

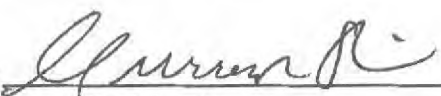
MOTION

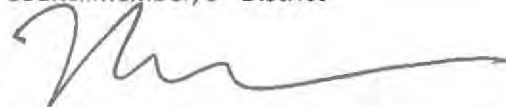
On March 5, 2019, the City Council authorized the Housing and Community Investment Department (HCIDLA) to execute an Owners Participation Agreement (OPA) with AMCAL Washington Fund, L.P. (AMCAL) for the development of affordable and supportive housing on land currently owned by City located at 206 East Washington Boulevard, 1918 South Los Angeles Street, and 1901 Santee Street and land owned by AMCAL located at 200 East Washington Boulevard and 1910 South Los Angeles Street (C.F. 16-0600-S145), based on the Key Terms and Conditions included in the HCIDLA report dated January 14, 2019 (Washington/LA Apartments Project).

The Key Terms and Conditions for the project included establishing the number of units, the number of parking spaces, the number of stories, and the mix of unit types to be constructed. The design has evolved to increase competitiveness for available funding, and the development requires changes to the previously approved project plans with regard to these elements, including the financing structure. Council approval is needed for the acceptance of the amended project's terms in order for the developer to apply for the California State Low Income Housing Tax Credits by a January 2020 deadline. Furthermore, HCIDLA is requesting Council approves the use of Home Investment Partnership Act (HOME) funds for the Washington/LA Apartments Project to make this Permanent Supportive housing development feasible.

I THEREFORE MOVE that Council's action of March 5, 2019 (C.F. 16-0600-S145) relative to the Owners Participation Agreement (OPA) for the development of affordable and supportive housing on properties currently owned by the City located at 206 East Washington Boulevard, 1918 South Los Angeles Street, and 1901 Santee Street and properties owned by AMCAL located at 200 East Washington Boulevard and 1910 South Los Angeles Street BE AMENDED to modify the terms of the OPA and related documents, subject to the approval of the City Attorney, pursuant to the attached Amended Key Terms and Conditions.

I FURTHER MOVE that Council authorize the General Manager of HCIDLA, or designee, to obligate HOME Funds to the Washington/LA Apartments Project, Fund 561/43 Account 43R011 in the amount up to \$8,329,316 and to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and instruct the Controller to implement the instructions.

PRESENTED BY: 
Curren D. Price, Jr.
Councilmember, 9th District

SECONDED BY: 

ORIGINAL

DEC 06 2019



**206 East Washington Boulevard
Owner Participation Agreement
Key Terms and Conditions – Amended December 5, 2019**

1. Parties to the Agreement:

The Owner Participation Agreement (“OPA”) for the Washington Boulevard Apartments (Project) shall be entered by and between the City of Los Angeles, a municipal corporation (“City”) and AMCAL Washington Fund, L.P., a California Limited Partnership (“Borrower”). The Coalition for Responsible Community Development, a California nonprofit public benefit corporation (“CRCD”), and AMCAL Multi-Housing Inc., a California corporation (“AMCAL”) will act as co-developers of the Project (collectively “Developer”).

2. City Site Description:

Three parcels of land are currently owned by the City:

	Address	APN	Parcel Size (Sf)	Legal Description
City Parcel 1	206 East Washington Boulevard	5127-029-902	7,500	Attachment A
City Parcel 2	1918 South Los Angeles Street	5127-029-903	6,788	Attachment A
City Parcel 3	1901 Santee Street	5127-029-904	35,180	Attachment A
Total City Site			49,468	

3. Developer Site Description:

Two parcels of land are currently owned by the Developer and are adjacent to the City Parcels indicated above:

	Address	APN	Parcel Size (Sf)	Legal Description
Developer Parcel 1	200 East Washington Boulevard	5127-029-049	8,155	Attachment B
Developer Parcel 2	1910 South Los Angeles Street	5127-029-037	4,719	Attachment B
Total Developer Site			12,286	

4. City Site History

On September 9, 2009, the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) acquired the three City-owned parcels from the seller, Uniack Family Trust. The total purchase price was \$6.80 million, with the CRA/LA acquiring 1901 Santee Street for \$5.10 million and 206 East Washington Boulevard/1918 South Los Angeles Street for \$1.70 million.

Per CRA/LA’s accounting records, the acquisition funding came from a variety of sources including:

Funding Source	Amount
Bunker Hill Replacement Housing Funds	\$5,000,000
CD9 Housing Trust Funds	\$1,602,642
CD9 Housing Trust Series D (Bond Proceeds)	\$8,900
Total Funds	\$6,611,592

**It is unclear which funding sources were utilized for the remaining \$188,408 in acquisition costs.

5. Development Plan Summary:

The Development Plan shall be implemented and completed as described below, subject to receipt by the Developer of approval by the City of all discretionary land use applications; and the receipt by Developer of the necessary enforceable financing commitments:

