
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: March 29, 2024

CAO File No. 0220-00540-1689
Council File No. 23-0038-S4
Council District: 1, 6, 8, 9, 13, 14, 15To: The Mayor
The CouncilFrom: *for* Matthew W. Szabo, City Administrative Officer *Yolanda Chaniz*

Reference: Los Angeles Housing Department transmittal dated March 11, 2024; Additional Information Received through March 28, 2024

Subject: **REQUEST FOR AUTHORITY TO MAKE AWARDS UNDER THE UNITED TO HOUSE LA ACCELERATOR PLUS PROGRAM AS A RESULT OF THE 2023 NOTICE OF FUNDING AVAILABILITY, TO DESIGNATE ALTERNATES, AND TO ISSUE FUNDING AWARDS AND SUPPORT LETTERS TO NEW AND EXISTING PROJECTS**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Note and file the Los Angeles Housing Department (LAHD) transmittal dated March 11, 2024, relative to making awards under the United to House LA (ULA) Accelerator Plus program, designating alternates, and issuing funding awards and support letters to new and existing projects.
2. Authorize the General Manager of the LAHD, or designee, to:
 - a. Admit the nine projects selected from the ULA Accelerator Plus 2023 Notice of Funding Availability applications, listed in Table 1 of this report, and issue Award Letters subject to the following conditions:
 - i. The final funding commitment will not exceed the amount listed in Table 1 of this report;
 - ii. The project sponsor must apply to the California Tax Credit Allocation Committee in the next available Low Income Housing Tax Credits (LIHTC) allocation round; and,
 - iii. The disbursement of LAHD funds will occur only after the sponsor obtains enforceable commitment for all proposed funding;
 - b. Negotiate and execute acquisition/predevelopment/construction/permanent loan

agreements with the legal owners of all of the projects identified in Table 1, which received awards from the leveraging sources identified therein, subject to the satisfaction of all conditions and criteria contained in the ULA Accelerator Plus Program NOFA application, LAHD’s transmittal, and the LAHD Award Letter (if applicable), and the review and approval of the City Attorney as to form;

- c. Execute subordination agreements of the City’s financial commitment for all of the projects identified in this report’s Table 2, wherein the City Loan and Regulatory Agreements are subordinated to their respective conventional or municipally-funded construction and permanent loans, as required for the projects;
- d. Allow the transfer of the City’s financial commitment for all of the projects identified in this report’s Table 2 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;
- e. Issue Nine Percent LIHTC tie-breaker letters of support for the Grace Villas and the Main projects in the Geographic set-aside, as identified in this report’s Table 1; and,
- f. Obligate \$55,598,945 in ULA funds, and request the Controller to transfer appropriations within Fund 66M, from Account 43Y00C to new appropriation accounts for the projects and amounts listed below:

Table 1			
Project	Fund	Account	Amount
Category A			
Rousseau Residences	66M	TBD	\$424,391
Montesquieu Manor	66M	TBD	\$608,997
Santa Monica Vermont Apartments	66M	TBD	\$2,526,000
Voltaire Villas	66M	TBD	\$1,000,000
Category A Subtotal			\$4,559,388
Category B			
Alveare Family	66M	TBD	\$10,559,557
Peak Plaza (aka 306 E. Washington)	66M	TBD	\$10,080,000
The Main	66M	TBD	\$8,680,000
Chavez Gardens	66M	TBD	\$15,000,000
Grace Villas	66M	TBD	\$6,720,000
Category B Subtotal			\$51,039,557
TOTAL			\$55,598,945

- g. Prepare Controller instructions and any technical corrections as necessary to the transactions included in this report to implement Mayor and Council’s intent of those transactions, including the disbursement of appropriated funds, subject to the approval of the City Administrative Officer.

SUMMARY

The Los Angeles Housing Department (LAHD), in its transmittal dated March 11, 2024 (LAHD Report), requested authority to admit nine projects into the ULA Accelerator Plus Program, issue Award Letters, and obligate funds totaling \$55,598,945 in the ULA Affordable Housing Programs account. Seven projects are using, or plan to use, Four Percent tax credits as the primary leveraging source, and two projects will apply for Nine Percent tax credits. Of the nine projects, four are in Category A (projects that have already received tax credits) and five are in Category B (projects that have not yet applied for tax credits). The Category B projects are expected to submit applications for the next round of tax credits. The next Four Percent tax credit allocation round closes in April 2024, and the next Nine Percent tax credit allocation round closes in July 2024.

The LAHD further requested authority to negotiate and execute agreements with the projects receiving City funds for acquisition, predevelopment, construction and permanent loans, and to subordinate City loans and regulatory agreements. The LAHD also requested authority to transfer the City’s financial commitments for the projects receiving LAHD funding to a legal entity formed for the sole purpose of owning and operating the project. The LAHD also requests to provide commitment letters to the projects in Category B.

Subsequent to the release of the LAHD Report, the LAHD provided revised staff reports with updated information relating to the size of the recommended awards and timing of tax credit applications. Revised staff reports are attached to this report. The LAHD also revised the leveraging source for The Main and the amount of the award, and updated the total amount of funding obligated through this report accordingly.

Table 2							
Detailed Project List							
Project Name	Cat.	Applicant Name	CD	Total Units	SH Units	Non-SH Units	Leveraging Source
Rousseau Residences	A	Flexible PSH Solutions	13	52	51	0	4% LIHTC
Montesquieu Manor	A	Flexible PSH Solutions	13	53	52	0	4% LIHTC
Santa Monica Vermont Apartments	A	LTSC Community Development Corporation	13	187	94	91	4% LIHTC
Voltaire Villas	A	Flexible PSH	13	72	71	0	4% LIHTC

		Solutions					
Alveare Family	B	Related Housing	8	105	0	104	4% LIHTC
Peak Plaza (aka 306 E. Washington)	B	Hollywood Community Housing Corporation	9	104	0	102	4% LIHTC
The Main	B	Abbey Road, Inc.	6	64	33	31	9% LIHTC
Chavez Gardens	B	Abode Communities	14	110	30	79	4% LIHTC
Grace Villas	B	WORKS	1	48	0	47	9% LIHTC
TOTAL				795	331	454	

In addition to the LAHD requested authorities, this Office recommends to include three conditions on the proposed Award Letters. This Office also recommends the creation of appropriation accounts within 65M/43Y00C for each of the nine selected projects for tracking purposes.

Selection of Alternates

The LAHD identified three alternate projects to receive ULA Accelerator Plus funding, should any of the selected projects be unable to use their award. These alternate projects, which are all Category B projects, are listed in the table below.

Table 3							
Alternate Project List							
Project Name	Applicant Name	CD	Total Units	SH Units	Non-SH Units	Leveraging Source	Potential Award Amount
87th and Western Apartments (Sola @ 87th)	Innovative Housing Opportunities, Inc.	8	160	51	106	4% LIHTC	\$14,485,322
Hope on 6th	1010 Development Corporation	15	54	33	20	9% LIHTC	\$2,800,000
Prisma (Orange & Delongpre)	Affirmed Housing Group, Inc.	13	98	72	24	4% LIHTC	\$5,422,928
Total			312	156	150		\$22,708,250

The LAHD will report back to the Council and Mayor if and when an alternate project is recommended for funding.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund at this time. The actions recommended in this report will be funded by revenue collected from Measure United to House LA (Measure ULA). In the event Measure ULA is invalidated, the City's General Fund may be obligated to cover any spent funds. Up to \$150 million in Federal Emergency Management Agency (FEMA) reimbursements to the General Fund may be available for this purpose in 2024-25 or 2025-26.

FINANCIAL POLICIES STATEMENT

The recommendations stated in this report are in compliance with the City's Financial Policies in that the financial obligations detailed in this report accord with the mandates of the United to House LA Fund.

