

# Attachment A

CAO File No. 0220-00540-1140  
Council File No. 15-0219-S1



Los Angeles  
**HOUSING+COMMUNITY**  
Investment Department

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Eric Garcetti, Mayor  
Rushmore D. Cervantes, General Manager

June 5, 2015

Council File: NEW  
Council Districts: Citywide  
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The Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 300, City Hall  
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

**COUNCIL TRANSMITTAL: LOS ANGELES HOUSING + COMMUNITY INVESTMENT DEPARTMENT REQUEST FOR APPROVAL TO ISSUE LETTERS OF FINANCIAL COMMITMENT FOR CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE 2015 ROUND 2 AFFORDABLE HOUSING TRUST FUND (AHTF) PIPELINE PROJECTS AND VARIOUS ACTIONS RELATED TO THE AHTF**

**SUMMARY**

The Los Angeles Housing + Community Investment Department (HCIDLA) requests authority to implement the recommendations contained in this report related to proposed affordable housing projects admitted to the HCIDLA Affordable Housing Trust Fund (AHTF) Pipeline. HCIDLA requests approval to issue AHTF financial commitments, support letters and tax credit recommendations for a total of 10 projects previously admitted into the AHTF Pipeline, consisting of: nine projects applying for 9% Low Income Housing Tax Credits (LIHTC) from the California Tax Credit Allocation Committee (CTCAC) in the 2015 Round 2 competition, which has the application deadline of July 1, 2015; and, one project applying for 4% LIHTC from CTCAC and tax-exempt bond allocations from the California Debt Limit Allocation Committee (CDLAC). HCIDLA also requests approval to fund eight of the 10 affordable housing projects for a combined total funding commitment of \$24,501,740, consisting of \$24,471,740 in HOME Investment Partnerships Program funds and \$30,000 in McKinney Act savings utilized for Special Needs & Non Profit/Homeless Set-Aside projects admitted to the AHTF Pipeline. The two remaining projects do not require AHTF funding commitments, however HCIDLA proposes to issue Letters of Support to accompany the CTCAC applications for both projects.

**RECOMMENDATIONS**

The General Manager of the Los Angeles Housing + Community Investment Department (HCIDLA) respectfully requests that:

- I. That your office schedule this transmittal at the next available meeting(s) of the appropriate Council committee(s) and forward it to the City Council for review and approval immediately thereafter, in order for Affordable Housing Trust Fund (AHTF) funding commitments to be awarded prior to the California Tax Credit Allocation Committee (CTCAC) application deadline of July 1, 2015.
- II. That the City Council, subject to the approval of the Mayor, take the following actions:
  - A. Authorize the HCIDLA General Manager, or designee, to issue a 9% Tax Credit Recommendation Letter and/or Financial Commitment/Support Letter for each of the projects identified in Table 1: CTCAC 2015 Round 2 Projects for 9% Low Income Housing Tax Credits (LIHTC) (Table 1) on Page 5 of this report, subject to the following conditions:
    - 1) That the final AHTF financial commitment not exceed the amount listed in Table 1;
    - 2) That the project sponsor apply to CTCAC in the allocation round authorized by HCIDLA; and,
    - 3) That the disbursement of AHTF funds will take place after the sponsor obtains enforceable commitments for all proposed funding, including, but not limited to, the full amount of funding and/or tax credits proposed;
  - B. Authorize the HCIDLA General Manager, or designee, issue a 4% Tax Credit Recommendation Letter and/or Financial Commitment for the project identified in Table 2: Bond and 4% LIHTC Project (Table 2) on Page 5 of this report, subject to the following conditions:
    - 1) That the final AHTF financial commitment not exceed the amount listed; and,
    - 2) That the disbursement of AHTF funds will take place after the sponsor obtains enforceable commitments for all proposed funding, including, but not limited to, tax credit proceeds and operating subsidies;
  - C. Authorize the HCIDLA General Manager, or designee, to negotiate and execute an acquisition/predevelopment/construction/permanent loan agreement with the legal owner of each project identified in Table 1 and Table 2 that receives an award from the proposed leveraging source, subject to the satisfaction of all conditions and criteria stated in the AHTF application, this transmittal, and HCIDLA Letter of Commitment (if any); subject to the review and approval by the City Attorney as to form;
  - D. Authorize the HCIDLA General Manager, or designee, to execute subordination agreements for each of the projects in Table 1 and Table 2, wherein the City loan and regulatory agreements are subordinated to their respective conventional construction and permanent loans;
  - E. Authorize the HCIDLA General Manager, or designee, to execute agreements with the project owners of each project in Table 1 and Table 2, and authorize the transfer of the City financial commitment to a limited partnership or other legal entity formed solely for the purpose of owning and operating the project in accordance with City and federal requirements;
  - F. Authorize the Controller to obligate new HOME Investment Partnerships Program (HOME) fund allocations for each project listed below:

<u>Project</u>	<u>Fund</u>	<u>Acct.</u>	<u>Account Name</u>	<u>Amount</u>
<b>2015 CTCAC Round 2 - 9% LIHTC Applicants:</b>				
Campus at LA Family Housing	561/43	43M008	AHTF	\$1,900,000
Panama Apartments	561/43	43M008	AHTF	4,479,380
King 1101	561/43	43M008	AHTF	1,740,000
Beverly & Lucas	561/43	43M008	AHTF	6,690,000
Norwood Learning Village	561/43	43M008	AHTF	1,179,360
<b>Total – 2015 CTCAC Round 2 – 9% LIHTC Applicants</b>				<b>\$15,988,740</b>
<b>2015 CTCAC – Bond and 4% LIHTC Applicants:</b>				
127 <sup>th</sup> Street Apartments	561/43	43M008	AHTF	\$3,000,000
<b>Total – 2015 CTCAC – Bond and 4% LIHTC Applicants</b>				<b>\$3,000,000</b>
<b>Total – All Projects</b>				<b>\$18,988,740</b>

G. Authorize the Controller to obligate new McKinney Act savings for each project listed below:

<u>Project</u>	<u>Fund</u>	<u>Acct.</u>	<u>Account Name</u>	<u>Amount</u>
<b>2015 CTCAC Round 2 - 9% LIHTC Applicants:</b>				
Panama Apartments	44G/43	43E213	Bond Housing Dev.	\$10,000
King 1101	44G/43	43E213	Bond Housing Dev.	10,000
Beverly and Lucas	44G/43	43E213	Bond Housing Dev.	10,000
<b>Total – 9% LIHTC Applicants</b>				<b>\$30,000</b>

- H. Authorize the Controller to expend funds upon proper demand of the HCIDLA General Manager, or designee; and,
- I. Authorize the HCIDLA General Manager, or designee, to prepare Controller instructions and/or make any technical adjustments that may be required and are consistent with this action subject to the approval of the City Administrative Officer and instruct the Controller to implement these instructions.

**BACKGROUND**

HCIDLA previously obtained Mayor and Council authorization to admit 10 projects into the AHTF Pipeline for 2015 Round 2 (C.F. 13-0303). Consistent with the Mayor and Council intent for the 10 projects, HCIDLA proposes to issue AHTF financial commitments, support letters and tax credit recommendations for the 10 previously admitted AHTF Pipeline projects, consisting of: nine projects applying for 9% LIHTC from CTCAC in the 2015 Round 2 competition, which has the application deadline of July 1, 2015; and, one project applying for 4% LIHTC from CTCAC and tax-exempt bond allocations from CDLAC.