- a. **Project Summary:** Washington Boulevard Apartments will be a four-story building that will consist of 105 units. Twenty-five (25) units will be dedicated to homeless households, 78 units will be provided to general affordable family households, and two units will be set-aside for on-site managers. A total of 74 parking spaces will be provided in a subterranean parking garage. In addition to the residential space, approximately 6,230 square feet of commercial or community facility space will be provided.
- b. **Project Site Size:** The gross site area is estimated at 62,382 square feet of land area (includes the City Parcels and Developer Parcels). However, this should be confirmed with a land survey.
- c. **Gross Building Area:** 121,686 square feet (96,889 sf net living area, 4,050 sf of community area, 6,230 sf of commercial/community service area, 14,517 sf of circulation).
- d. **Unit Mix:** 41 one-bedroom units, 36 two-bedroom units, and 28 three-bedroom units.
- e. **Parking:** 74 spaces
- f. **Target Population:** Homeless transition age youth (TAY) for the 25 Permanent Supportive Housing Units; the remainder of the units will be targeted to general affordable family households.
- g. **ADA Requirements:** A CASp will be retained for the Project, which will comply with all City requirements as listed in the managed pipeline regulations. At least 11% of the units comply with the Uniform Federal Accessibility Standards (UFAS) requirements for mobility accessibility and an additional 4% of the units comply with UFAS requirements for sensory accessibility.
- h. **Amenities:** The Project includes approximately 6,230 sf of community-serving commercial or community facility space or must meet the required residential to commercial ratio for managed pipelines projects and is approved by HCIDLA. In addition, the Project will incorporate a business room, offices for supportive services, a community room, and a courtyard with a tot lot and outdoor seating areas.

6. Purchase and Sale of the City Site:

The City agrees to sell and convey to the Developer, and the Developer agrees to purchase and accept from the City, the fee interest in the City Site in accordance with the OPA and the Grant Deed.

7. Purchase Price for City Site:

The City agrees to convey the City Site to the Developer and the Developer agrees to purchase the City Site for \$7,500,000, or as determined by an appraisal ("Purchase Price").

8. Demolition of City Site

The City Site consists of three existing buildings, which the City will demolish prior to conveyance to the Developer. As such, the City Site will be conveyed to the Developer as a vacant parcel. The demolition costs are estimated at up to \$1.30 million, which is in addition to the development costs outlined in the Developer's pro forma. The City will utilize Low and Moderate Income Housing Asset Funds (LMIHAF) to pay for the demolition costs. The LMIHAF funds are subject to the expenditure requirements imposed by California Health and Safety Code Section 34176.1.

9. Relocation

The Developer Site is comprised of an existing residential building containing 31 studio apartment units, and an auto repair facility. All occupants of the residential building and the auto repair facility will need to be permanently relocated. The Developer will be responsible for relocating the occupants

per City, State and/or Federal relocation requirements. The Developer estimates the relocation costs to be approximately \$2.97 million. This cost estimate includes the tenant relocation expenses, a contingency allowance, as well as the costs to prepare and implement the relocation plan.

10. Remediation

Based on the Phase II environmental assessments, elevated concentrations of lead and cobalt have been identified at the Site. In addition, concentrations of tetrachloroethylene (PCE) exceeding California Human Health Screenings (CHHSLs) for residential and commercial scenarios were detected in soil vapor on the Site. Based on these findings, the remediation plan calls for the Developer to enter the Site into the Department of Toxic Substance Controls (DTSCs) Voluntary Cleanup Program for regulatory oversight of site remediation activities. The Developer estimates the remediation costs at \$734,716 which are included in the Developer's pro forma.

11. Developer Pro Forma:

Attached ("Attachment C") is the current Developer Pro Forma for the Project.

12. Project Site Plan:

Attached ("Attachment D") is the current Site Plan for the Project.

13. Labor Rates:

The Project will incur federal Davis Bacon, and State of California prevailing wages.

14. Developer Fee:

The total developer fee is estimated at \$7,541,760, which is the maximum allowed under the TCAC regulations. The Developer intends to permanently defer \$61,028 of the Developer Fee. In addition, the Developer intends to contribute \$5,041,760 to the Project as Developer Equity.

15. Related Party Loan Interest Rates

The maximum interest rate applied to any loan from a party related to the Developer or Borrower must be no more than 10%. For the purposes of calculating acquisition and predevelopment loan interest costs, the interest costs of any related party loans already made to the project will be estimated using the maximum interest rate allowed by the City.

16. Social Services to be Provided at Project:

The Project's operating budget includes \$18,173 in annual social services for the general population in the project. The supportive services for the special needs units will be covered by Los Angeles County Department of Mental Health and the Department of Health Services through an Intensive Case Management contract with LifeSteps. The services will be funded by Measure H under Strategy D7 for the provision of services for permanent supportive housing. The services that will be made available to residents will include the following:

- a. Case management
- b. Adult education classes
- c. Health and wellness services
- d. Crisis management
- e. Mediation
- f. Social activities
- g. Green education

17. Minimum Reserves:

- a. Capitalized Operating Reserves - \$359,335
- b. Annual Replacement Reserves - \$420 per unit

18. City Land Loan Terms:

The City agrees to provide a residual receipts loan ("City Land Loan") to the Developer with the following terms:

- a. The City Loan Amount will be equal to the Purchase Price of the City Site.
- b. The term will be 57 years ("City Land Loan Term"). The term includes two years for construction and 55 years from Certificate of Occupancy (COO).
- c. The City Land Loan will have a 3.0% simple interest rate applied.
- d. The annual loan payments will be based on 50% of residual receipts. (This amount will be shared proportionally with payment on other soft loans.)
- e. The City Land Loan will be subordinated to the construction/permanent loans.
- f. At the end of the City Land Loan Term, the outstanding balance of the City Land Loan will be due and payable.
- g. The City Land Loan will be secured by a subordinated Trust Deed that will be applied to the entire Project Site.