Attachment

MWS:YC:VES:EAB:02240090c

Ann Sewill, General Manager
Tricia Keane, Executive Officer

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

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Rousseau Residences Staff Report

Recommended Loan

The ULA Accelerator Loan being recommended for Rousseau Residences is \$424,391 for a total LAHD loan investment of \$4,482,391. The ULA Accelerator Loan amount will represent a cost of \$8,161 per unit and 1.49% of the total development cost. The LAHD funds are leveraged primarily by equity proceeds from 4% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

Rousseau Residences (the “Project”) is currently in construction with an expected completion of July 2024. The building is located at 316 N. Juanita Ave., Los Angeles in Council District 13. The building consists of 51 affordable studio units and one two-bedroom manager’s unit. Thirty eight (38) of the units will be occupied by formerly chronically homeless individuals at or below 30% Area Median Income(AMI), using the Permanent Supportive Housing (PSH) model of care. The remaining thirteen (13) units are restricted to homeless individuals at or below 30% AMI. 50 PSH units are subsidized by project-based vouchers administered by the Housing Authority of the City of Los Angeles (HACLA).

The addition of the ULA Accelerator Loan will help to relieve the additional burden on the project and developer from the cost increases discussed below.

Project Cost Increase

Since the project’s construction financing closed in February of 2022 there have been several key factors that have contributed to a rise in the project’s budget, including:

Rousseau Residences sustained substantial delays, damages, and cost impacts due to the site flooding while preparing the project foundation. During excavation work on December 19, 2022 for the foundation and basement level of Rousseau Residences, construction crews encountered an elevated water table which caused water seepage in the excavated section and halting excavation and concrete work. This problem persisted into early 2023 and was exacerbated by record-setting precipitation levels as a result of the 31 atmospheric rivers that hit California during the winter months, which caused the project site to continue flooding and fail to dry out between rain events.

Rain was recorded at the site for 34 days from December 2022 to May 2023, often with insufficient time between precipitation events to allow for drying to the soil sufficient to stabilize foundations. This not only had a substantial effect on the construction timeline but also a financial impact on project finances and reserves. The Borrower is applying for \$424,391 in Accelerator Plus funding to help mitigate cost overruns and maintain appropriate reserves, with additional cost coverages available from additional tax credit equity.

Project Eligibility

Rousseau Residences meets the following criteria for Group A:

1. Project needs Accelerator Plus as a sole source of supplemental funds to start or complete construction.
2. Project has secured all expected funding sources including a funding commitment or loan from LAHD, but due to cost or scope changes, need additional funds to begin or complete construction.
3. Project will have secured commitments of all funding sources with the exception of Accelerator Plus.
4. Project requested loan meets the maximum loan limit which is the lesser of up to \$100,000/unit or \$10 million per project.

Priority

The project anticipates completing construction in July 2024. The developer is working to expedite the completion of construction closing in a timely manner given the delays.

(The project's financials follow this report)

Construction Sources

Construction Sources	Construction Closing Sources (February 2022)	REVISED Sources (Jan 2024)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Loan	\$14,000,000	\$ 14,000,000	\$269,231	\$0	0%
LAHD Prop HHH Loan	\$2,467,418	\$ 2,808,000	\$54,000	\$340,582	14%
ULA Accelerator Loan	\$0	\$ 424,391	\$8,161	\$424,391	N/A
Costs deferred	\$2,153,200	\$ 978,200	\$18,812	\$(1,175,000)	-55%
Deferred Developer Fee	\$0	\$0	\$0	\$0	0%
GP Equity	\$1,767,000	\$1,767,000	\$33,981	\$0	0%
NPLH	\$5,955,582	\$6,790,000	\$130,577	\$834,418	14%
Tax Credit Limited Partner Equity	\$1,161,000	\$1,761,000	\$33,865	\$600,000	52%
Total	\$27,504,200	\$ 28,528,591	\$548,627	\$1,024,391	3.72%

Permanent Sources

Permanent Sources	Permanent Closing Sources (February 2022)	REVISED Sources (Jan 2024)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Perm Loan	\$1,994,000	\$1,994,000	\$38,346	\$0	0%
LAHD Prop HHH Loan	\$4,058,000	\$4,058,000	\$78,038	\$0	0%
ULA Accelerator Loan	\$0	\$424,391	\$8,161	\$424,391	N/A
NPLH	\$9,942,000	\$9,942,000	\$191,075	\$0	0%
Deferred Developer Fee	\$0	\$0	\$0	\$0	0%
GP Equity	\$1,767,000	\$1,767,00	\$33,981	\$0	0%
Tax Credit Limited Partner Equity	\$9,743,200	\$10,343,200	\$198,908	\$600,000	6%
Total	\$27,504,200	\$28,528,591	\$548,627	\$1,024,391	3.72%

Uses

Uses of Funds	Total Uses (February 2022)	REVISED Sources (Jan 2024)	Revised Sources/Unit	\$ Variance	% Variance
Acquisition Costs	\$3,086,405	\$2,350,000	\$45,192	\$(736,405)	-24%
Construction Hard Costs	\$13,878,942	\$15,625,533	\$300,491	\$1,746,591	13%
Architecture & Engineering	\$975,000	\$975,000	\$18,750	\$0	0%
Construction Interest Fees/ Expenses	\$2,058,550	\$1,784,900	\$34,325	\$(273,650)	-13%
Permanent Financing Costs	\$37,500	\$37,500	\$721	\$ 0	0%
Total hard & Soft Contingency Costs	\$1,665,800	\$1,651,800	\$31,765	\$(14,000)	-1%
Legal Costs	\$172,000	\$ 222,000	\$ 4,269	\$50,000	29%
Capitalized Reserves	\$966,000	\$1,034,000	\$19,885	\$68,000	7%
Permits and Local Fees	\$550,893	\$428,671	\$8,244	\$(122,222)	-22%
Developer Fee	\$1,250,000	\$1,250,000	\$24,038	\$0	0%
GP Equity	\$1,767,000	\$1,767,000	\$33,981	\$ 0	0%
Other Project Costs	\$1,096,110	\$1,402,187	\$26,965	\$306,077	28%
Total	\$27,504,200	\$28,528,591	\$548,627	\$1,024,391	3.72%

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Tricia Keane, Executive Officer

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LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
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Karen Bass, Mayor

Montesquieu Manor Staff Report

Recommended Loan

The ULA Accelerator Loan being recommended for Montesquieu Manor is \$608,997 for a total LAHD loan investment of \$5,355,997. The ULA Accelerator Loan amount will represent a cost of \$11,491 per unit and 1.96% of the total development cost. The LAHD funds are leveraged primarily by equity proceeds from 4% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

Montesquieu Manor (the “Project”) is currently in construction with an expected completion of July 2024. The building is located at 316 N. Juanita Ave., Los Angeles in Council District 13. The building consists of 52 affordable studio units and one two-bedroom manager’s unit. Thirty (30) of the units will be occupied by formerly chronically homeless individuals at or below 30% Area Median Income (AMI), using the Permanent Supportive Housing (PSH) model of care. The remaining twenty two (22) units are restricted to homeless individuals at or below 30% AMI. Forty PSH units are subsidized by project-based vouchers administered by the Housing Authority of the City of Los Angeles (HACLA).

The addition of the ULA Accelerator Loan will help to relieve the additional burden on the project and developer from the cost increases discussed below.

Project Cost Increase

Since the project’s construction financing closed in February of 2022 there have been several key factors that have contributed to a rise in the project’s budget, including:

Montesquieu Manor sustained substantial delays, damages, and cost impacts due to the site flooding while preparing the project foundation. During excavation work on December 19, 2022 for the foundation and basement level of Montesquieu Manor, construction crews encountered an elevated water table which caused water seepage in the excavated section and halting excavation and concrete work. This problem persisted into early 2023 and was exacerbated by record-setting precipitation levels as a result of the abundant rains that hit California during the winter months. Rain was recorded at the site for 34 days from December 2022 to May 2023, often with insufficient time between precipitation events to allow for drying to the soil sufficient to stabilize foundations.