The 10 projects will have a combined total development cost of approximately \$237 million. These projects will result in the addition of 590 affordable rental housing units in the City, of which, 104 units are set aside for low-income, large families and 486 units for Permanent Supportive Housing comprised of 213 units for Special Needs and 273 units for homeless/Homeless Veterans/Chronically Homeless. For the eight of the 10 projects receiving approximately \$24.5 million in AHTF financial commitments, the combined total development cost is approximately \$204 million which will leverage an estimated \$180 million in public and private funds, a leverage ratio of approximately \$7.35 for every dollar invested by the AHTF.

### Changes to Projects Competing for Tax Credits

#### *South West View Apartments*

The South West View Apartments was previously provided a funding commitment from HCIDLA in March 2015 (C.F.15-0219) to compete in CTCAC Round 1; however, the project was not successful in obtaining tax credits in the highly competitive Special Needs Set-Aside category. As a result, the South West View Apartments will compete in the Los Angeles Geographic Region category for CTCAC Round 2.

#### *PATH Metro Villas*

The PATH Metro Villas previously received a funding allocation from HCIDLA in March 2015 (C.F. 15-0219) to apply for bonds and 4% LIHTC; however, subsequently it was determined that the project was not feasible with a 4% LIHTC allocation. As a result, the project is proposed to utilize a 9% LIHTC funding source, and will compete in the Special Needs Set-Aside category for CTCAC Round 2.

#### *The Campus at LA Family Housing*

The Campus at LA Family Housing had been scheduled to compete in the CTCAC Round 2, Non-Profit Homeless Set-Aside. Due to the competitiveness of the Set-Aside category which includes three Pipeline projects competing along with other statewide projects, the Campus at LA Family Housing will instead compete in the Los Angeles Geographic Region category for a tax credit allocation.

### 2015 Round 2 Funding Recommendations

The nine projects competing for 9% LIHTC allocations are divided into three categories based on project type, consisting of Special Needs Set-Aside, Non-Profit/Homeless Set-Aside and the City of Los Angeles Geographic Region. The proposed funding recommendations for the CTCAC 2015 Round 2 Projects for 9% LIHTC includes one project in the Special Needs Set-Aside category, three projects in the Non-Profit/Homeless Set-Aside category and five projects in the City of Los Angeles Geographic Region category. Of the five projects in the City of Los Angeles Geographic Region category, HCIDLA does not propose a funding allocation for the Coronel Apartments and Mirage Apartments projects, and instead proposes to provide a Letter of Support to supplement both CTCAC applications. In addition, there is one project applying for 4% LIHTC from CTCAC and tax-exempt bond allocations from the California Debt Limit Allocation Committee.

HCILDA proposes to commit approximately \$24.5 million to projects previously admitted into the AHTF Pipeline for 2015 Round 2. A summary of the funding recommendations for the 9% LIHTC and 4% LIHTC projects is provided in the table below.

**TABLE 1: CTCAC 2015 ROUND 2 PROJECTS FOR 9% LIHTC**

PROJECT NAME	CD	UNITS	PREVIOUSLY COMMITTED HOME FUNDS	NEW HOME FUNDS	MCKINNEY ACT SAVINGS	TOTAL HCIDLA FUNDS
<b>SPECIAL NEEDS SET-ASIDE</b>						
PATH Metro Villas*	13	68	\$2,883,000	\$0	\$0	\$2,883,000
<b>NON-PROFIT/HOMELESS SET-ASIDE</b>						
Panama Apartments	14	72	\$0	\$4,479,380	\$10,000	\$4,489,380
King 1101	8	26	0	1,740,000	10,000	1,750,000
Beverly & Lucas	13	125	0	6,690,000	10,000	6,700,000
<b>SUBTOTAL</b>		<b>291</b>	<b>\$2,883,000</b>	<b>\$12,909,380</b>	<b>\$30,000</b>	<b>\$15,822,380</b>
<b>CITY OF LOS ANGELES GEOGRAPHIC REGION</b>						
Norwood Learning Village	1	29	\$0	\$1,179,360	\$0	\$1,179,360
South West View Apartments**	10	64	2,600,000		0	2,600,000
Campus at LA Family Housing	6	50		1,900,000	0	1,900,000
Coronel Apartments***	13	54		0	0	0
Mirage Apartments***	8	21		0	0	0
<b>SUBTOTAL</b>		<b>218</b>	<b>\$2,600,000</b>	<b>\$3,079,360</b>	<b>\$0</b>	<b>\$5,679,360</b>
<b>TOTAL - CTCAC 2015 ROUND 2 9% LIHTC</b>		<b>509</b>	<b>\$5,483,000</b>	<b>\$15,988,740</b>	<b>\$30,000</b>	<b>\$21,501,740</b>

\*Previously recommended for Bond & 4% LIHTC, but was not feasible as a 4% project.

\*\*Previously competed in 2015 CTCAC Round 1 but did not receive tax credit award.

\*\*\*HCIDLA is not providing financial support for these projects, solely a Letter of Support to accompany their CTCAC application.

**TABLE 2: BOND AND 4% LIHTC PROJECT**

PROJECT NAME	CD	UNITS	HOME FUNDS	MCKINNEY ACT SAVINGS	TOTAL HCIDLA FUNDS
127 <sup>th</sup> Street Apartments	15	81	\$3,000,000	\$0	\$3,000,000

Summary of Funding Recommendations

A summary of the funding recommendations identified in this report is provided in Table 3 below, consisting of the following development projects:

- 1) nine projects competing in 2015 CTCAC Round 2 for 9% LIHTC: three in the Non-Profit/Homeless Set-Aside, one in the Special Needs Set-Aside and five in the LA Geographic Region;
- 2) one project applying for bonds and 4% LIHTC; and,

- 3) eight projects receiving new HOME funding, of which three of eight projects are to receive new allocations of McKinney Act savings. The allocations of the McKinney Act savings will provide the projects with a competitive advantage relative to their applications for 9% tax credits in the CTCAC Non-Profit Homeless Set-Aside categories. McKinney Act savings are utilized by HCIDLA in accordance with a Refunding Agreement dated February 29, 1996 and executed with the U.S. Department of Housing and Urban Development (HUD) (C.F. 93-0021 and 93-2119). The terms of the Refunding Agreement includes provisions for the use of McKinney Act savings in accordance with Section 1012 of the McKinney Homeless Assistance Amendments Act of 1988.

**TABLE 3: FUNDING RECOMMENDATIONS SUMMARY**

CATEGORY	UNITS	HOME FUNDS	MCKINNEY ACT SAVINGS	TOTAL HCIDLA FUNDS
Special Needs & Non-Profit/Homeless Set-Aside	291	\$15,792,380	\$30,000	\$15,822,380
City of Los Angeles Geographic Region	218	5,679,360	0	0
Bond and 4% LIHTC	81	3,000,000	0	0
<b>TOTAL</b>	<b>590</b>	<b>\$24,471,740</b>	<b>\$30,000</b>	<b>\$24,501,740</b>

**FISCAL IMPACT STATEMENT**

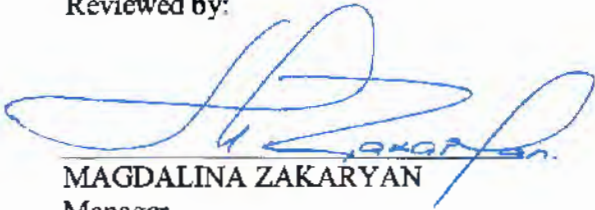
There is no impact to the General Fund. The recommendations in this report will authorize HCIDLA to fund eight affordable housing projects in a cumulative amount of \$24,501,740, consisting of \$24,471,740 in HOME funds and \$30,000 in McKinney Act savings. HOME funds are allocated from the federal HOME entitlement amount for the 41<sup>st</sup> Program Year of the City's Consolidated Plan, and remaining balances of prior Program Years in HOME entitlements. McKinney Act savings are governed by a Refunding Agreement with HUD. The remaining balance of McKinney Act savings is approximately \$112,400.