19. Subordination:

The following summarizes the agreed upon subordination assumption for the City's affordability restrictions and loan:

Description	Subordination
City Land Affordability Restrictions	Subordinated to Construction/Permanent Loans
HCID AHTF Affordability Restrictions	Subordinated to Construction/Permanent Loans
City Land Loan	Subordinated to Construction/Permanent Loans

20. Affordability Restrictions (See Attachment E):

Two units will be unrestricted and set-aside for on-site managers. The remaining 103 units will be subject to income and affordability requirements imposed by the regulatory agreements for up to a 55-year period after COO. The income and affordability restrictions are as follows:

- a. City Land Regulatory Agreement (per California Health & Safety Code (H&SC)):

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
Very-Low Income HCD	\$50105	\$50053	0	0	0	0
Low Income HCD	\$50079.5	\$50053	0	0	0	0
Moderate Income HCD	\$50093	\$50053	41	34	28	103
Total Units			41	34	28	103

b. **Low and Moderate Income Housing Asset Fund Regulatory Agreement (Per H&SC):**

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
Extremely Low Income HCD	\$50106	\$50053	25	0	0	25
Total Units			25	0	0	25

c. **TCAC Regulatory Agreement:**

	Income Restriction	Rent Restriction	1-Bdrm Units	2-Bdrm Units	3-Bdrm Units	Total Units
30% AMI	TCAC	TCAC	27	8	3	38
50% AMI	TCAC	TCAC	1	3	1	5
60% AMI	TCAC	TCAC	13	23	24	60
Total Units			41	34	28	103

d. **HCID AHTF Regulatory Agreement:**

The HCID AHTF affordability restrictions will be finalized after the Project has received a funding award.

e. **LACDA Regulatory Agreement(s):**

The LACDA affordability restrictions will be finalized after the Project has received a funding award.

21. **HCIDLA Affordable Housing Trust Fund Assistance:**

The Project may request up to a maximum \$8,329,316 in AHTF assistance from HCIDLA. However, each component (9% and 4%) must comply with the maximum per unit HOME limits as published annually by HCIDLA. The 2019 maximum HOME amounts are as follows:

9% Component:

	Number of Units	9% TCAC-LA Geographic Apportionment Per Unit Subsidy Amounts	Maximum Subsidy
202/811 & 0-Bedroom	0	\$83,660	\$0
1-Bedroom	9	\$92,360	\$461,800
2-Bedroom	20	\$97,360	\$973,600
3-Bedroom	12	\$102,360	\$614,160
4-Bedroom	0	\$107,360	\$0
Manager's Unit	1	\$0	\$0
Totals	42		\$2,049,560

4% Component:

	Number of Units	4% TCAC Non-Special Needs Per Unit Subsidy Amounts	Maximum Subsidy
202/811 & 0-Bedroom	0	\$83,660	\$0
1-Bedroom	7	\$92,360	\$646,520
2-Bedroom	14	\$97,360	\$1,363,040
3-Bedroom	16	\$102,360	\$1,637,760
4-Bedroom	0	\$107,360	\$0
Manager's Unit	1	\$0	\$0
Totals	38		\$3,647,320

	Number of Units	4% TCAC Special Needs Per Unit Subsidy Amounts	Maximum Subsidy
202/811 & 0-Bedroom	0	\$100,000	\$0
1-Bedroom	25	\$107,500	\$2,687,500
2-Bedroom	0	\$115,000	\$0
3-Bedroom	0	\$115,000	\$0
4-Bedroom	0	\$115,000	\$0
Manager's Unit	0	\$0	\$0
Totals	25		\$2,687,500

22. Financing Plan:

The following summarizes the approved Financing Plan for the Project:

Description	Entity	9% Component	4% Component	Total Project
Conventional Loan				
Construction	TBD	\$22,206,398	\$27,211,268	\$49,417,666
Permanent	TBD	\$4,632,194	\$9,628,863	\$14,261,057
Federal Tax Credit Equity	TCAC/TBD Investor	\$23,683,869	\$17,043,995	\$40,727,864
State Tax Credit Equity	TCAC/TBD Investor	\$0	\$5,851,560	\$5,851,560
LACDA NPLH Loan	LACDA	\$0	\$3,750,000	\$3,750,000
Deferred Developer Fee	Developer	\$18,795	\$42,233	\$61,028
Developer Equity		\$0	\$5,041,760	\$5,041,760
Reciprocal Easement Agreement Payment		\$0	\$1,184,617	\$1,184,617
HCID AHTF Loan	City of LA	\$1,651,192	\$6,334,820	\$7,986,012
City Loan	City of LA	FMV of City Site	FMV of City Site	FMV of City Site
Project-Based Section 8	HACLA	0 Vouchers	25 Vouchers	25 Vouchers

23. Milestones:

The Developer agrees to apply for the funds listed below by the following dates:

OPA Executed	January 2020
Entitlements Application	2/28/2018
Entitlements Sealed	1/15/2019
LACDC NPLH Application / Award	6/11/2019, 10/30/2019
PBS8 Application / Award	12/15/2018, 2/28/2019
AHTF Application / Award	5/24/2018, 6/24/2018
9% TCAC Application / Award	3/9/2020, 6/15/2020
Financing / Land Closing	9/15/2020
Construction Commences / Completed	9/18/2020, 7/18/2022
Placed in Service Date	7/18/2022

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24. Agreement of Terms:

This agreement of key terms and conditions is not a contract nor is it a guarantee of a funding commitment by the City. It is a worksheet that will be utilized to prepare the Owner Participation Agreement and associated City contractual documents.