This not only had a substantial effect on the construction timeline but also a financial impact on project finances and reserves. The Borrower is applying for \$608,997 in Accelerator Plus funding to help mitigate cost overruns and maintain appropriate reserves, with additional cost coverages available from additional tax credit equity.

Project Eligibility

Montesquieu Manor meets the following criteria for Group A:

1. Project needs Accelerator Plus as a sole source of supplemental funds to start or complete construction.
2. Project has secured all expected funding sources including a funding commitment or loan from LAHD, but due to cost or scope changes, need additional funds to begin or complete construction.
3. Project will have secured commitments of all funding sources with the exception of Accelerator Plus.
4. Project requested loan meets the maximum loan limit which is the lesser of up to \$100,000/unit or \$10 million per project.

Priority

The project expects to complete construction in July 2024. The developer is working to expedite the completion of construction closing in a timely manner given the delays.

(The project's financials follow this report)

Construction Sources

Construction Sources	Construction Closing Sources (February 2022)	REVISED Sources (Jan 2024)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Loan	\$ 15,000,000	\$ 15,000,000	\$283,019	\$ 0	0%
LAHD Prop HHH Loan	\$ 3,008,661	\$ 3,385,000	\$63,868	\$ 376,339	13%
ULA Accelerator Loan	\$ 0	\$ 608,997	\$11,491	\$ 608,997	N/A
Costs deferred	\$ 2,122,000	\$ 946,400	\$ 17,857	\$(1,175,600)	-55%
Deferred Developer Fee	\$ 0	\$ 0	\$ 0	\$ 0	0%
GP Equity	\$ 1,920,000	\$ 1,920,000	\$ 36,226	\$ 0	0%
NPLH	\$ 6,388,639	\$ 7,187,300	\$ 135,609	\$ 798,661	13%
Tax Credit Limited Partner Equity	\$ 1,370,700	\$ 1,982,100	\$ 37,398	\$ 611,400	45%
Total	\$29,810,000	\$ 31,029,797	\$585,468	\$1,219,797	4.09%

Permanent Sources

Permanent	Construction Closing Sources (February 2022)	REVISED Sources (Jan 2024)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Perm Loan	\$ 1,497,000	\$ 1,497,000	\$ 28,245	\$ 0	0%
LAHD Prop HHH Loan	\$ 4,747,000	\$ 4,747,000	\$ 89,566	\$ 0	0%
ULA Accelerator Loan	\$ 0	\$ 608,997	\$ 11,491	\$ 608,997	N/A
NPLH	\$ 10,074,000	\$ 10,074,000	\$ 190,075	\$ 0	0%
Deferred Developer Fee	\$ 0	\$ 0	\$ 0	\$ 0	0%
GP Equity	\$ 1,920,000	\$ 1,920,00	\$ 36,226	\$ 0	0%
Tax Credit Limited Partner Equity	\$ 11,572,000	\$12,182,800	\$229,864	\$610,800	5%
Total	\$29,810,000	\$31,029,797	\$ 585,468	\$1,219,797	4.09%

Uses

Uses of Funds	Total Uses (February 2022)	Revised Uses (Jan 2024)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$ 3,444,900	\$ 2,862,600	\$ 54,011	\$(582,300)	-17%
Construction Hard Costs	\$15,377,627	\$17,147,424	\$ 323,536	\$1,769,797	12%
Architecture & Engineering	\$ 975,000	\$ 975,000	\$ 18,396	\$ 0	0%
Construction Interest Fees/ Expenses	\$ 2,058,650	\$ 1,926,650	\$ 36,352	\$(132,000)	-6%
Permanent Financing Costs	\$ 29,750	\$ 29,750	\$ 561	\$ 0	0%
Total hard & Soft Contingency Costs	\$ 1,806,086	\$ 1,793,150	\$ 33,833	\$(12,936)	-1%
Legal Costs	\$ 172,000	\$ 220,000	\$ 4,189	\$ 50,000	29%
Capitalized Reserves	\$ 947,000	\$ 1,001,000	\$ 18,887	\$ 54,000	6%
Permits and Local Fees	\$ 550,800	\$ 396,230	\$ 7,476	\$ (154,570)	-28%
Developer Fee	\$ 1,250,000	\$ 1,250,000	\$23,585	\$ 0	0%
GP Equity	\$1,920,000	\$1,920,000	\$36,226	\$ 0	0%
Other Project Costs	\$ 1,278,187	\$ 1,505,993	\$ 28,792	\$ 227,806	18%
Total	\$29,810,000	\$31,029,797	\$585,468	\$1,219,797	4.09%

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1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
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Santa Monica and Vermont Apartments Staff Report

Recommended Loan

The ULA Accelerator Loan being recommended for the Santa Monica and Vermont Apartments is \$2,526,000 for a total LAHD loan investment of \$26,526,000. The ULA Accelerator Loan amount will represent a cost of \$13,508 per unit and 2.01% of the total development cost. The LAHD funds are leveraged primarily by equity proceeds from 4% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

Santa Monica and Vermont Apartments (the “Project”) will be two six-story buildings with subterranean parking located at 1021 North Vermont Avenue (formerly known as 4718 W. Santa Monica Boulevard), Los Angeles, CA 90029 in Council District 13. The Project will have 187 supportive and affordable housing units dispersed between two buildings. Of the total units, 185 units will be targeted toward households at or below 50% of the Area Median Income (“AMI”) and 94 of the units will be for people with Special Needs. Project plans include 57 studio units (approx. 445 square feet “sf”), 81 one-bedroom units (approx. 633 sf), 44 two-bedroom units, 2 of which are manager’s units (approx. 888 sf), and 5 three-bedroom units (approx. 1,396 sf).

The Project area consists of a total of 170,000 sf. Each building will have six floors, five of which will be residential floors. The Project will also have approximately 20,000 sf. of commercial and community space, including a federally qualified health center, a community art gallery and a public dining terrace open to the adjacent Metro Station Public Plaza. The project is currently under construction and expects to complete construction in the summer of 2024.

The addition of the ULA Accelerator Loan will help to relieve the additional burden on the Project and developer from the cost increases discussed below.

Project Cost Increase

Since the project’s construction financing closed in February 2022, there has been one key factor contributing to the increase in the project’s overall budget:

Higher Construction Loan Interest: When the Project closed its construction loan and began construction in March of 2022, the construction loan interest rate was 2.7%. However, the construction loan interest rate has since increased to 7.5%. The Project budget interest reserve at construction closing was funded at \$6.75 million, and the developer did not anticipate an unprecedented increase to loan rates in the period of time between construction loan close and permanent conversion, and therefore was inadequately funded. The Project now anticipates needing an interest reserve of \$13.23 million versus the original \$6.75 million in order to complete

construction. Bank of America, the construction lender and Tax Credit Investor (“BofA”) temporarily approved the reallocation of budget funds, freeing up funds to cover the loan interest overrun.

In addition, the Project sought to increase the BofA Perm Loan to partially fill the gap based on increased HACLA Voucher Payment Standard rents. However, BofA determined that they could not underwrite the requested revised loan amount based on a recent appraisal of the Project. Concurrent to the BofA request, and in anticipation of an increased Permanent Loan, the Project applied for Supplemental Bond funds in the amount of \$2,845,000 to ensure that the Project would not fail the CDLAC 50% test. CDLAC granted the supplemental award of private activity bond volume cap (“Supplemental Bond funds”) on August 23, 2023. With adjustments to the budget, and the addition of Supplemental Bond funds, it is not enough to sustain the Project through to permanent conversion. Therefore, the Project is seeking ULA funds to fill the remaining shortfall.