Prepared by:



LEIZL SOLIMAN  
Management Assistant

Reviewed by:



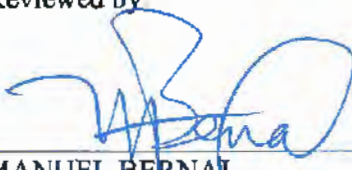
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Attachments:

Summary Reports  
Pipeline Calendar



**STAFF REPORT  
May 21, 2015**

**PATH Metro Villas  
345 N. Westmoreland Ave  
Los Angeles, CA**

**New Construction  
Council District No: 13**

**PROJECT DESCRIPTION**

PATH Metro Villas will be a permanent supportive housing project that will serve low-income individuals who are homeless, chronically homeless or living in poverty with a significant rent burden. The project proposes 68 units but is requesting a reduction in the number of units from the Planning Department in order to free up space and provide a health clinic. Currently fifty-one units will be designated as supportive housing units. The remaining sixteen units will be targeted to individuals living in poverty or with a high rent burden which creates a threat of displacement. The development will contain social service programming space and 72 parking spaces. Site amenities will include a communal kitchen, a rooftop deck, relaxing lounges on each residential floor, laundry facilities, bicycle parking, security cameras, a large community facility, and a two-story community room with significant natural light.

**PROJECT FINANCE SUMMARY**

In addition to the Affordable Housing Trust Fund (AHTF) loan, the financing will include funds from the State of California HCD- MHP Program and low-income housing tax credit equity. The project has also received a funding award from HACLA's Project Based Voucher (PBV) program covering 36 units.

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The owner of the property is P.A.T.H., also known as People Assisting the Homeless, a California non-profit corporation. The borrower will be Metro Villas 345 L.P., a California limited partnership. The limited partnership will enter into a 99 year lease with the owner in order to allow for the development of the project. The limited partnership is comprised of PATH Ventures Metro 345, LLC, its Managing General Partner, AHG Metro 345, LLC, its Administrative General Partner. Affirmed Housing Group, Inc. is the Sole Member of the Administrative General Partner.

**FUNDING SOURCES**

<b>Sources</b>	<b>Permanent</b>
State HCD- MHP	5,581,877
HCIDLA (AHTF)	2,883,000
GP Equity Contribution	300,100
Deferred Developer Fee	589,100
Tax Credit Equity 9%	12,023,664
Tax Credit Equity (State)	2,206,502
<b>Total</b>	<b>\$23,584,243</b>

**AFFORDABILITY STRUCTURE**

<b>Unit Type</b>	<b>20% AMI</b>	<b>30% AMI</b>	<b>45% AMI</b>	<b>Mngr's</b>	<b>Total</b>
0 BR/ Studio	4	22	8		34
1 Bedroom	11	14	8		33
2 Bedroom				1	1
<b>Total</b>	<b>15</b>	<b>36</b>	<b>16</b>	<b>1</b>	<b>68</b>

**FUNDING RECOMMENDATION**

An AHTF funding commitment of up to \$2,883,000 is recommended and represents \$43,397 per unit or approximately 12% of the total development cost. The HCIDLA commitment will be leveraged with 9% low income housing tax credits and a State HCD- MHP loan.

Prepared By: Los Angeles Housing and Community Investment Department Date: 05/21/2015

**STAFF REPORT**

**May 11, 2015**

**Panama Apartments  
403 East 5<sup>th</sup> Street, Los Angeles, CA 90013**

**Rehabilitation  
Council District No: 14**

**PROJECT DESCRIPTION**

The existing project site is located at 403 East 5<sup>th</sup> Street, Los Angeles, CA, and consists of a 4-story hotel containing 235 rooms. The site is located in the 14<sup>th</sup> Council District and is bordered by Winston Street to the north, a single-story commercial structure and a parking lot to the east, and a parking lot and a four-story structure to the west. The rehabilitation of the project will include conversion of the 219 room hotel into 72 rental units which will include individual bathrooms, small kitchenettes, and a closet. As part of the rehabilitation work, the developer intends to restore and replicate features of the building's brick envelope that are in disrepair and provide a new structure within the existing envelope that improves the acoustic, thermal, and structural performance of the building to the level of today's standards.

**PROJECT FINANCE SUMMARY**

The financing will be comprised of permanent loans from Union Bank, CRALA (HCIDLA as successor), Union Bank AHP, and HCIDLA Affordable Housing Trust Funds (AHTF), as well as permanent funding from Deferred Developer Fees and Limited Partner Equity. The applicant will apply for 9% low income tax credits.

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The property is presently owned by Panama Apartments, L.P. Single Room Occupancy Housing Corporation (SRO) has site control. Panama Apartments, L.P. will be the borrower. Panama Apartments, L.P. is the current General Partner of the partnership with 99.99% interest of the partnership.

**FUNDING SOURCES-PERMANENT**

<b>Sources</b>	<b>Amount</b>
Union Bank Tranche B	\$2,130,000
Los Angeles HCIDLA (AHTF)	\$4,489,380
CRALA	\$3,771,656
Union Bank AHP	\$1,000,000
CRA Accrued Interest	\$2,377,852
Deferred Developer Fee	\$500,000
<u>Limited Partner Equity</u>	<u>\$10,179,128</u>
<b>Total</b>	<b>\$24,448,016</b>

**AFFORDABILITY STRUCTURE**

Unit Type	30% AMI	40% AMI	45% AMI	50% AMI	60% AMI	Mgr.	Total
0 Bedroom	36	35	0	0	0	1	72
1 Bedroom	0	0	0	0	0	0	0
2 Bedroom	0	0	0	0	0	1	0
Total	36	35	0	0	0	1	72

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<u>Criterion</u>	<u>Max. Points</u>	<u>Projected Points</u>	<u>Remarks</u>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	The developer has successfully completed numerous prior projects in Los Angeles
Resident target meets defined housing need	10	10	Project qualifies for the Special Needs housing type category
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	
Total	148	148	

**FUNDING RECOMMENDATION**

A recommendation to approve a funding commitment in the amount of \$4,489,380 will be made to the Mayor and City Council. A 9% Tax Credit Letter of Support will also be recommended for this project to compete in the CTCAC 2015 Round 2, Low Income Housing Tax Credits (LIHTC). Total AHTF Funds of \$4,489,380 will represent \$62,353 per unit and 18% of the total development cost.

Prepared by: Los Angeles Housing Department

**STAFF REPORT  
May 11, 2015**

**King 1101 Apartments  
1107 W Martin Luther King Jr, Blvd  
Los Angeles, CA 90037**

**New Construction  
Council District No: 8**

**PROJECT DESCRIPTION**

Clifford Beers Housing, Inc. (CBH) intends to transform a vacant, blighted lot located at 1101-1107 Martin Luther King Boulevard, in Los Angeles, CA into an affordable, multifamily community for up to 26 individuals and families. The development of King 1101 will require the acquisition of two contiguous parcels and the construction of a new, four-story apartment community with seven efficiency units, eleven one-bedroom units and eight three-bedroom units.

The project design, which will complement the surrounding neighborhood, is in a California contemporary style; it will provide open and functional spaces for all users, including ample natural light and ventilation throughout. The architect has configured King 1101 to respond to its local context through careful massing that does not overwhelm the surrounding uses, yet allows for a generous amount of indoor and outdoor community space.

