jobs

Strategic Plan Goals Met

- 1.1.1 - Create 40,000 construction career-path jobs.
- 1.1.2 - Invest in projects and programs to provide 2,000 family-supporting permanent jobs.
- 2.1.1 - Complete construction of at least 5,500 units of affordable housing in Redevelopment Project areas.

CRA/LA Policies Applied

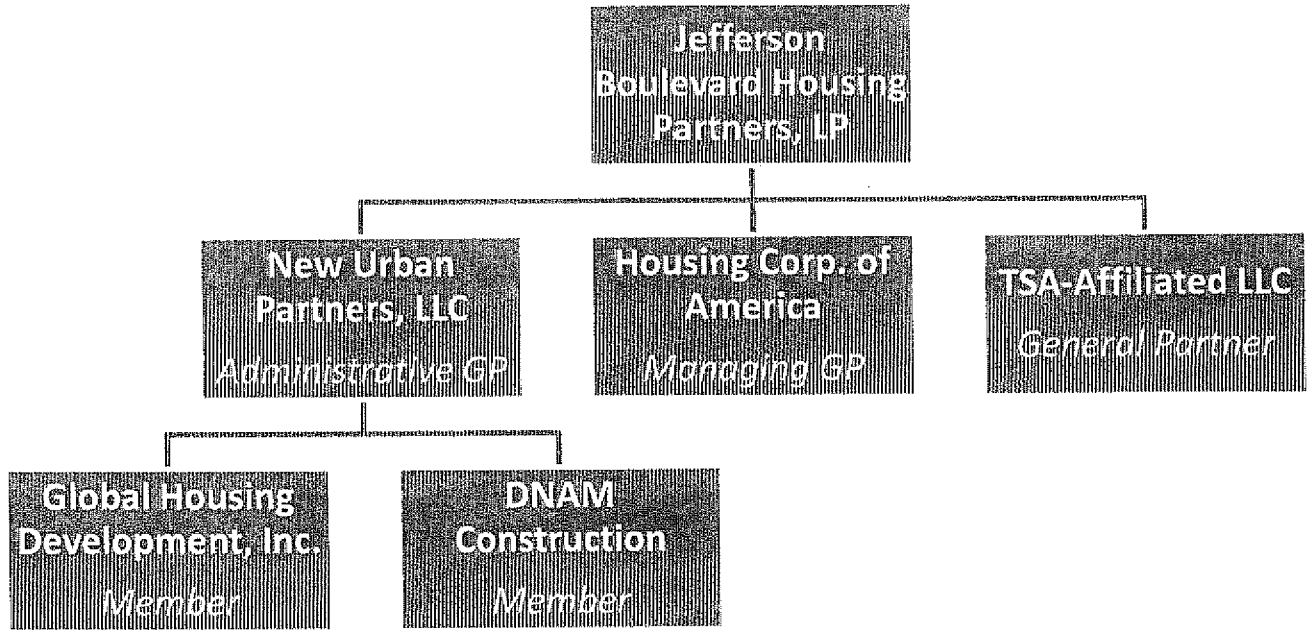
- Construction Jobs Local Hiring Program
- Contractor / Service Worker Retention
- Contractor Responsibility
- Equal Benefits
- Housing Policy
- Living Wage
- Prevailing Wage

CRA/LA Policies Not Applied
Not Applicable to the Project

- Public Art Policy, This is an affordable housing project.
- Construction Careers & Project Stabilization, This housing project has less than 75 units.
- Labor Peace Agreement, This is an affordable housing project.
- Child Care, There is no child care facility in this project.
- Sustainability Consultation Program (Part of CRA/LA Healthy Neighborhoods Policy)

ATTACHMENT H

ORGANIZATIONAL STRUCTURE



ATTACHMENT I

STATE OF CALIFORNIA - BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE

1800 Third Street, Suite 390
Sacramento, CA 95811
(916) 322-1560
FAX (916) 327-6660

Arnold Schwarzenegger, Governor



May 20, 2010

Cecilia Estolano, CEO
Community Redevelopment Agency
of the City of Los Angeles
354 South Spring Street, Suite 800
Los Angeles, CA 90013

RE: Crenshaw/Mid-City Corridors
Contract No. 09-IIG-6033

Dear Ms. Estolano:

I am pleased to inform you that the Department of Housing and Community Development (Department) has awarded a grant from the Infill Infrastructure Grant Program (IIG) to Community Redevelopment Agency of the City of Los Angeles. This letter constitutes a notice of conditional award of IIG Program funds in the amount of \$14,677,920 for the Crenshaw/Mid-City Corridors project in the city of Los Angeles, Los Angeles County.

This notice of conditional award letter amends the Award Letter dated July 1, 2009 to delete in its entirety the "Conditions Related to Availability of Funds". All other conditions remain in effect.

This commitment is conditioned on compliance with the requirements of all applicable statutes and guidelines of the IIG Program, as well as any project agreements stipulated in the commitment letter and contract documents, which will be forwarded to the awardees. Please note that the Department does not have authority to disburse any funds until all required agreements are fully executed.

The mission of the Department is to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians. The IIG Program provides grants for infrastructure costs related to high density infill housing and mixed use development. Awards are being widely distributed throughout the State.

Cecilia Estolano
Page 2 of 3

We look forward to working with you on this project. If you have any questions, please contact Nadine Ford, Infrastructure and Rental Housing Branch Chief at (916) 327-3942.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Westlake". The signature is written in a cursive style with a circular flourish at the end.

Chris Westlake
Deputy Director

ACCEPTANCE OF CONDITIONAL AWARD

The conditions of this award may differ from those contemplated at the time of application. To indicate acknowledgement and acceptance of this Conditional Award, an authorized representative of the Awardee must sign and date where indicated below. Please send a facsimile or pdf email of the executed Acceptance to the attention of Patricia Jones, Office Technician.

- Facsimile -- (916) 445-0117
- Email pjones@hcd.ca.gov

Please return the executed original to the address in the letterhead of the Conditional Award no later than 14 days from the date of this letter.

THE FOREGOING CONDITIONAL AWARD IS ACKNOWLEDGED AND ACCEPTED.

Authorized Signatory, Title (per resolution) Date

Authorized Signatory, Title (per resolution) Date