Project Eligibility

Santa Monica and Vermont meets the following criteria for Group A:

1. Project needs Accelerator Plus as a sole source of supplemental funds to start or complete construction.
2. Project has secured all expected funding sources including a funding commitment or loan from LAHD, but due to cost or scope changes, needs additional funds to begin or complete construction.
3. Project will have secured commitments of all funding sources with the exception of Accelerator Plus.
4. Project requested loan meets the maximum loan limit which is the lesser of up to \$100,000/unit or \$10 million per project.

Priority

The Project anticipates construction completion by mid-2024, with a placed-in-service date of July 2024, followed by a permanent loan conversion in December 2024.

(The Project's financials follow this report)

Construction Sources:

Construction Sources	Construction Closing (Feb. 2022)	REVISED Sources (Jan. 2024*)	Revised Sources/unit	\$ Variance	% Variance
Construction Loan – BofA TE	\$56,000,000	\$58,845,000	\$314,679	\$2,845,000	5.1%
Construction Loan – BofA Taxable	\$12,853,767	\$13,900,559	\$74,335	\$1,046,792	8.1%
LAHD HHH Loan	\$22,800,000	\$22,800,000	\$121,925	\$0	0%
LAHD HHH Accrued Deferred Interest	-	\$43,000	\$230	\$43,000	N/A
ULA Accelerator Loan	-	\$2,526,000	\$13,508	\$2,526,000	N/A
FHLB AHP (GP Loan)	-	\$1,000,000	\$5,348	\$1,000,000	N/A
State HCD-IIG	\$6,366,216	\$6,366,216	\$34,044	\$0	0%
State HCD TOD Grant	\$2,000,000	\$2,000,000	\$10,695	\$0	0%
State HCD AHSC Grant	\$249,200	\$249,200	\$1,333	\$0	0%
Deferred Costs (until conversion)	\$4,600,686	\$3,793,940	\$20,288	(\$806,746)	-17.5%
Deferred Developer Fee	-	\$300,000	\$1,604	\$300,000	N/A
GP Equity	\$0	\$0	\$0	\$0	0%
Tax Credit Equity	\$13,679,715	\$13,679,715	\$73,154	\$0	0%
Total	\$118,549,584	\$125,503,630	\$671,142	\$6,954,046	5.9%

* The revised Sources includes \$2,845,000 in a Supplemental Bond funds awarded by CDLAC on August 23, 2023.

Permanent Sources:

Permanent	Construction Closing (Feb. 2022)	REVISED Sources (Jan. 2024*)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Perm Loan BofA (Tranche A-Residential)	\$19,572,082	\$19,572,082	\$104,664	\$0	0%
Tax Exempt Bond Perm Loan BofA (Tranche A-Commercial)	\$2,377,918	\$2,377,918	\$12,716	\$0	0%
Taxable Bond Perm Loan BofA (Tranche B)	-	\$2,670,000	\$14,278	\$2,670,000	N/A
LAHD HHH Loan	\$24,000,000	\$24,000,000	\$128,342	\$0	0%
LAHD HHH Accrued Deferred Interest	-	\$43,000	\$230	\$43,000	N/A
ULA Accelerator Loan	-	\$2,526,000	\$13,508	\$2,526,000	N/A
FHLB AHP (GP Loan)	-	\$1,000,000	\$5,348	\$1,000,000	N/A
State HCD AHSC AHD Loan	\$20,000,000	\$20,000,000	\$106,952	\$0	0%
State HCD TOD Loan	\$10,000,000	\$10,000,000	\$53,476	\$0	0%
State HCD-IIG Grant	\$6,366,216	\$6,366,216	\$34,044	\$0	0%
State HCD TOD Grant	\$2,000,000	\$2,000,000	\$10,695	\$0	0%
State HCD AHSC Grant	\$249,200	\$249,200	\$1,333	\$0	0%
Deferred Developer Fee	-	\$300,000	\$1,604	\$300,000	N/A
GP Equity	\$0	\$0	\$0	\$0	0%
Tax Credit Equity	\$33,984,168	\$34,399,214	\$183,953	\$415,046	1.2%
Total	\$118,549,584	\$125,503,630	\$671,142	\$6,954,046	5.9%

* The revised Sources includes \$2,845,000 in a Supplemental Bond funds awarded by CDLAC on August 23, 2023.

Uses:

Uses of Funds	Total Uses (June 2020)	Revised Uses (August 2023)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$ 9,405,511	\$9,213,563	\$49,270	(\$191,948)	-2.0%
Construction Hard Costs	\$75,880,686	\$78,110,970	\$417,706	\$2,230,284	2.9%
Architecture & Engineering	\$4,566,563	\$4,842,211	\$25,894	\$275,648	6.0%
Construction Interest Fees/ Expenses	\$8,419,162	\$15,229,662	\$81,442	\$6,810,500	80.9%
Permanent Financing Costs	\$246,292	\$267,992	\$1,433	\$21,700	8.8%
Total hard & Soft Contingency Costs	\$6,706,826	\$4,350,000	\$ 23,262	(\$2,356,826)	-35.1%
Legal Costs	\$233,733	\$313,730	\$1,678	\$79,997	34.2%
Capitalized Reserves	\$2,487,688	\$1,952,759	\$10,443	(\$534,929)	-21.5%
Permits and Local Fees	\$2,930,000	\$1,992,232	\$10,654	(\$937,768)	-32.0%
Developer Fee	\$2,500,000	\$2,500,000	\$13,369	\$0	0%
GP Equity	\$0	\$0	\$0	\$0	0%
Other Project Costs	\$5,173,123	\$6,730,511	\$35,992	\$1,557,388	30.1%
Total	\$118,549,584	\$125,503,630	\$671,142	\$6,954,046	5.9%

Ann Sewill, General Manager
Tricia Keane, Executive Officer

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

Karen Bass, Mayor

Voltaire Villas Staff Report

Recommended Loan

The ULA Accelerator Loan being recommended for Voltaire Villas is \$1,000,000 for a total LAHD loan investment of \$10,940,000. The ULA Accelerator Loan amount will represent a cost of \$13,888 per unit and 3% of the total development cost. The LAHD funds are leveraged primarily by equity proceeds from 4% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

Voltaire Villas (the “Project”) is currently in construction with an expected completion of July 2024. The building is located at 316 N. Juanita Ave., Los Angeles in Council District 13. The building consists of the 66 affordable studio units, 5 one-bedroom units and one two-bedroom manager’s unit. Thirty two (32) of the units will be occupied by formerly chronically homeless individuals at or below 30% Area Median Income (AMI), using the Permanent Supportive Housing (PSH) model of care. The remaining thirty-nine (39) units are restricted to homeless individuals at or below 30% AMI. Twenty (20) PSH units are subsidized by project-based vouchers administered by the Housing Authority of the City of Los Angeles (HACLA).

Project Cost Increase

Since the project’s construction financing closed in June of 2022 there have been several key factors that have contributed to a rise in the project’s budget, including:

Voltaire Villas sustained substantial delays, damages, and cost impacts due to the site flooding while preparing the project foundation. During excavation work on December 19, 2022 for the foundation and basement level of Voltaire Villas, construction crews encountered an elevated water table which caused water seepage in the excavated section and halting excavation and concrete work. This problem persisted into early 2023 and was exacerbated by record-setting precipitation levels. Rain was recorded at the site for 34 days from December 2022 to May 2023, often with insufficient time between precipitation events to allow for drying to the soil sufficient to stabilize foundations. This not only had a substantial effect on the construction timeline but also a financial impact on project finances and reserves. The Borrower is applying for \$1,000,000 in Accelerator Plus funding to help mitigate cost overruns and maintain appropriate reserves, with additional cost coverages available from additional tax credit equity.