King 1101 will feature gated parking, a secured pedestrian entry, management offices, outdoor green space, a community room, a community kitchen, and a community garden. The ground floor of the project will include the secure pedestrian entry, parking, a designated trash room, a community room with a community kitchen, and street front retail/commercial space.

The green roof community garden, located on the second floor will offer residents a green space for relaxing, recreating and gardening. All rental units will be located on floors two through four, which will be served by an elevator. The residential units will include kitchens and bathrooms, a living area, energy star appliances, air conditioning, window coverings, spacious closets, and furnishings. An entrance to the on-grade parking lot will be located away from the street, in the alleyway at the rear of the project and will offer 27 parking spaces. In total, King 1101 will be approximately 32,000 square feet.

Of the 26 units, one will be designated as a manager's unit and 75% of the remaining units (20 units) will be reserved for special needs households. Of these 20 units, 13 will be reserved for homeless households and of these 13 units, 9 will be reserved for chronically homeless households that have a member living with mental illness. The remaining 5 units will be reserved for low-income households.

**PROJECT FINANCE SUMMARY**

Construction and permanent financing will be provided through US Bank, NA, HCD's Governor's Homeless Initiative (GHI) and Veterans Housing and Homeless Programs (VHHP), Capitalized Rent Subsidy (CRS) from HCD, and funds from the Affordable Housing Trust Fund (AHTF) program. These funds would be leveraged with 9% low-income housing tax credit equity from an investor (LP Equity).

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The current owner of the property is King 1101 Apartments, L.P., a California Limited Partnership. The proposed borrower will be King 1101 Apartments, L.P. The borrower is currently comprised of King 1101 Apartments, LLC as the Administrative General Partner.

**FUNDING SOURCES**

<b>Sources</b>	<b>Permanent</b>
GHI	\$ 1,100,000
Tax Credit Equity	7,338,291
VHHP	1,232,434
CRS	75,000
HCIDLA (HOME)	1,750,000
<b>Total</b>	<b>\$ 11,495,725</b>

**AFFORDABILITY STRUCTURE**

<b>Unit Type</b>	<b>Mgrs.</b>	<b>30% AMI</b>	<b>40% AMI</b>	<b>50% AMI</b>	<b>Total</b>
0 Bedroom		7			7
1 Bedroom	1	10			11
3 Bedroom		1	2	5	8
<b>Total</b>	<b>1</b>	<b>18</b>	<b>2</b>	<b>5</b>	<b>26</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<b><u>Criterion</u></b>	<b><u>Max. Points</u></b>	<b><u>Projected Points</u></b>	<b><u>Remarks</u></b>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	
Resident target meets defined housing need	10	10	
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	
<b>Total</b>	<b>148</b>	<b>148</b>	

**FUNDING RECOMMENDATION**

A request for a commitment in the amount of \$1,750,000 is being recommended. Total AHTF Funds of \$1,750,000 will represent \$67,308 per unit and 15.2% of the total development cost. A 9% Tax Credit Letter of Support is also recommended for this project to compete in CTCAC 2015 Round 2.

Prepared by: Los Angeles Housing and Community Investment Department

**STAFF REPORT  
May 12, 2015**

**Beverly and Lucas Apartments  
1416 West Beverly Boulevard, Los Angeles, CA 90026**

**New Construction  
Council District No: 13**

**PROJECT DESCRIPTION**

The proposed project site is located at 1416 West Beverly Boulevard, Los Angeles, CA 90026, and will consist of 2 apartment buildings containing 125 units. The site is located in the 13<sup>th</sup> Council District and is bordered by Beverly Boulevard to the north, Lucas Avenue to the east, a residential structure to the south, and a paved alley to the south and west. The proposed project will demolish the existing one and two story wood frame residences at the site and reconstruct two new multi-story apartment buildings. Building "A", a five-story building above two stories of subterranean parking, will have 24 one-bedroom units, 14 two-bedroom units, 30 three-bedroom units, and 3,500 square foot community room. Building "B", a four-story building above one story of subterranean parking, will consist of 56 one-bedroom units for seniors, 1 two-bedroom unit, and a 1,700 square foot community room. Building "A" will contain two open courtyards and Building "B" will feature one open courtyard. The project will seek LEED certification at the "Gold" level.

**PROJECT FINANCE SUMMARY**

The financing will be comprised of permanent loans from HCD II G (State), MHPSH, LACDC, AHP, AHSC, an AHSC Grant, and HCIDLA Affordable Housing Trust Funds (AHTF), as well as permanent funding from Deferred Developer Fees and Limited Partner Equity. The applicant will apply for 9% low income tax credits.

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The property is presently owned by LINC Housing Corporation. Single Room Occupancy Housing Corporation (SRO) has site control. Panama Apartments, L.P. will be the borrower. Panama Apartments, L.P. is the current General Partner of the partnership with 99.99% interest of the partnership.

**FUNDING SOURCES-PERMANENT**

<b>Sources</b>	<b>Amount</b>
Permanent Lender	\$4,308,800
IG	\$4,000,000
MHPSH	\$7,000,000
Los Angeles HCIDLA (AHTF)	\$6,700,000
LACDC	\$1,635,000
AHP	\$1,230,000
AHSC Grant	\$1,482,000
AHSC	\$418,000
Deferred Developer Fee	\$600,000
General Partner	\$100
<u>Limited Partner Equity</u>	<u>\$30,372,523</u>
<b>Total</b>	<b>\$57,746,423</b>



**AFFORDABILITY STRUCTURE**

<b>Unit Type</b>	<b>26% AMI</b>	<b>30% AMI</b>	<b>50% AMI</b>	<b>60% AMI</b>	<b>80% AMI</b>	<b>Mgr.</b>	<b>Total</b>
1 Bedroom	1	44	12	23	0	0	<b>80</b>
2 Bedroom	0	7	2	4	0	2	<b>15</b>
3 Bedroom	0	11	11	8	0	0	<b>30</b>
<b>Total</b>	<b>1</b>	<b>62</b>	<b>25</b>	<b>35</b>	<b>0</b>	<b>2</b>	<b>125</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<u><b>Criterion</b></u>	<u><b>Max. Points</b></u>	<u><b>Projected Points</b></u>	<u><b>Remarks</b></u>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	The developer has successfully completed numerous prior projects in Los Angeles
Resident target meets defined housing need	10	10	Project qualifies for the Special Needs housing type category
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	
<b>Total</b>	<b>148</b>	<b>148</b>	

**FUNDING RECOMMENDATION**

A recommendation to approve a funding commitment in the amount of \$6,700,000 will be made to the Mayor and City Council. A 9% Tax Credit Letter of Support will also be recommended for this project to compete in the CTCAC 2015 Round 2, Low Income Housing Tax Credits (LIHTC). Total AHTE Funds of \$6,700,000 will represent \$53,600 per unit and 12% of the total development cost.

Prepared by: Los Angeles Housing Department

**STAFF REPORT  
May 11, 2015**

**Norwood Learning Village  
3500 North Marmion Way  
Los Angeles, CA 90065**

**New Construction  
Council District No: 1**

**PROJECT DESCRIPTION**

The Norwood Learning Village is a 29-unit affordable rental housing project near downtown Los Angeles in the University Park neighborhood. The project will be built on property that has been ground leased from the Los Angeles Unified School District immediately across from the Norwood Elementary School.

The project will have 13 one bedroom units (660 square feet), 7 two bedroom units (890 square feet) and 9 three bedroom units (1,200 square feet) for a total of 54 bedrooms. The project will provide 72 secure subterranean parking spaces, 32 of which are for the residential component and the remaining 40 spaces are for use by the School District teachers and staff. The project will also feature a variety of amenity and community spaces including a club room, lounge, fitness center and outdoor gardens. The Village's design is a hybrid between Dutch colonial and craftsman architecture to integrate into the historic neighborhood. The building will be two and three stories of Type V wood-frame construction over Type I subterranean parking.