HCIDLA

City of Los Angeles Housing and Community Investment Department

By:  Date: 12/5/19

Sean L. Spar
Assistant General Manager

**DEVELOPER
CRCD / AMCAL**

By: _____ Date: _____

Mark Wilson
Executive Director
Coalition for Responsible Community Development

By: _____ Date: _____

Arjun Nagarkatti
President and CFO
AMCAL Multi- Housing Two LLC

Attachment A	HCIDLA Site Legal Description
Attachment B	Developer Site Legal Description
Attachment C	Developer Pro Forms
Attachment D	Site Plan
Attachment E	Affordability Mix Summary

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HCIDLA

City of Los Angeles Housing and Community Investment Department

By: _____ Date: _____

Sean L. Spear
Assistant General Manager

DEVELOPER
CRCO / AMCAL

By: _____  Date: 12-5-19

Mark Wilson
Executive Director
Coalition for Responsible Community Development

By: _____ Date: _____

Arjun Nagarkatti
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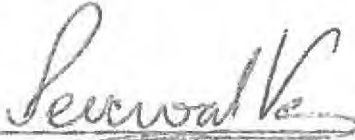
By: _____ Date: _____

Sean L. Spear
Assistant General Manager

DEVELOPER
CRCD / AMCAL

By: _____ Date: _____

Mark Wilson
Executive Director
Coalition for Responsible Community Development

By:  Date: 12-5-19.

Percival Vaiz
CEO
AMCAL Multi-Housing Inc.

Attachment A	HCIDLA Site Legal Description
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PROJECT SUMMARY

Kingdom Development Inc.

WASHINGTON 4%

32 units plus 1 mgr. unit

TE Bonds + 4% Credits

New Construction

Non-Rural

PAV Family project

QCT-Yes DDA-No

Permanent Sources				
Source	Amount	Rate	Amm.	/ Unit
Perm Bond Proceeds	\$9,628,863	4.25%	40	\$152,639
Tax Credit Proceeds	22,895,555	NA	NA	363,422
HCIDLA AHTF	6,334,820	3.00%	RR	100,553
City Donated Land	7,500,000	0.00%	0	119,048
GP Contribution	5,041,760	0.00%	0	80,028
LACDC NPLH	3,750,000	0.00%	RR	59,524
REA Payment	1,184,617	0.00%	0	18,803
Interest Income	0	NA	NA	0
Operating Income	0	NA	NA	0
Deferred Developer Fee	42,233	6.00%	NA	670
\$56,377,849				

Permanent Uses		
Uses	Amount	Per Unit
Land Costs	\$9,156,425	\$145,324
Direct Construction Costs	27,881,305	442,560
Holding Costs	2,411,002	38,270
Permits, Fees, & Studies	4,041,672	64,154
Contingency	1,831,214	29,087
Developer Fee	5,341,760	84,790
Indirect Construction Costs	921,110	14,621
Relocation	1,818,316	28,862
Rent-Up Costs	163,480	2,595
Reserves	234,269	3,718
Financing Costs	2,578,307	40,926
\$56,377,849		

Source Pay in Schedule			
Source	Amount	Date	Notes
Perm Bond Proceeds	\$9,628,863	Nov-22	Convert
Tax Credit Proceeds	4,579,111	Aug-20	Close
Tax Credit Proceeds	13,697,333	Jul-22	
Tax Credit Proceeds	4,579,111	Nov-22	Convert
Tax Credit Proceeds	50,000	Dec-22	8609s
REA Payment	1,184,617	Aug-20	Close
HCIDLA AHTF	6,334,820	Aug-20	Close
City Donated Land	7,500,000	Aug-20	Close
GP Contribution	5,041,760	Nov-22	Convert
LACDC NPLH	3,750,000	Mar-22	

Construction Sources		
Source	Amount	Per Unit
Tax Credit Proceeds	4,579,111	\$72,684.30
HCIDLA AHTF	6,334,820	100,552.70
City Donated Land	7,500,000	119,047.62
LACDC NPLH	3,750,000	59,523.81
REA Payment	1,184,617	18,803.44
Construction Loan	27,211,268	431,924.88
Deferred Costs	5,818,033	92,349.73
Totals	56,377,849	\$894,886.49

Bedroom Mix/Average Rent			
Bedrooms	Quantity	% of Units	Avg. Rent
0			
1	32	52%	557.99
2	14	23%	1,377.00
3	16	26%	1,590.00
4+			

Rent Schedule					
Calculation	Quantity	Bedrooms	AMI	Rent	Util.
MGR	1	2	0%	\$0	\$0
TCAC PBV	25	1	30%	392	24
TCAC	7	1	60%	1,151	24
TCAC	14	2	60%	1,377	33
TCAC	16	3	60%	1,590	39

Operating Expenses		
Expenses	Amount	Per Unit
Management	0	\$0
Administration	0	0
Salaries & Benefits	379,100	6,017
Maintenance	0	0
Utilities	0	0
Insurance	0	0
Taxes	14,500	230
Services	10,904	173
Reserves	31,500	500
	0	0
Totals	\$438,004	\$6,921

Assumptions		Assumptions	
TCAC Tiebreaker	NA	Con. Length	22
Site (acres)	0.00	CL Closing:	8/30/20
Debt Cov. Ratio	1.15	Est. Completion	6/1/22
Vacancy Factor	7.0%	Con. Loan	27,211,268
		Con. Int. Rate	5.25%

USES, EXPENSES AND CREDIT

Kingdom Development Inc.