Project Eligibility

Voltaire Villas meets the following criteria for Group A:

1. Project needs Accelerator Plus as a sole source of supplemental funds to start or complete construction.
2. Project has secured all expected funding sources including a funding commitment or loan from LAHD, but due to cost or scope changes, need additional funds to begin or complete construction.
3. Project will have secured commitments of all funding sources with the exception of ULA Accelerator Plus.

4. The project requested loan amount meets the maximum loan limit which is the lesser of up to \$100,000/unit or \$10 million per project.

Priority

The project anticipates completion of construction in July 2024. The developer is working to expedite the completion of construction closing in a timely manner given the delays.

(The project's financials follow this report)

Construction Sources

Construction Sources	Construction Closing Sources (June 2022)	REVISED Sources (January 2024)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Loan	\$ 19,000,000	\$19,000,000	\$263,889	\$0	0%
LAHD Prop HHH Loan	\$9,940,000	\$9,940,000	\$138,056	\$0	0%
ULA Accelerator Loan	\$0	\$1,000,000	\$13,889	\$1,000,000	N/A
Costs deferred	\$423,037	\$423,037	\$5,876	\$0	0%
Deferred Developer Fee	\$3,300,000	\$3,300,000	\$45,833	\$0	0%
Tax Credit Limited Partner Equity	\$3,992,600	\$4,200,500	\$58,340	\$207,900	5%
Total	\$36,655,637	\$37,863,537	\$525,882	\$1,207,900	3.2%

Permanent Sources

Permanent	Construction Closing Sources (June 2022)	REVISED Sources (Jan 2024)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Perm Loan	\$0	\$0	\$ 0	\$ 0	N/A
LAHD Prop HHH Loan	\$9,940,000	\$9,940,000	\$138,056	\$0	0%
ULA Accelerator Loan	\$0	\$1,000,000	\$13,889	\$1,000,000	N/A
HCD TOD Loan	\$3,137,237	\$3,137,237	\$43,573	\$0	0%
HCDE HHC Loan	\$8,078,000	\$8,078,000	\$112,194	\$0	0%
Deferred Developer Fee	\$1,330,000	\$1,000,000	\$13,889	\$(330,000)	-25%
Tax Credit Limited Partner Equity	\$14,170,400	\$14,708,300	\$204,282	\$537,900	4%
Total	\$36,655,637	\$37,863,537	\$ 525,882	\$1,207,900	3.2%

Uses

Uses of Funds	Total Uses (June 2022)	Revised Uses (Jan 2024)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$4,765,000	\$4,765,000	\$66,181	\$0	0%
Construction Hard Costs	\$21,941,159	\$23,149,059	\$321,515	\$1,207,900	6%
Architecture & Engineering	\$1,100,0000	\$1,100,0000	\$15,278	\$0	0%
Construction Interest Fees/ Expenses	\$1,788,700	\$1,788,700	\$24,843	\$0	0%
Permanent Financing Costs	\$0	\$0	\$0	\$0	N/A
Total hard & Soft Contingency Costs	\$1,590,000	\$1,590,000	\$22,083	\$0	0%
Legal Costs	\$145,000	\$145,000	\$2,014	\$0	0%
Capitalized Reserves	\$393,037	\$393,037	\$5,459	\$0	0%
Permits and Local Fees	\$910,000	\$910,000	\$12,639	\$0	0%
Developer Fee	\$3,500,000	\$3,500,000	\$48,611	\$0	0%
GP Equity	\$0	\$0	\$0	\$0	N/A
Other Project Costs	\$522,741	\$522,741	\$7,260	\$0	0%
Total	\$36,655,637	\$37,863,537	\$525,882	\$1,207,900	3.2%

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LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

Karen Bass, Mayor

Alveare Family Staff Report

Recommended Loan

The ULA Accelerator Loan being recommended for Alveare Family is \$10,559,557 for a total LAHD loan investment of \$10,559,557. The ULA Accelerator Loan amount will represent a cost of \$100,534 per unit and 14.6% of the total development cost. The LAHD funds are leveraged primarily by equity proceeds from 4% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

Alveare Family (the “Project”) is a new construction project located on excess state-owned property at 1405 S. Broadway / 1400 S. Hill St. in Downtown Los Angeles, developed by The Related Companies of California, LLC, in Council District 14. This project is the first phase of a larger three-phased 305-unit development, which will include housing for senior, permanent supportive housing and family housing on the same site. This Project will consist of one hundred and five (105) family housing units consisting of six (6) studio units, thirty-eight (38) one-bedroom units, thirty-one (31) two-bedroom units (including one manager's unit), and thirty (30) three-bedroom units for households. The project aims to develop affordable homes for large families earning between 20% and 60% AMI. Additionally, the Housing Authority of the City of Los Angeles (HACLA) will enter into a Rental Assistance Demonstration (“RAD”) contract providing rental assistance for sixty-two (62) family units. and are subsidized by project-based vouchers administered by HACLA.

The Project will provide residential parking in a subterranean garage below a Type I two-story podium as well as CALGreen-compliant onsite bicycle and electric vehicle (EV) parking. At the ground level, Alveare Family features a lobby entrance, resident community space, and mail/laundry facilities. Alveare Family will also offer approximately 24,000 square feet of exterior, publicly accessible and resident-only open space located both along Hill Street and within a podium amenity courtyard in the site’s interior respectively.

The Related Companies of California (“TRCC”) and The Weingart Center (“Weingart”), together Alveare Family Housing Partners, L.P. (“The Partnership”), will develop Alveare Family in cooperation with the State of California’s Department of General Services (“The State”). The State will provide a long-term ground lease of The Site to provide additional affordable housing opportunities near public transportation and other amenities under Executive Order N-06-19.

The addition of the ULA Accelerator Loan will help the developer when applying for an allocation of Low-Income Housing Tax Credit (LIHTC) financing and to relieve the additional burden on the Project and developer from the cost increases as discussed below.

Project Cost Increase

Since the Project applied to AHMP in 2022, there have been several key factors that have contributed to the need for supplemental funding:

Overall, the development costs increased by approximately \$1.86 million. With respect to variances in development costs, three key areas have shown the most considerable changes. The first area of change was the increase in the construction loan interest rate and fees. The costs increased by 20% equivalent to approximately \$870,000. Project costs have been notably affected by the increasing interest rates on construction loans. At the time of the AHMP application, the Project was underwritten with a 7.62% loan interest rate. The Project now has a construction loan interest rate of 8.93%. The second area of change was the increase in the permanent loan origination fee. The permanent financing costs increased to approximately 1% of the permanent loan, which essentially doubled the costs associated with permanent financing since the project's initial application to TCAC in October of 2022. The third area of change was an increase in construction hard costs and corresponding permit and local fees. These line items together total \$138,381, a 6.3% increase. The increase in construction costs and fees primarily stems from inflation as well as supply chain challenges, which have significantly elevated labor and material expenses as well as processing and impact fees in recent years. With interest rates at levels not seen in decades, affordable housing projects have experienced a reduction in supportable permanent financing, which necessitates more gap financing for financial viability.

Project Eligibility

Alveare Family meets the following criteria for Group B:

1. Project needs Accelerator Plus as a sole source of supplemental funds to apply for LIHTC financing.
2. Project has funding commitments from City, County and/or State housing funding programs but needs a single source of supplemental funds to be ready to apply for an allocation of Low Income Housing Tax Credits ("LIHTCs") to complete the funding stack and to begin construction.
3. Project will have secured all funding sources with the exception of LIHTCs and Accelerator Plus.
4. Project requested loan amount meets the maximum loan limit which is the lesser of up to \$140,000/unit or \$15 million per project.

Priority

The Project anticipates to re-apply to TCAC/CDLAC in April 2024 with an estimated closing date of December 2024. The developer will rely on this additional loan to complete the capital stack. The Project is estimated to be completed by June 2026 followed by a permanent loan conversion date of May 2027.