The project's proposed amenities will include a community room, exercise room, picnic/BBQ area, playground, on-site manager, computer room, on-site laundry room and business center. Each of the project's units will have central air conditioning, blinds, carpet, a coat closet, pantry, patio/balcony, refrigerator, stove/oven, dishwasher, microwave and garbage disposal. All units, except the largest three-bedroom units, will include a walk-in closet, but the largest (1,200 square feet) three bedroom dwellings will feature an interior storage closet.

The population is targeted at low income families. The decision was made to serve this population because of the diminishing supply of quality affordable housing for families in the University Park area as a result of expanding demand for housing by the USC student population. In addition, by serving a family population, teachers and staff of the LAUSD can qualify to live at the project.

**PROJECT FINANCE SUMMARY**

Construction and permanent financing will be provided through a private bank, HCD's Prop 1C program (Prop 1C), a land donation from Los Angeles Unified School District (LAUSD), and funds from the Affordable Housing Trust Fund (AHTF) program. These funds would be leveraged with 9% low-income housing tax credit equity from a limited partner (LP Equity).

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The current owner of the property is LAUSD and they have entered into a long-term lease with Thomas Safran and Associates (TSA), who is the sole member of the project's developer, Norwood Housing, LLC. The proposed borrower will be Norwood Learning Village, L.P., a California limited partnership. The borrower is comprised of Norwood Housing, LLC as the Administrative General Partner.

**FUNDING SOURCES**

<b>Sources</b>	<b>Permanent</b>
Perm Loan	\$ 773,000
LAUSD	2,730,000
Tax Credit Equity	10,020,345
Prop 1C	1,179,360
Deferred Developer Fees	668,352
HCIDLA (HOME)	1,179,360
<b>Total</b>	<b>\$ 16,550,417</b>

**AFFORDABILITY STRUCTURE**

<b>Unit Type</b>	<b>Mgrs.</b>	<b>30% AMI</b>	<b>40% AMI</b>	<b>45% AMI</b>	<b>60% AMI</b>	<b>Total</b>
1 Bedroom		1	1	6	5	13
2 Bedroom	1	1	1	3	1	7
3 Bedroom		1	1	4	3	9
<b>Total</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>13</b>	<b>9</b>	<b>29</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<b><u>Criterion</u></b>	<b><u>Max. Points</u></b>	<b><u>Projected Points</u></b>	<b><u>Remarks</u></b>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	
Resident target meets defined housing need	10	10	
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	
<b>Total</b>	<b>148</b>	<b>148</b>	

**FUNDING RECOMMENDATION**

An AHTF commitment in the amount of \$1,179,360 is recommended. Total AHTF Funds of \$1,179,360 will represent \$40,668 per unit and 7.13% of the total development cost. A 9% Tax Credit Letter of Support is also recommended for this project to compete in CTCAC 2015 Round 2.

Prepared by: Los Angeles Housing and Community Investment Department

**STAFF REPORT  
May 15, 2015**

**South West View Apartments  
3015 - 3031 South West View Street  
Los Angeles, CA 90016**

**New Construction  
Council District No: 10**

**PROJECT DESCRIPTION**

The proposed project entails the new construction of 64 residential units consisting of fifty-one one-bedroom units and thirteen two-bedroom units, which will provide housing for veterans and low income seniors. Of the 64 units, one will be designated for the resident manager, 32 will be supportive housing units for veterans and their partners, dependent children or caregivers, and there will be a separate 31 unit building for seniors.

The site is located within ¼ mile of the nearby La Brea Station of the Metro Expo Line in an area that includes commercial uses along West Jefferson Blvd. and South La Brea Avenue and low/medium residential uses along West View Street.

Each building will have its own community room with counseling offices, computer learning spaces and kitchen facilities designed to accommodate the unique needs of each population. Adjacent to the veterans' amenity space there will be open space for a children's play area as well as open space for barbeque and other gathering spaces. A meeting room open for use by the surrounding neighborhood and a community garden are included on the north end of the property. A retreat space is included on the fourth floor that will offer quiet activities and a commanding view.

**PROJECT FINANCE SUMMARY**

In addition to Affordable Housing Trust Fund (AHTF) loan, the financing is comprised of funds from the California Department of Housing and Community Development's (HCD) Infill Infrastructure program and Veterans Housing and Homelessness Prevention Program (VHHP), a conventional bank loan, 9% low income housing tax credits and the Federal Home Loan Bank Board's Affordable Housing Program (AHP). The sponsor intends to apply for 9% low-income housing tax credits, HCD loans, and AHP.

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The South West View Apartments project will be owned by a partnership that includes New Directions for Veterans as Managing General Partner and an LLC with Palm Communities as its sole member as the Administrative General Partner.

**FUNDING SOURCES**

Sources	Permanent
HCID-HOME	2,600,000
HCD Infill Infrastructure	1,600,000
HCD VHHP	2,340,000
Tax Credit Equity	21,031,962
AHP	630,000
Tranche B loan	1,223,654
<b>Total</b>	<b>\$29,425,616</b>

**AFFORDABILITY STRUCTURE**

Unit Type	Mgrs.	30% AMI	35% AMI	40% AMI	50% AMI	60% AMI	Total
1 Bedroom		9	21	6	2	13	51
2 Bedroom	1	0	6	1	1	4	13
<b>Total</b>	<b>1</b>	<b>9</b>	<b>27</b>	<b>7</b>	<b>3</b>	<b>17</b>	<b>64</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<u>Criterion</u>	<u>Max. Points</u>	<u>Projected Points</u>	<u>Remarks</u>
1) Cost Efficiency, Credit Reduction & Public Funds	20	20	
2) General Partner & Management Company Characteristics	9	9	
3) Negative Points			
4) Housing Needs	10	10	
5) Site and Service Amenities	25	25	
6) Sustainable Building Methods	10	10	
7) Lowest Income Table	52	52	
8) Readiness to proceed	20	20	
9) State Credit Substitution	2	2	
<b>Total</b>	<b>148</b>	<b>148</b>	

**FUNDING RECOMMENDATION**

An AHTF funding commitment of up to \$2,600,000 is recommended and represents \$40,625 per unit or approximately 9% of the total development cost. The HCID commitment will be leveraged with 9% low income housing tax credits and HCD loans.

Prepared By: Los Angeles Housing and Community Investment Department

**STAFF REPORT**

**May 5, 2015**

**The Campus at L.A. Family Housing  
7843 Lankershim Boulevard, Los Angeles, CA 91605**

**New Construction  
Council District No: 6**

**PROJECT DESCRIPTION**

The existing project site is a rectangular shaped parcel currently occupied by a three-story commercial building and a two-story multifamily residential structure. The site is located in Council District 6 and is bordered by Arminia Street to the north, Lankershim Boulevard to the east, Simpson Avenue to the west, and by a parking lot to the south. The existing structures will be demolished and the proposed mixed-use development will consist of 50 new construction units of permanent supportive housing in addition to a 26,000 square foot commercial building that will house a health clinic, service center, and offices. The permanent supportive housing component will consist of 49 studio apartments targeting homeless adults and 1 un-restricted on-site manager's unit. The Campus will feature a large community room with kitchen, resident's lounge, fitness room, laundry room, open-air courtyard, and 54 on-site parking spaces housed in a one level subterranean garage.

**PROJECT FINANCE SUMMARY**

The financing will be comprised of permanent loans from L.A. County CDC, AHP, and HCIDLA Affordable Housing Trust Funds (AHTF), as well as permanent funding from Deferred Developer Fees and Limited Partner Equity. The applicant will apply for 9% low income tax credits.