WASHINGTON 4%

52 units plus 1 mgr. unit

TE Bonds + 4% Credits

New Construction

Non-Rural

PW Family project

QCT-Yes DDA-No

Development Uses				
Description	Amount	NC: Basis	9% Amount	Total
Acquisition Cost	\$9,155,425	80	\$4,718,575	\$13,872,000
REA Cost/(Reimbursement)	0	0	1,184,817	1,184,817
Holding Costs	2,411,002	0	1,242,089	3,653,071
Building Fees & Permits	684,004	684,004	352,377	1,036,381
Impact Fees	1,253,808	1,253,808	645,921	1,899,729
Architectural & Engineering	1,952,391	1,952,391	1,005,808	2,958,198
Relocation	1,959,885	362,996	1,009,688	2,969,553
Market Study	9,900	0	5,100	15,000
Demolition	197,998	0	102,002	300,000
Toxic Abatement	484,908	0	249,808	734,716
Residential Construction	22,940,047	22,940,047	11,817,982	34,758,009
General Conditions	1,806,157	1,806,157	802,636	2,408,794
Contractor's Overhead & Profit	1,922,195	1,922,195	980,588	2,882,783
Construction Contingency	1,394,065	1,394,065	696,649	2,090,714
Developer Fee	5,341,760	5,341,760	2,200,000	7,541,760
Builders Risk Insurance	322,523	322,523	166,153	488,676
Liability Insurance	118,799	0	61,201	180,000
Accounting	35,640	0	18,380	54,000
Legal Fees	265,818	247,497	136,940	402,758
Credit Enhancement	165,132	165,132	85,070	250,202
Soft Cost Contingency	437,148	437,148	225,205	662,353
Marketing & Advertising	65,999	0	34,001	100,000
Capitalized Operating Reserve	234,259	0	125,076	359,335
Common Area Furnishings	126,521	126,521	65,179	191,700
Construction Period Interest	1,887,827	1,220,916	1,507,347	3,195,174
Construction Loan Fees	272,113	196,837	222,064	494,177
Permanent Loan Fees	298,826	0	153,945	452,770
TCAC Fees	43,297	0	112,817	155,914
Title and Recording	150,881	49,499	81,129	232,010
Commercial Construction	730,000	730,000	0	730,000
CDLAC Fees	109,524	0	0	109,524

Operating Expenses		
Description	Amount	Per Unit
Expenses	\$379,100	\$6,017
Bond Fees	14,500	230
Social Services	10,904	173
Replacement Reserves	31,500	500
Total		\$6,921

Tax Credit Calculation			
	4% Federal	Acq. Fed.	State
Eligible Basis	40,953,497	0	40,953,497
Excluded	0	0	
Unadjusted	40,953,497	0	40,953,497
Basis Limit	47,649,172		
Boost	130%	100%	
Adjusted	53,239,546	0	
Applicable	100.0%	100.0%	100.0%
Qualified	53,239,546	0	40,953,497
Reduction	0	0	
Adj. Qualified	53,239,546	0	
Rate Factor	3.24%	3.24%	30.00%
Annual Credits	1,724,961	Possible SC	12,286,049
Federal Credits	17,249,610	State Credits	7,136,049
Credit Price	0.99		0.82
Proceeds	17,043,995		5,851,560
Total	\$22,895,555		

Totals \$56,377,849 \$40,953,497 \$29,986,049 \$86,363,898

52 units plus 1 mgr. unit

TE Bonds + 4% Credits

New Construction

Non-Rural

PW Family project

QCT-Yes DDA-No

Year	Cash Flow									
	1	2	3	4	5	6	7	8	9	10
Rental Income	750,883	769,655	788,897	808,619	828,835	849,555	870,794	892,564	914,878	937,750
Other Income	9,300	9,533	9,771	10,015	10,285	10,522	10,785	11,055	11,331	11,614
Subsidy Income	339,000	345,780	352,698	359,750	366,945	374,283	381,769	389,404	397,193	405,136
Vacancy Loss	88,992	89,987	91,050	93,149	95,288	97,497	99,748	102,050	104,407	106,818
Adjusted Gross Income	1,012,191	1,035,970	1,080,314	1,085,234	1,110,748	1,136,884	1,163,801	1,190,973	1,218,995	1,247,683
Standard Expenses	390,004	403,654	417,782	432,404	447,538	463,202	479,414	496,194	513,561	531,535
Property Taxes	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500
Replacement Reserves	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500
Total Expenses	436,004	449,654	463,782	478,404	493,538	509,202	525,414	542,194	559,561	577,535
Perm Debt Service	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032
Total Debt Service	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032
Operating Reserve Balance	234,259	234,259	234,259	234,259	234,259	234,259	234,259	234,259	234,259	234,259
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	576,187	586,316	596,532	606,830	617,208	627,661	638,187	648,779	659,434	670,147
Debt Service Coverage	1.15	1.17	1.19	1.21	1.23	1.25	1.27	1.29	1.32	1.34
Cash after Exp & DS	75,155	85,284	95,499	105,798	116,176	126,629	137,154	147,747	158,402	169,115
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
LP Fee Paid	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Cash Flow	70,155	80,134	90,195	100,334	110,548	120,833	131,184	141,598	152,068	162,591
Deferred Developer Fee	42,233	0	0	0	0	0	0	0	0	0
Dev. Fee Payments	42,233	0	0	0	0	0	0	0	0	0
Cash Flow	27,922	80,134	90,195	100,334	110,548	120,833	131,184	141,598	152,068	162,591
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0
MGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
MGP Fee Paid	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
Cash Flow	17,922	69,834	79,586	89,407	99,293	109,240	119,244	129,299	139,401	149,543
AGP Fee Balance	0	0	0	0	0	0	0	0	0	0
AGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
AGP Fee Paid	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
Cash Flow	7,922	59,534	68,977	78,480	88,038	97,647	107,303	117,000	126,733	136,496