(The Project's financials follow this report

Construction Sources

Construction Sources	NOFA 2022	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Tax Credit Equity (4%)	\$9,362,677	\$6,687,583	\$63,691.27	(\$2,675,094)	-28.57%
Construction Loan - Taxable	\$4,925,433	\$4,925,433	\$47,360	\$0	0%
Construction Loan - Tax Exempt	\$38,020,000	\$38,020,000	\$365,577	\$0	0%
State of California Seller Carryback Note	\$7,025,435	\$0	\$0	(\$7,025,435)	-100.00%
ULA Accelerator Loan	\$0	\$10,559,557	\$100,534	\$10,559,557	0%
State HCD-IIG	\$8,431,896	\$7,230,000	\$69,519	(\$1,201,896)	-14.25%
State HCD-Other (Local Gov. Matching Grant)	\$0	\$2,078,154	\$19,982	\$2,078,154	0%
GP Equity	\$100	\$100	\$1	\$0	0%
Deferred Developer Fee	\$1,400,000	\$2,400,000	\$23,077	\$1,000,000	71.43%
Deferred Costs to Stabilization	\$1,274,197	394,902	\$3,797	(879,295)	-69.01%
Total	\$70,439,738	\$72,295,729	\$695,151	\$1,855,991	2.63%

Permanent Sources

Permanent	NOFA 2022	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Tax Credit Equity (4%)	\$35,992,307	\$33,437,918	\$321,518	(\$2,554,389)	-7.10%
Permanent Financing TCAC	\$4,930,000	\$3,930,000	\$37,788	(\$1,000,000)	-20.28%
Permanent Financing RAD/PBS8 Overhang	\$13,760,000	\$13,760,000	\$132,308	\$0	0%
State of California Seller Carryback Note	\$7,025,435	\$0	\$0	(\$7,025,435)	-100.00%
ULA Accelerator Loan	\$0	\$10,559,557	\$100,534	\$10,559,557	0%
State HCD-IIG	\$8,431,896	\$7,230,000	\$69,519	(\$1,201,896)	-14.25%
State HCD-Other (Local Gov. Matching Grant)	\$0	\$2,078,154	\$19,982	\$2,078,154	0%
Deferred Developer Fee	\$300,000	\$1,300,000	\$12,500	\$1,000,000	333.33%
GP Equity	\$100	\$100	\$1	\$0	0%
Total	\$70,439,738	\$72,295,729	\$695,151	\$1,855,991	2.63%

Uses

Uses of Funds	Total Uses	Revised Uses (December 2023)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$99	\$99	\$1	\$0	0%
Construction Hard Costs	\$50,433,905	\$50,457,286	\$485,166	\$23,381	0.05%
Architecture & Engineering	\$2,854,070	\$2,861,070	\$27,510	\$7,000	0.25%
Construction Interest Fees/ Expenses	\$4,353,620	\$5,224,281	\$50,233	\$870,661	20.00%
Permanent Financing Costs	\$90,000	\$180,000	\$1,731	\$90,000	100.00%
Total Hard & Soft Contingency Costs	\$5,501,312	\$5,501,312	\$52,897	\$0	0%
Legal Costs	\$480,000	\$480,000	\$4,615	\$0	0%
Capitalized Reserves	\$419,953	\$394,902	\$3,797	(\$25,051)	-5.97%
Permits and Local Fees	\$1,839,479	\$1,954,479	\$18,793	\$115,000	6.25%
Developer Fee	\$2,500,000	\$3,500,000	\$33,654	\$1,000,000	40.00%
Other Project Costs	\$1,967,300	\$1,742,300	\$16,753	(\$225,000)	-11.44%
Total	\$70,439,738	\$72,295,729	\$695,151	\$1,855,991	2.63%

Ann Sewill, General Manager
Tricia Keane, Executive Officer

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

Karen Bass, Mayor

Peak Plaza Staff Report

Recommended Loan

The ULA Accelerator Loan being recommended for Peak Plaza is \$10,080,000 for a total LAHD loan investment of \$14,080,000. The ULA Accelerator Loan amount will represent a cost of \$96,923 per unit and 12.77% of the total development cost. In addition, LAHD construction period interest is being deferred. The LAHD funds are leveraged primarily by equity proceeds from 4% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

Peak Plaza Apartments (the “Project”) will be a seven-story building with one level of subterranean parking located at 316 E. Washington Boulevard, Los Angeles in Council District 1. The building consists of 104 affordable studios, one, two and three-bedroom rental apartment units, and one two-bedroom and one three-bedroom managers’ unit. Twenty-seven (27) of the units will be occupied by individuals at or below 30% Area Median Income (AMI). The remaining seventy-five (75) units are restricted to families at or below 60% AMI.

The addition of the ULA Accelerator Loan will help to relieve the additional burden on the Project and developer from the cost increases discussed below.

Project Cost Increase

Since the Project applied to AHMP in 2022, there have been several key factors that have contributed to a rise in the Project’s budget, including:

Reduction of the AHSC funds: The AHSC request was reduced from \$24,000,000 to \$20,000,000 due to the Los Angeles Department of Transportation removing itself from the AHSC partnership program which reduced the scope and scoring for the Project. In order to maintain competitiveness against other projects, the funding request was reduced.

Interest Rate Increase: At the time of the AHMP application, the Project estimated construction loan interest rate between 5.25% and 5.75%. Based on HCHC’s current developments in construction, the Project now estimates a construction loan interest rate between 8.1% to 8.4% which is approximately \$6,900,000 in construction loan interest over a projected 34-months to allow a longer 28-month construction period which accounts for the potential delay in the delivery of the electrical switchgear and/or meter stack, both of which are delaying projects across LA County.

Construction and Labor Cost Increase: The Project will be seven stories making it subject to commercial prevailing wage requirements. This increases total construction cost by 10% or approximately \$4,000,000. The Project will include 51 residential parking spaces, four located at ground level and 47 located on one level of subterranean parking. The one level subterranean parking increases the overall construction cost approximately \$6,000,000. The Project Labor Agreement will add \$3,970,428 to the development cost. The Project still faces concerns about high labor and material costs affected by national inflation.

Project Eligibility

Peak Plaza meets the following criteria for Group B:

1. Project needs Accelerator Plus as a sole source of supplemental funds to apply for LIHTC financing.
2. Project has funding commitments from City, County and/or State housing funding programs but needs a single source of supplemental funds to be ready to apply for an allocation of Low Income Housing Tax Credits (“LIHTCs”) to complete the funding stack and to begin construction.
3. Project will have secured all funding sources with the exception of LIHTCs and Accelerator Plus.
4. Project requested loan amount meets the maximum loan limit which is the lesser of up to \$140,000/unit or \$15 million per project.

Priority

The Project anticipates applying to TCAC/CDLAC in April 2024 with an estimated closing date of December 2024. The Project completion is estimated to be by April 2027 followed by a permanent loan conversion date of December 2027.