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The property is presently owned by the L.A. Family Housing Corporation (LAFH). LAFH will lease the property to the limited partnership, LAFH Campus, L.P., that will be formed for the purpose of developing, owning, and operating the Campus mixed-use development. In exchange for rights to the property, LAFH will receive annual lease payments in the amount of \$1.00.

**FUNDING SOURCES-PERMANENT**

<b>Sources</b>	<b>Amount</b>
Los Angeles HCIDLA (AHTF)	\$1,900,000
Los Angeles County CDC	\$1,500,000
AHP	\$1,000,000
Deferred Developer Fee	\$600,000
General Partner Equity	100
<u>Limited Partner Equity</u>	<u>\$11,973,387</u>
<b>Total</b>	<b>\$16,973,487</b>

**AFFORDABILITY STRUCTURE**

<b>Unit Type</b>	<b>30% AMI</b>	<b>40% AMI</b>	<b>45% AMI</b>	<b>50% AMI</b>	<b>60% AMI</b>	<b>Mgr.</b>	<b>Total</b>
0 Bedroom	49	0	0	0	0	0	<b>49</b>
1 Bedroom	0	0	0	0	0	0	<b>0</b>
2 Bedroom	0	0	0	0	0	1	<b>1</b>
<b>Total</b>	<b>49</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>50</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<u><b>Criterion</b></u>	<u><b>Max. Points</b></u>	<u><b>Projected Points</b></u>	<u><b>Remarks</b></u>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	The developer has successfully completed numerous prior projects in Los Angeles
Resident target meets defined housing need	10	10	Project qualifies for the Special Needs housing type category
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	
<b>Total</b>	<b>148</b>	<b>148</b>	

**FUNDING RECOMMENDATION**

A recommendation to approve a funding commitment in the amount of \$1,900,000 will be made to the Mayor and City Council. A 9% Tax Credit Letter of Support will also be recommended for this project to compete in the CTCAC 2015 Round 2, Low Income Housing Tax Credits (LIHTC). Total AHTF Funds of \$1,900,000 will represent \$38,000 per unit and 11% of the total development cost.

Prepared by: Los Angeles Housing Department



**STAFF REPORT  
May 11, 2015**

**Coronel Apartments  
1601 N. Hobart Blvd.  
Los Angeles, CA 90027**

**New Construction  
Council District No: 13**

**PROJECT DESCRIPTION**

Coronel Apartments is a 54-unit affordable family housing development located at 1600 – 1608 N. Serrano Avenue and 1601 N. Hobart Boulevard in East Hollywood. The proposed development combines new construction and rehabilitation. Two existing non-historic 1920s bungalows will be rehabilitated to provide 3 units. Two new 4-story buildings over one level of subterranean parking will be constructed behind the bungalows to provide 51 additional units. The project will serve low income individuals and families, with 6 units reserved for households that are homeless, at risk of becoming homeless, and homeless veterans.

The development will offer 12 one-bedrooms, 24 two-bedrooms, and 18 three-bedrooms. 56 parking spaces will be provided. The approximate average unit sizes are 568 sf for one-bedrooms, 779 sf for two-bedrooms, and 1,074 sf for three-bedrooms. Of the total 54 dwelling units, 53 units will be reserved for low income households and one unrestricted unit will be for the apartment manager. Of the 53 restricted units, 6 units will be reserved for households that are homeless, at risk of becoming homeless, and/or homeless veterans.

Apart from the character bungalows to be preserved, there are four multi-family buildings of varying sizes with a total of 27 existing units, which are proposed to be demolished. The two existing buildings to be retained are small (600 sf and 1200 sf) and they will be repositioned on the site. New foundations will be poured. The units in these buildings are one-bedroom units, and they will be maintained as such with the current existing floor plans. The renovated units will not be over the garage podium, and there will be landscaping between the bungalows and the new buildings.

Unit amenities will include a dishwasher, garbage disposal, refrigerator, stove, range and central heat and air conditioning. On-site amenities will include laundry, community room, open space, secured entry, play area, and offices for property management staff. The Resident Services Coordinator will meet with Special Needs residents on site. Resident Services Coordinators work with residents to develop and maintain linkages with appropriate service providers and provide crisis intervention where necessary. They also organize on-site activities and teach independent living skills.

**PROJECT FINANCE SUMMARY**

Construction and permanent financing will be provided through Bank of America, NA (BoFA), HCD's Infill Infrastructure Grant (IIG) and Affordable Housing Programs (AHP), CRA/LA (CRA), and Council District 13's Camden funds (Camden). These funds would be leveraged with 9% low-income housing tax credit equity from a limited investor (LP Equity).

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The current owner of the property Hollywood Community Housing Corporation. The proposed borrower and property owner will be a to be determined California limited partnership.

**FUNDING SOURCES**

Sources	Permanent
BofA Perm Loan	\$ 1,770,000
CRA	5,027,000
IIG	2,051,568
Camden	1,500,000
AHP	500,000
LP Equity	14,483,404
Deferred Dev Fee	600,000
<b>Total</b>	<b>\$ 25,931,972</b>

**AFFORDABILITY STRUCTURE**

Unit Type	Mgrs.	30% AMI	40% AMI	50% AMI	60% AMI	Total
1 Bedroom		1	5	6	0	12
2 Bedroom		3	8	8	5	24
3 Bedroom	1	2	6	5	4	18
<b>Total</b>	<b>1</b>	<b>6</b>	<b>19</b>	<b>19</b>	<b>9</b>	<b>54</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<u>Criterion</u>	<u>Max. Points</u>	<u>Projected Points</u>	<u>Remarks</u>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	
Resident target meets defined housing need	10	10	
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	

Total	148	148
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**FUNDING RECOMMENDATION**

This project is not requesting any funds from the AHTF. However, a 9% Tax Credit Letter of Support is recommended for this project to compete in CTCAC 2015 Round 2.

Prepared by: Los Angeles Housing and Community Investment Department

**STAFF REPORT  
May 15, 2015**

**Mirage Town Homes  
5221 South Western Avenue  
Los Angeles, CA 90062**

**New Construction  
Council District No: 8**

**PROJECT DESCRIPTION**

The project as proposed is an affordable large family apartment building located in Council District 8 of the City of Los Angeles. The site is a vacant property, with 17,797 square feet of land on west side of Western Avenue – south of 52nd Street and north of 54th Street. The project would consist of 20 affordable large family units plus 1 (one) manager's unit for a total of 21 duplex units that are stacked as a 4-story residential structure. There is one level of underground parking structure for 29 automobile and storage facilities for the residents. The 21 dwelling units would be comprised of ten 3-bedroom units, and ten 4-bedrooms units and one 3-bedroom manager's unit.

**PROJECT FINANCE SUMMARY**

The financing proposal assumes a conventional construction and permanent loan in addition to deferred developer fee. These funds would be leveraged with 9% low-income housing tax credit equity.

**BORROWER**

The borrowing entity will be Mirage Town Homes, a California limited partnership comprised of Leela Enterprises, Inc. (LII) as its co-general partner, and the Community Revitalization and Development Corporation (CRDC) as its managing general partner. LII is a Los Angeles based for-profit firm that serves as a general contractor and developer. LII's principal, Abhay Gokani, has previously developed several affordable housing complexes that usually has 21 units, and funded in part with Affordable Housing Trust Funds. All developments have been built ahead of schedule and within budget, to HCIDLA's satisfaction. CRDC is a Modesto-based non-profit organization that serves as general partner in numerous affordable housing developments throughout California.