62 units plus 1 mgr. unit

TE Bonds + 4% Credits

New Construction

Non-Rural

PW Family project

QCT-Yes DDA-No

Year	Cash Flow									
	11	12	13	14	15	16	17	18	19	20
Rental Income	981,184	985,224	1,009,854	1,035,101	1,080,978	1,087,503	1,114,690	1,142,558	1,171,122	1,200,400
Other Income	11,905	12,202	12,507	12,820	13,141	13,469	13,806	14,151	14,505	14,867
Subsidy Income	413,239	421,504	429,934	438,533	447,303	456,249	465,374	474,682	484,175	493,859
Vacancy Loss	109,286	111,812	114,398	117,041	119,748	122,518	125,353	128,254	131,223	134,262
Adjusted Gross Income	1,277,052	1,307,118	1,337,899	1,369,412	1,401,674	1,434,703	1,468,518	1,503,136	1,538,579	1,574,864
Standard Expenses	550,139	569,394	589,323	609,949	631,297	653,392	676,261	699,930	724,428	749,783
Property Taxes	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500
Replacement Reserves	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500
Total Expenses	596,139	615,394	635,323	655,949	677,297	699,392	722,261	745,930	770,428	795,783
Perm Debt Service	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032
Total Debt Service	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032	501,032
Operating Reserve Balance	234,259	234,259	234,259	234,259	234,259	234,259	234,259	234,259	234,259	234,259
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	680,913	691,724	702,577	713,483	724,377	735,311	746,256	757,206	768,151	779,081
Debt Service Coverage	1.38	1.38	1.40	1.42	1.45	1.47	1.49	1.51	1.53	1.55
Cash after Exp & DS	179,880	190,692	201,544	212,431	223,345	234,278	245,224	256,174	267,118	278,049
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768
LP Fee Paid	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768
Cash Flow	173,161	183,771	194,418	205,088	215,782	226,488	237,200	247,909	258,606	269,282
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0
Dev. Fee Payments	0	0	0	0	0	0	0	0	0	0
Cash Flow	173,161	183,771	194,418	205,088	215,782	226,488	237,200	247,909	258,606	269,282
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0
MGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
MGP Fee Paid	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
Cash Flow	159,721	169,929	180,158	190,403	200,656	210,909	221,153	231,381	241,582	251,746
AGP Fee Balance	0	0	0	0	0	0	0	0	0	0
AGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
AGP Fee Paid	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
Cash Flow	146,282	156,086	165,900	175,718	185,530	195,329	205,106	214,852	224,558	234,211

Year	11	12	13	14	15	16	17	18	19	20
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PROJECT SUMMARY

Kingdom Development Inc.

WASHINGTON 9%

41 units plus 1 mgr. unit

9% Credits

New Construction

Non-Rural

PW Family project

OCT-Yes DDA-No

Permanent Sources				
Source	Amount	Rate	Amm.	/ Unit
Perm Loan	\$4,632,194	4.25%	40	\$110,290
Tax Credit Proceeds	23,683,869	NA	NA	563,902
HCIDLA AHTF	1,651,192	3.00%	RR	39,314
Interest Income	0	NA	NA	0
Operating Income	0	NA	NA	0
Deferred Developer Fee	18,795	6.00%	NA	447
\$29,986,049				

Permanent Uses		
Uses	Amount	Per Unit
Land Costs	\$4,716,575	\$112,299
Direct Construction Costs	15,117,594	359,943
Holding Costs	1,242,069	29,573
Permits, Fees, & Studies	2,082,137	49,575
Contingency	\$21,853	21,949
Developer Fee	2,200,000	52,381
Indirect Construction Costs	474,526	11,298
Relocation	936,737	22,303
Rent-Up Costs	84,220	2,005
Reserves	125,076	2,978
Financing Costs	2,085,262	49,649
\$29,986,049		

Source Pay in Schedule			
Source	Amount	Date	Notes
Perm Loan	\$4,632,194	Nov-22	Convert
Tax Credit Proceeds	4,736,774	Aug-20	Close
Tax Credit Proceeds	13,860,321	Jul-22	
Tax Credit Proceeds	4,736,774	Nov-22	Convert
Tax Credit Proceeds	350,000	Dec-22	8809s
HCIDLA AHTF	1,651,192	Aug-20	Close

Construction Sources		
Source	Amount	Per Unit
Tax Credit Proceeds	4,736,774	\$112,780.33
HCIDLA AHTF	1,651,192	39,314.10
Construction Loan	22,206,398	528,723.77
Deferred Costs	1,391,685	33,135.35
Totals 29,986,049 \$713,953.55		

Bedroom Mix/Average Rent			
Bedrooms	Quantity	% of Units	Avg. Rent
0			
1	9	22%	998.51
2	20	49%	1,059.75
3	12	29%	1,363.83
4+			

Rent Schedule					
Calculation	Quantity	Bedrooms	AMI	Rent	Unit
MGR	1	2	0%	\$0	\$0
TCAC	2	1	30%	583	24
TCAC	1	1	50%	955	24
TCAC	6	1	60%	1,151	24
TCAC	8	2	30%	672	33
TCAC	3	2	50%	1,142	33
TCAC	9	2	60%	1,377	33
TCAC	3	3	30%	775	39
TCAC	1	3	50%	1,318	39
TCAC	8	3	60%	1,590	39