(The project's financials follow this report)

Construction Sources

Construction Sources	AHMP 2022	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Loan	\$34,898,083	\$40,746,592	\$391,765	\$5,845,509	16.75%
Taxable Loan	\$19,918,752	\$15,237,179	\$146,511	-\$4,681,573	-23.50%
LAHD AHMP Loan	\$4,000,000	\$4,000,000	\$38,462	0	0.00%
ULA Accelerator Loan	\$0	\$10,080,000	\$96,923	\$10,080,000	0.00%
State HCD-IIG	\$0	\$2,391,252	\$22,993	\$2,391,252	0.00%
Costs deferred	\$1,992,915	\$1,823,544	\$17,534	-\$169,371	-8.50%
Deferred Developer Fee	\$300,000	\$300,000	\$2,885	0	0.00%
GP Equity	\$100	\$100	\$1	0	0.00%
Tax Credit Equity	\$9,364,167	\$3,581,258	\$34,435	-\$5,782,909	-61.76%
Total	\$70,474,017	\$78,159,925	\$751,509	\$7,682,908	10.90%

Permanent Sources

Permanent	AHMP 2022	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Tax Exempt Bond Perm Loan	\$4,380,856	\$5,573,000	\$53,586	\$1,192,144	27.21%
State HCD-AHSC	\$24,336,394	\$20,000,000	\$192,307	-\$4,336,394	-17.82%
LAHD AHMP Loan	\$4,000,000	\$4,000,000	\$38,462	\$0	0.00%
ULA Accelerator Loan	\$0	\$10,080,000	\$96,923	\$10,080,000	0.00%
State HCD-IIG	\$0	\$2,391,252	\$22,993	\$2,391,252	0.00%
Deferred Developer Fee	\$300,000	\$300,000	\$2,885	\$0	0.00%
GP Equity	\$100	\$100	\$1	\$0	0.00%
Tax Credit Equity	\$37,456,667	\$35,812,573	\$344,352	-\$1,644,094	-4.39%
Total	\$70,474,017	\$78,156,925	\$ 751,509	\$7,682,908	10.90%

Uses

Uses of Funds	Total Uses (AHMP 2022)	Revised Uses (ULA 2023)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$6,375,000	\$6,375,000	\$61,298	\$0	0.00%
Construction Hard Costs	\$41,062,179	\$50,340,502	\$484,043	\$9,278,323	22.60%
Architecture & Engineering	\$1,548,000	\$1,658,180	\$15,944	\$110,180	7.11%
Construction Interest Fees/ Expenses	\$4,623,499	\$6,963,957	\$66,961	\$2,340,458	50.62%
Permanent Financing Costs	\$58,809	\$100,730	\$969	\$41,921	71.28%
Total hard & Soft Contingency Costs	\$4,778,018	\$3,160,675	\$30,391	-\$1,617,343	-33.85%
Legal Costs	\$220,000	\$150,000	\$1,442	-\$70,000	-31.82%
Capitalized Reserves	\$423,287	\$340,904	\$3,278	-\$82,383	-19.46%
Permits and Local Fees	\$1,341,865	\$710,000	\$6,827	-\$631,865	-47.09%
Developer Fee	\$2,500,000	\$2,500,000	\$24,038	\$0	0.00%
GP Equity					
Other Project Costs	\$7,543,360	\$5,856,977	\$56,751	-1,686,383	-22.35%
Total	\$70,474,017	\$78,156,925	\$751,509	\$7,682,908	10.90%

Ann Sewill, General Manager
Tricia Keane, Executive Officer

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

housing.lacity.org

Karen Bass, Mayor **The Main** **Staff Report**

Recommended Loan

The ULA Accelerator Loan being recommended for The Main Apartments is \$8,680,000. It will be combined with the original HHH Commitment of \$6,795,000 for a total LAHD loan investment of \$15,475,000. The ULA Accelerator Loan amount will represent a cost of \$135,625 per unit and 14.6% of the Total Development Cost. The HHH Commitment represents a cost of \$106,172 per unit and 11.4% of the Total Development Cost. The aggregate LAHD funding commitments per unit is \$241,797 and represents 26% of the Total Development Cost. LAHD construction period interest will be paid at conversion to permanent financing. The LAHD funds are leveraged primarily by equity proceeds from 9% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

The Main (the “project”), located at 15032 W. Rayen St. in the North Hills area of San Fernando Valley, will be new construction of a four-story supportive housing development of 64 units consisting of 62 affordable units. The project will accommodate homeless and chronically homeless transition-aged youth, homeless families, and low-income families; with two manager’s units and subterranean parking for 53 cars. HACLA vouchers will support 33 contract units with 17 units reserved for the chronically homeless.

The site is owned and operated by Penny Lane Centers as a youth residential substance abuse disorder treatment home, Penny Lane will be the service provider on the project and has entered into a purchase and sale agreement with the developer, Abbey Road, Inc. The structures on the site will be demolished prior to construction.

The addition of the ULA Accelerator Loan will fill a large gap experienced by the Project due to increased project costs and the unsuccessful outcome on the application they submitted for the HCD-MHP program. As a result, the other small gap funders, LACDC, AHP withdrew since HCD declined to provide funding.

Project Cost Increase

Since the Project applied to AHMP in 2022, there have been several key factors that have contributed to a rise in the Project’s budget, including:

Reduction of the AHSC funds: The AHSC request was reduced from \$24,000,000 to 20,000,000 due to the Los Angeles Department of Transportation removing itself from the AHSC partnership program which reduced the scope and scoring for the project. In order to maintain competitiveness against other projects, the funding request was reduced.

Interest Rate Increase: At the time of the AHMP application, the Project estimated construction loan interest between 5.25% and 5.75%. Based on HCHC’s current developments in construction, the Project now estimates a construction loan interest rate between 8.1% to 8.7% which is approximately \$3,000,000 of additional construction loan interest over a projected 34-months. The construction timeline was extended from a 28-month construction schedule to account for the potential delay in the delivery of the electrical switchgear and/or meter stack, both of which are causing projected delays across LA county.

Construction and Labor Cost Increase: The project's four-story design, coupled with material and labor cost increases affect the total construction cost by 20% or approximately \$9,000,000.

Besides the cost increases in Construction Materials, Labor and Financing, the other driver related to the developer's need to apply for the ULA Accelerator funds stem from the developer being turned down in their scoring application from receiving HCD's MHP program funds in the amount of \$12,908,114. Their predicament was exacerbated by receiving declinations in their application for \$2,000,000 in LACDC AHTF funds and \$980,000 in AHP funds as these funding sources were contingent on receiving approval from HCD's MHP program.

Project Eligibility

The Main meets the following criteria for Group B:

1. Project needs Accelerator Plus as a sole source of supplemental funds to apply for LIHTC financing.
2. Project has funding commitments from City, County and/or State housing funding programs, but needs a single source of supplemental funds to be ready to apply for an allocation of Low Income Housing Tax Credits ("LIHTCs") to complete the funding stack and begin construction.
3. Project will have secured all funding sources with the exception of LIHTCs and ULA Accelerator Plus.
4. The Project requested Accelerator Plus loan amount meets the maximum loan limit which is the lesser of up to \$140,000/unit or \$15,000,000 per project.

Priority

The Project anticipates construction closing on the project by August 2025 with completion of construction by July 2027, followed by a permanent loan closing date of December 2027.

(The Project's financials follow this report)

Construction Sources

Construction Sources	Construction Closing Sources (Dec 2020)	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Taxable Construction Loan	\$27,536,148	\$38,688,854	\$604,513	\$11,152,706	40.5%
LACDC	\$1,950,000	\$0	\$0	\$0	0%
LACDC Accrued Deferred Interest	\$89,659	\$0	\$0	\$0	0%
State Tax Credits	\$0	\$1,385,670	\$0	\$0	0%
LAHD HHH	\$7,520,000	\$6,115,500	\$95,555	(\$1,404,500)	(-18.7%)
LAHD Accrued Deferred Interest	\$93,093	\$0	\$0	\$0	0%
LAHD ULA	\$0	\$7,812,000	96,923	\$0	0%
AHP	\$960,000	\$0	\$0	\$0	0%
Costs deferred until conversion	\$1,804,481	\$1,811,678	\$28,307	\$7,197	.3%
Deferred Developer Fee	\$519,654	\$0	\$0	\$0	0%
GP Capital Contribution	\$2,509,405	\$0	\$0	\$0	0%
GP Equity	\$100	\$0	\$0	\$0	0%
Capital Contributions Limited Partners	\$1,565,057	\$3,450,000	\$53,906	\$1,884,943	120%
Total	\$44,547,597	\$ 59,263,702	\$930,683	\$14,716,105	33%