**FUNDING SOURCES**

<b>Sources</b>	<b>Permanent</b>
Conventional Loan	1,421,370
Tax Credit Equity	4,845,891
Deferred Developer Fee	<u>337,380</u>
<b>Total</b>	<b>\$ 6,604,641</b>

**AFFORDABILITY STRUCTURE**

Unit Type	Mgrs.	60% AMI	45% AMI	40% AMI	30% AMI
3 Bedroom	1	4	4	1	1
4 Bedroom	0	3	5	1	1
<b>Total</b>	<b>1</b>	<b>7</b>	<b>9</b>	<b>2</b>	<b>2</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<u>Criterion</u>	<u>Max. Points</u>	<u>Projected Points</u>	<u>Remarks</u>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	
Resident target meets defined housing need	10	10	
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	
<b>Total</b>	<b>148</b>	<b>148</b>	

**RECOMMENDATION**

This project is not requesting an AHIF funding commitment. The project is competing for TCAC funds. The funding is leveraged with conventional financing and tax credit equity.

Prepared by: Los Angeles Housing and Community Investment Department

**AHTF STAFF REPORT**  
**May 20, 2015**

**127 Street Project**  
**536-548 W. 127<sup>th</sup> Street**  
**Los Angeles, CA 90044**

**New Construction**  
**Council District No: 15**

**PROJECT DESCRIPTION**

127 Street Apartments will be the new construction of 85 rental apartments for low- and extremely low-income seniors on El Segundo Ave in the Willowbrook neighborhood, adjacent to the Interstate 110 Harbor Freeway. 127 Street Apartments will be designed to complement the historical architecture of the neighborhood with a modern theme, all while providing a high-quality and safe environment for its residents. The common area consists of a community room, tech room, 2 bathrooms, mail room, laundry, and management office area. There are 2 additional offices provided for on-site resident service providers. An open courtyard is provided outside of the main community room. The current property is a flat vacant lot and will not require the demolition of any existing housing units.

**PROJECT FINANCE SUMMARY**

127 Street Apartments, LP has received commitment for a conventional loan. The conventional loan for the construction financing from US Bank will be in first position, with subordinate financing from the Housing and Community Investment Department of Los Angeles ("HCIDLA"), MHSA, AHP, Tax Credit Equity, and Housing and Community Investment IIG Funds ("IIG"). Deferred sources will provide the balance of the necessary sources for the project during construction.

The permanent financing will consist of conventional loan committed by DHS & PBV Overhang Loans, plus from HCD – IIG, HCIDLA, MHSA, MHP, AHP and Cap and Trade. Other permanent financing sources include tax credit equity and deferred sources. In addition, the property has received 40 project based vouchers from HACLA's permanent supportive housing NOFA.

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The applicant/developer for the project is Meta Housing Corporation. The proposed borrower/owner is, 127 Street Apartments, LP. The partnership will be comprised of two general partners. The Managing General Partner (which has not been admitted yet), will be a Los Angeles-based non-profit 501 (C)3 organization focused on developing permanent supportive housing and strong supportive services to residents. The proposed name of the Administrative General Partner will be 127 Street Apartments, LLC, a single-purpose entity formed to develop the 127 Street Apartments. John M. Huskey is the manager and sole member of 127 Street Apartments, LLC and is also the CEO/Chairman of Meta Housing Corp., the project developer.

**FUNDING SOURCES**

<b>Sources</b>	<b>Construction</b>
US Bank	\$13,750,000
HCID Construction Loan	3,000,000
MHSA	1,800,000
HCD - IIG	1,300,000
AHP	1,500,000
Tax Credit Equity	1,358,859
Deferred Sources	<u>1,686,114</u>
<b>Total</b>	<b>\$24,394,973</b>

	<b>Permanent</b>
DHS & PBV Overhang Loan	\$ 3,089,842
HCD- IIG Loan	1,300,000
HCIDLA	3,000,000
MHSA	1,800,000
MHP – supportive housing	2,500,000
AHP	1,500,000
Cap and Trade	1,500,000
Deferred Developers Fee/costs	646,070
Tax Credit Equity	<u>9,059,061</u>
<b>Total</b>	<b>\$24,394,973</b>

**AFFORDABILITY STRUCTURE**

<b>Unit Type</b>	<b>Mgr.</b>	<b>25% AMI</b>	<b>30% AMI</b>	<b>35% AMI</b>	<b>Total</b>
0 Bedroom		3	37	2	42
1 Bedroom		2	37	3	42
<u>2 Bedroom</u>	<u>1</u>				<u>1</u>
<b>Total</b>	<b>1</b>	<b>5</b>	<b>74</b>	<b>5</b>	<b>85</b>

**FUNDING RECOMMENDATION**

An AHTF funding commitment of up to \$3,000,000 is recommended. HCIDLA funds will represent \$37,037 per unit or approximately 12% of the total development cost. The HCIDLA commitment will be leveraged with 4% Federal and State low income housing tax credits, the DHS/PBV Overhang loan, HCD-IIG, MHSA, MHP, AHP, Cap and Trade, and Deferred sources, and conventional loan financing

Prepared By: Los Angeles Housing and Community Development Department

Date: 5/20/15

## REQUEST FOR APPROVAL TO ISSUE LETTERS OF FINANCIAL COMMITMENT FOR 2015 AHTF PROJECTS

## 9% LOW INCOME HOUSING TAX CREDIT CALENDAR

2014 ROUND 1	2014 ROUND 2	2015 ROUND 1	2015 ROUND 2
<b>(Fully Funded; In Construction)</b>			
<b>SPECIAL NEEDS SET-ASIDE</b>			
	MARMION WAY (TOD), CD 1, (1) Palm Communities (*) 49 units		PATH METRO VILLAS (TOD), CD 13, (1) PATH (*****) 72 Units (C&T)
<b>NON-PROFIT HOMELESS SET-ASIDE</b>			
		WEST VILLAS (TOD), CD 8, (1) A Community of Friends 49 Units (T)	BEVERLY AND LUCAS (TOD), CD 13, (2) LINC Housing 125 Units (C&T)
GATEWAY APARTMENTS CD 11, (1) Venice Community Housing Corp. 21 Units	CREST APARTMENTS CD 2, (2) Skid Row Housing Trust 74 Units	ARLINGTON SQUARE (TOD), CD 10, (1) A Community of Friends(**) 48 Units (T)	PANAMA APARTMENTS (TOD), CD 14, (2) SRO Housing Corporation 72 Units (FF)
			KING 1101 (TOD), CD 8, (2) Clifford Beers 26 Units (C&T)
<b>LOS ANGELES GEOGRAPHIC SET-ASIDE</b>			
SELMA COMMUNITY HOUSING (TOD), CD 13, (1) ABODE 66 Units	SANTA CECILIA APARTMENTS (TOD), CD 14, (2) McCormack Baron Salazar 79 Units	1 <sup>ST</sup> & SOTO TOD APARTMENTS (TOD), CD 14, (2) East LA Community Corp. 50 Units (FF)	SOUTHWEST VIEW (TOD), CD 10, (1) Palm Communities(***) 64 Units (C&T)
PALOMA TERRACE (TOD), CD 9, (1) Retirement Housing Foundation 59 Units	WASHINGTON 722 (TOD), CD 9, (2) Meta Housing Corporation 55 Units	MERIDIAN APARTMENTS (TOD), CD 13, (2) AMCAL 100 Units (T,FF)	NORWOOD LEARNING VILLAGE CD 1, (2) Thomas Safran & Associates 29 Units (Not C&T eligible)
TAYLOR YARD SENIORS (TOD), CD 1, (1) McCormack Baron Salazar; 108 Units	5400 HOLLYWOOD FAMILY APARTMENTS (TOD), CD 13, (2) Meta Housing Corporation 40 Units		CORONEL APARTMENTS (TOD), CD 13, (1) Hollywood Community Housing Corporation 54 Units (FF)
			CAMPUS AT LA FAMILY HOUSING CD 6, (1) LA Family Housing 50 Units (D)
			MIRAGE APARTMENTS (TOD), CD 8, (2) Abhay Gokani Corporation 21 Units (FF)