Operating Expenses			
Expenses	Amount	Per Unit	
Management	0	\$0	
Administration	0	0	
Salaries & Benefits	239,400	5,700	
Maintenance	0	0	
Utilities	0	0	
Insurance	0	0	
Taxes	0	0	
Services	7,289	173	
Reserves	12,600	300	
	0	0	
Totals \$259,269 \$6,173			

Assumptions		Assumptions	
TCAC Tiebreaker	41.459%	Con. Length	22
Site (acres)	0.00	CL Closing:	8/30/20
Debt Cov. Ratio	1.15	Est. Completion	8/1/22
Vacancy Factor	5.0%	Con. Loan	22,206,398
		Con. Int. Rate	5.25%

USES, EXPENSES AND CREDIT

Kingdom Development Inc.

WASHINGTON 9%

41 units plus 1 mgr. unit
New Construction
PW Family project

9% Credits
Non-Rural
QCT-Yes DDA-No

Description	Development Costs			
	Amount	NC. Basis	4% Amount	Total
Acquisition Cost	\$4,716,575	\$0	\$9,155,425	\$13,872,000
REACost/(Reimbursement)	1,184,617	0	-1,184,617	0
Holding Costs	1,242,069	0	2,411,002	3,653,071
Building Fees & Permits	352,377	352,377	684,004	1,036,381
Impact Fees	645,821	645,821	1,253,808	1,899,729
Architectural & Engineering	1,005,808	1,005,808	1,952,391	2,958,198
Relocation	1,009,668	93,502	1,959,885	2,969,553
Market Study	5,100	0	9,900	15,000
Demolition	102,002	0	197,998	300,000
Toxic Abatement	249,808	0	484,908	734,716
Residential Construction	11,817,982	11,817,982	22,940,047	34,758,009
General Conditions	802,636	802,636	1,606,157	2,408,794
Contractor's Overhead & Profit	960,568	960,568	1,922,195	2,882,763
Construction Contingency	696,649	696,649	1,394,065	2,090,714
Developer Fee	2,200,000	2,200,000	5,341,780	7,541,780
Builders Risk Insurance	166,153	166,153	322,523	488,676
Liability Insurance	61,201	0	118,799	180,000
Accounting	18,360	0	35,640	54,000
Legal Fees	136,940	23,800	266,818	402,758
Credit Enhancement	85,070	85,070	165,132	250,202
Soft Cost Contingency	225,205	112,602	437,148	662,353
Marketing & Advertising	34,001	0	65,999	100,000
Capitalized Operating Reserve	125,076	0	234,259	359,335
Common Area Furnishings	65,179	65,179	126,521	191,700
Construction Period Interest	1,507,347	1,171,666	1,667,827	3,185,174
Construction Loan Fees	222,064	172,611	272,113	494,177
Permanent Loan Fees	153,945	0	298,825	452,770
TCAC Fees	112,617	0	43,297	155,914
Title and Recording	81,129	27,201	150,881	232,010
Commercial Construction	0	0	730,000	730,000
CDLAC Fees	0	0	109,524	109,524
Totals	\$29,986,049	\$20,399,706	\$55,193,232	\$85,179,281
Per Unit	713,954	485,707	876,083	811,231

	Individually		Combined
	9%	4%	9% & 4%
Threshold Basis Limit	20,044,253	47,649,172	67,693,425
Eligible Basis Total	20,399,706	40,953,497	61,353,203
High Cost Test Factor	102%	86%	91%
			0
			0

Description	Operating Expenses	
	Amount	Per Unit
Expenses	\$239,400	\$5,700
Social Services	7,269	173
Replacement Reserves	12,600	300
Total	\$259,269	\$6,173

	Tax Credit Calculation		
	9% Federal	Acq. Fed.	State
Eligible Basis	20,399,706	0	0
Excluded	355,500	0	0
Unadjusted	20,044,206	0	0
Basis Limit	20,044,253		
Boost	130%	100%	
Adjusted	26,057,468	0	
Applicable	100.0%	100.0%	100.0%
Qualified	26,057,468	0	0
Reduction	0	0	
Adj. Qualified	26,057,468	0	
Rate Factor	9.00%	3.20%	30.00%
Annual Credits	2,345,172	0	
Federal Credits	23,451,720	State Credits	0
Credit Price	1.01		0.82
Proceeds	23,683,869		0
Total	\$23,683,869		

#1 units plus 1 mgr. unit

9% Credits

New Construction

Non-Rural

P/W Family project

OCT-Yes DDA-No

Year	Cash Flow									
	1	2	3	4	5	6	7	8	9	10
Rental Income	558,542	572,506	586,819	601,489	616,526	631,939	647,738	663,931	680,530	697,543
Other Income	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493	7,681
Subsidy Income	0	0	0	0	0	0	0	0	0	0
Vacancy Loss	28,235	28,940	29,664	30,406	31,166	31,945	32,744	33,562	34,401	35,261
Adjusted Gross Income	536,458	549,869	563,616	577,706	592,149	606,953	622,127	637,680	653,622	669,962
Standard Expenses	246,669	255,303	264,238	273,487	283,059	292,966	303,219	313,832	324,816	336,185
Property Taxes	0	0	0	0	0	0	0	0	0	0
Replacement Reserves	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600
Total Expenses	259,269	267,903	276,838	286,087	295,659	305,566	315,819	326,432	337,416	348,785
Perm Debt Service	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034
Total Debt Service	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034
Operating Reserve Balance	125,076	125,076	125,076	125,076	125,076	125,076	125,076	125,076	125,076	125,076
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	277,189	281,967	286,778	291,620	296,490	301,387	306,307	311,248	316,205	321,177
Debt Service Coverage	1.15	1.17	1.19	1.21	1.23	1.25	1.27	1.29	1.31	1.33
Cash after Exp & DS	36,155	40,933	45,744	50,586	55,457	60,354	65,274	70,214	75,172	80,144
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
LP Fee Paid	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Cash Flow	31,155	35,783	40,440	45,123	49,829	54,557	59,303	64,065	68,838	73,620
Deferred Developer Fee	18,795	0	0	0	0	0	0	0	0	0
Dev. Fee Payments	18,795	0	0	0	0	0	0	0	0	0
Cash Flow	12,360	35,783	40,440	45,123	49,829	54,557	59,303	64,065	68,838	73,620
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0
MGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
MGP Fee Paid	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
Cash Flow	2,360	25,483	29,831	34,195	38,574	42,964	47,363	51,766	56,170	60,572
AGP Fee Balance	0	7,640	0	0	0	0	0	0	0	0
AGP Fee Due	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
AGP Fee Paid	2,360	17,940	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
Cash Flow	0	7,543	19,222	23,268	27,319	31,372	35,422	39,467	43,503	47,525

CASH FLOW YR 11-20

Kingdom Development Inc.

WASHINGTON 9%

41 units plus 1 mgr. unit

9% Credits

New Construction

Non-Rural

P/W Family project

QCT-Yes DDA-No

Year	Cash Flow									
	11	12	13	14	15	16	17	18	19	20
Rental Income	714,981	732,856	751,177	769,957	789,206	808,936	829,159	849,888	871,136	892,914
Other Income	7,873	8,069	8,271	8,478	8,690	8,907	9,130	9,358	9,592	9,832
Subsidy Income	0	0	0	0	0	0	0	0	0	0
Vacancy Loss	36,143	37,046	37,972	38,922	39,895	40,892	41,914	42,932	44,036	45,137
Adjusted Gross Income	686,711	703,879	721,476	739,513	758,001	778,951	796,375	816,284	838,691	857,608
Standard Expenses	347,951	360,130	372,734	385,780	399,282	413,257	427,721	442,691	458,185	474,222
Property Taxes	0	0	0	0	0	0	0	0	0	0
Replacement Reserves	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600
Total Expenses	360,551	372,730	385,334	398,380	411,882	425,857	440,321	455,291	470,785	486,822
Perm Debt Service	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034
Total Debt Service	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034	241,034
Operating Reserve Balance	125,076	125,076	125,076	125,076	125,076	125,076	125,076	125,076	125,076	125,076
Draws on Reserves	0	0	0	0	0	0	0	0	0	0
Net Operating Income	326,160	331,149	336,142	341,133	346,119	351,094	356,054	360,993	365,908	370,786
Debt Service Coverage	1.35	1.37	1.39	1.42	1.44	1.46	1.48	1.50	1.52	1.54
Cash after Exp & DS	85,126	90,116	95,108	100,100	105,085	110,060	115,020	119,959	124,872	129,753
LP Fee Balance	0	0	0	0	0	0	0	0	0	0
LP Fee Due	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768
LP Fee Paid	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768
Cash Flow	78,407	83,195	87,980	92,757	97,522	102,270	106,997	111,695	116,360	120,985
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0
Dev. Fee Payments	0	0	0	0	0	0	0	0	0	0
Cash Flow	78,407	83,195	87,980	92,757	97,522	102,270	106,997	111,695	116,360	120,985
MGP Fee Balance	0	0	0	0	0	0	0	0	0	0
MGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
MGP Fee Paid	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
Cash Flow	64,968	69,352	73,722	78,072	82,396	86,691	90,949	95,166	99,336	103,450
AGP Fee Balance	0	0	0	0	0	0	0	0	0	0
AGP Fee Due	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
AGP Fee Paid	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
Cash Flow	51,529	55,510	59,464	63,386	67,270	71,111	74,902	78,638	82,311	85,915

ATTACHMENT A
LEGAL DESCRIPTION
(HCIDLA Parcels)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOTS 3, 4, 5 AND 32, IN BLOCK "B" OF THE SUBDIVISION OF THE MARTIN TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 5 PAGE 504 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ANY PORTION OF LOT 5 INCLUDED WITHIN THE LINES OF PARCEL 2.

PARCEL 2:

LOT 2 OF TRACT NO. 26934, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 768 PAGES 66 THROUGH 68 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Assessors Parcel Number: 5127-029-902; 5127-029-903 and 5127-029-904

ATTACHMENT B
LEGAL DESCRIPTION
(Developer Parcels)

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

LOTS 1 AND 2, IN BLOCK "B", OF THE SUBDIVISION OF THE MARTIN TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 5, PAGE 504 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE SOUTHWESTERLY 55 FEET THEREOF.

APN: 5127-029-049, 200 East Washington Blvd, Los Angeles

THE SOUTHWESTERLY 55 FEET OF LOTS 1 AND 2 IN BLOCK "B" OF SUBDIVISION OF THE MARTIN TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 5, PAGE(S) 504 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5127-029-037, 1910 South Los Angeles Street, Los Angeles