**BOND/4% LOW INCOME HOUSING TAX CREDIT CALENDAR**

<b>JULY 2014</b> (Fully funded; in Construction)	<b>SPRING 2015</b>
PASEO AT CALIFORNIAN (TOD), CD 1, (1) American Communities 53 Units	T. BALEY MANOR CD 14, (2) WORKS 45 Units (not C&T eligible)
WINNETKA SENIORS (TOD), CD 3, (2) Meta Housing Corporation 95 Units	BEVERLY TERRACE (TOD), CD 13, (2) A Community of Friends (****) 40 Units (C&T)
LDK SENIORS CD 10, CD 2, (1) Little Tokyo Service Center 67 Units	

**NOTE 1:** This Preliminary Tax Credit Calendar is not an indication of funding. The Tax Credit Calendar will be updated at least quarterly, but certainly after every TCAC round. 2015 Round 1 and 2015 Round 2 PSH developments may shift depending on when an individual development receives PBV, VASH or other operating subsidy commitment. "TOD" is defined as developments located within a ½ mile of an existing or fully-funded transit corridor. Transit Corridors are defined as both heavy and light rail and Bus Rapid Transit lines. Transit Corridors includes all areas within a ½ mile of the transit corridor; and not exclusively areas ½ mile from rail station stops or bus station hubs.

**NOTE 2:** "TOD" is defined as developments located within a ½ mile of an existing or fully-funded transit corridor. Transit Corridors are defined as both heavy and light rail and Bus Rapid Transit lines. Transit Corridors includes all areas within a ½ mile of the transit corridor; and not exclusively areas ½ mile from rail station stops or bus station hubs.

**NOTE 3:** The Highland Park Transit Village and Florence Mills projects were not ready to apply to 2015 Round 2 and were moved to 2016 in the AHTF Pipeline.

**NOTE 4:** 127<sup>TH</sup> Street Apartments and Rampart Apartments projects were rescheduled to Fall 2015 in AHTF Pipeline. The Bond/4% LIHTC Calendar will be updated at least quarterly, but certainly after every TCAC round.

(1) City Council Approved as part of Initial Call for Projects.

(2) City Council Approved as part of 2<sup>nd</sup> Call for Projects.

(C&T) Cap and Trade Applicant. Other projects will not apply to Cap and Trade because of timing issues (T), being fully funded (FF) or delayed (D).

(\*) Not awarded in Round 1 2014; Re-applied successfully in Round 2, 2014

(\*\*) Not awarded in Round 2, 2014; Re-applied in Round 1, 2015

(\*\*\*) Not awarded in Round 1, 2015; Re-applied in Round 2, 2015

(\*\*\*\*) Converted from 9% to Bond/4%

(\*\*\*\*\*) Converted from Bond/4% to 9%

# Attachment B

CAO File No. 0220-00540-1140  
Council File No. 15-0219-S1

**STAFF REPORT  
May 11, 2015**

**Norwood Learning Village  
2020 Oak Street  
Los Angeles, CA 90007**

**New Construction  
Council District No: 1**

**PROJECT DESCRIPTION**

The Norwood Learning Village is a 29-unit affordable rental housing project near downtown Los Angeles in the University Park neighborhood. The project will be built on property that has been ground leased from the Los Angeles Unified School District immediately across from the Norwood Elementary School.

The project will have 13 one bedroom units (660 square feet), 7 two bedroom units (890 square feet) and 9 three bedroom units (1,200 square feet) for a total of 54 bedrooms. The project will provide 72 secure subterranean parking spaces, 32 of which are for the residential component and the remaining 40 spaces are for use by the School District teachers and staff. The project will also feature a variety of amenity and community spaces including a club room, lounge, fitness center and outdoor gardens. The Village's design is a hybrid between Dutch colonial and craftsman architecture to integrate into the historic neighborhood. The building will be two and three stories of Type V wood-frame construction over Type I subterranean parking.

The project's proposed amenities will include a community room, exercise room, picnic/BBQ area, playground, on-site manager, computer room, on-site laundry room and business center. Each of the project's units will have central air conditioning, blinds, carpet, a coat closet, pantry, patio/balcony, refrigerator, stove/oven, dishwasher, microwave and garbage disposal. All units, except the largest three-bedroom units, will include a walk-in closet, but the largest (1,200 square feet) three bedroom dwellings will feature an interior storage closet.

The population is targeted at low income families. The decision was made to serve this population because of the diminishing supply of quality affordable housing for families in the University Park area as a result of expanding demand for housing by the USC student population. In addition, by serving a family population, teachers and staff of the LAUSD can qualify to live at the project.

**PROJECT FINANCE SUMMARY**

Construction and permanent financing will be provided through a private bank, HCD's Prop 1C program (Prop 1C), a land donation from Los Angeles Unified School District (LAUSD), and funds from the Affordable Housing Trust Fund (AHTF) program. These funds would be leveraged with 9% low-income housing tax credit equity from a limited partner (LP Equity).

**BORROWER AND PROPOSED OWNERSHIP STRUCTURE**

The current owner of the property is LAUSD and they have entered into a long-term lease with Thomas Safran and Associates (TSA), who is the sole member of the project's developer, Norwood Housing, LLC. The proposed borrower will be Norwood Learning Village, L.P., a California limited partnership. The borrower is comprised of Norwood Housing, LLC as the Administrative General Partner.

**FUNDING SOURCES**

<b>Sources</b>	<b>Permanent</b>
Perm Loan	\$ 773,000
LAUSD	2,730,000
Tax Credit Equity	10,020,345
Prop 1C	1,179,360
Deferred Developer Fees	668,352
HCIDLA (HOME)	1,179,360
<b>Total</b>	<b>\$ 16,550,417</b>

**AFFORDABILITY STRUCTURE**

<b>Unit Type</b>	<b>Mgrs.</b>	<b>30% AMI</b>	<b>40% AMI</b>	<b>45% AMI</b>	<b>60% AMI</b>	<b>Total</b>
1 Bedroom		1	1	6	5	13
2 Bedroom	1	1	1	3	1	7
3 Bedroom		1	1	4	3	9
<b>Total</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>13</b>	<b>9</b>	<b>29</b>

**PROJECTED SCORING ANALYSIS (9% Tax Credits)**

<u>Criterion</u>	<u>Max. Points</u>	<u>Projected Points</u>	<u>Remarks</u>
Cost efficiency & leverage of public funds	20	20	
Experience of developer and property manager	9	9	
Resident target meets defined housing need	10	10	
Site & Service Amenities	25	25	
Sustainable Building Methods	10	10	
Income Targets	52	52	
Readiness to proceed	20	20	
Willingness to accept state credit exchange	2	2	
<b>Total</b>	<b>148</b>	<b>148</b>	

### **FUNDING RECOMMENDATION**

An AHTF commitment in the amount of \$1,179,360 is recommended. Total AHTF Funds of \$1,179,360 will represent \$40,668 per unit and 7.13% of the total development cost. A 9% Tax Credit Letter of Support is also recommended for this project to compete in CTCAC 2015 Round 2.

Prepared by: Los Angeles Housing and Community Investment Department