Permanent Sources

Permanent	NOFA 2019	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Conventional Perm Loan- A Tranche	\$2,297,000	\$6,932,000	\$108,313	\$4,635,000	202%
State Tax Credits	\$0	\$13,856,702	\$0	\$0	0%
State HCD-MHP	\$12,908,114	\$0	\$0	\$0	0%
LAHD HHH Loan	\$7,520,000	\$6,795,000	\$106,172	(\$725,000)	(-9.6%)
LAHD ULA	\$0	\$8,680,000	\$0	\$0	0%
LAHD Accrued Deferred Interest	\$93,093	\$0	\$0	\$0	0%
LACDC AHTF	\$2,000,000	\$0	\$0	\$0	0%
LACDC Accrued Deferred Interest	\$89,659	\$0	\$0	\$0	0%
AHP	\$960,000	\$0	\$0	\$0	0%
Deferred Developer Fee	\$519,654	\$0	\$0	\$0	0%
GP Capital Contribution	\$2,509,405	\$0	\$0	\$0	0%
GP Equity	\$100	\$0	\$0	\$0	0%
Tax Credit Equity	\$15,650,572	\$23,000,000	\$359,375	\$7,349,428	47%
Total	\$44,547,597	\$59,263,702	\$ 925,995	\$14,716,105	33%

Uses

Uses of Funds	Total Uses. (NOFA 2019)	Revised Uses (Nov 2023)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$3,421,700	\$3,568,638	\$55,760	\$146,938	4.3%
Construction Hard Costs	\$25,970,203	\$34,916,589	\$ 545,571	\$8,946,836	34.4%
Architecture & Engineering	\$ 835,000	\$935,000	\$14,609\$	\$100,000	12%
Construction Interest Fees/ Expenses	\$3,893,929	\$6,849,117	\$107,017	\$2,955,188	75.9%
Permanent Financing Costs	\$83,970	\$91,990	\$1,437	\$8,020	9.5%
Total Hard & Soft Contingency Costs	\$2,835,648	\$3,028,130	\$47,315	\$192,482	6.8%
Legal Costs	\$275,000	\$263,457	\$ 4,117	(\$11,543)	-4.2%
Capitalized Reserves	\$687,598	\$645,438	\$10,085	(\$42,160)	-6%
Permits and Local Fees	\$818,144	\$1,403,565	\$21,931	\$585,421	71.5%
Developer Fee	\$5,009,405	\$2,200,000	\$34,375	(\$ 2,809,405)	-56%
Other Project Costs	\$717,000	\$5,361,778	\$87,997	\$4,644,778	648%
Total	\$44,547,597	\$59,263,702	\$925,995	\$14,716,105	33%

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

Karen Bass, Mayor

Chavez Gardens Staff Report

Recommended Loan

The ULA Accelerator Loan being recommended for Chavez Gardens is \$15,000,000 for a total LAHD loan investment of \$21,300,000. The ULA Accelerator Loan amount will represent a cost of \$136,364 per unit and 16.66% of the total development cost. The HHH Commitment will represent a cost of \$39,975 per unit and 4.88% of total development costs. The aggregate LAHD funding commitments per unit is \$176,339 and represents 21.54% of the total development costs. In addition, LAHD construction period interest is being deferred. The LAHD funds are leveraged primarily by equity proceeds from 4% low-income housing tax credits and the other permanent funding sources outlined below.

Project Description

Chavez Gardens (the "Project") will include two, four-story residential buildings located at 2518-2536 E. Cesar Chavez Avenue, 335-349 N. Fickett Street, and 334-344 Matthews Street, in the Boyle Heights neighborhood of Los Angeles in Council District 14. The Project site is owned by The Los Angeles County Metropolitan Authority and comprises of eight parcels of land totaling 68,069 square feet. The buildings will consist of 110 affordable studios, one, two and three-bedroom rental apartment units, and one two-bedroom managers' unit. Thirty-seven (37) of the units will be occupied by individuals at or below 30% Area Median Income (AMI). The remaining seventy-two (72) units are restricted to families at or below 50% AMI. The Project will also include 3,000 square feet of commercial space.

Chavez Gardens initially received an award of \$6,300,000 in Prop HHH funds in 2020. The addition of the ULA Accelerator Loan will help to relieve the additional burden on the Project and developer from the cost increases discussed below.

Project Cost Increase

The project applied to the City's AHMP NOFA in 2022, but was not awarded funds. Since the Project applied to AHMP in 2022, there have been several key factors that have contributed to a rise in the Project's budget, including:

Interest Rate Increase: At the time of the AHMP application, the Project estimated construction loan interest of 6.8%. Based on the current developments in construction, the Project now estimates a construction loan interest rate of 7.77% which is approximately \$7,491,404 in construction loan interest over a projected 20-months to allow a longer 24-month construction period which accounts for the potential delay in the delivery of the electrical switchgear and/or meter stack, both of which are delaying projects across LA County.

Construction and Labor cost Increase: The Project will be four stories making it subject to prevailing wage requirements. This increases total construction cost by 10% or approximately \$7,098,420. The Project Labor Agreement will add to the development cost. The Project still faces concerns about high labor and material costs affected by national inflation.

Increased Competitiveness for Soft Costs Financing: At the time of AHMP NOFA application, the Project anticipated funding from the State's Affordable Housing and Sustainable Communities NOFA. The State's 2023 Super NOFA was

oversubscribed by a ratio of 10:1. The Project was unsuccessful in securing this funding source which contributed to Project delays and rising costs.

Project Eligibility

Peak Plaza meets the following criteria for Group B:

1. Project needs Accelerator Plus as a sole source of supplemental funds to apply for LIHTC financing.
2. Project has funding commitments from City, and State housing funding programs but needs a single source of supplemental funds to be ready to apply for an allocation of Low-Income Housing Tax Credits (“LIHTCs”) to complete the funding stack and to begin construction.
3. Project will have secured all funding sources with the exception of LIHTCs and Accelerator Plus.
4. Project requested loan amount meets the maximum loan limit which is the lesser of up to \$140,000/unit or \$15 million per project.

Priority

The Project anticipates applying to TCAC/CDLAC in April 2024 with an estimated closing date of February 2025. The Project is estimated to be completed by October 2026 followed by a permanent loan conversion date of May 2027.

(The Project's financials follow this report)

Construction Sources

Construction Sources	AHMP NOFA 2022	REVISED Sources (January 2024)	Revised Sources/unit	\$ Variance	% Variance
Construction Loan	57,614,583	46,678,000	424,345	-10,936,583	-18.98%
LAHD HHH Loan	6,300,000	4,394,234	39,975	-1,902,766	-30.20%
LAHD AHMP	11,268,551	-	-	-11,268,551	-100.00%
ULA Accelerator Loan	-	15,000,000	136,364	15,000,000	100.00%
State HCD-IIG	3,845,977	3,845,977	34,963	0	0%
Metro Land	4,140,000	6,900,000	62,727	2,760,000	66.67%
Deferred Costs	2,208,100	2,778,337	25,258	570,000	25.82%
Deferred Developer Fee	-	300,000	\$2,727	300,000	100.00%
Tax Credit Equity	3,549,885	10,137,406	\$92,159	6,587,521	186.00%
Total	\$88,927,096	\$ 90,036,954	\$818,518	\$1,109,858	1.25%

Permanent Sources

Permanent	AHMP NOFA 2022	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Construction Loan	4,254,000	6,622,882	60,209	2,368,882	55.69%
HCD-AHSC	17,577,600	-	-	-17,577,600	-100.00%
LAHD HHH Loan	6,300,000	6,300,000	57,273	0	0%
LAHD AHMP Loan	11,268,551	-	-	-11,268,551	-100.00
ULA Accelerator Loan	-	15,000,000	136,364	15,000,000	100%
State HCD-IIG	3,845,977	3,845,977	34,963	0	0%
Metro Land	4,140,000	6,900,000	67,727	2,760,000	66.67%
Deferred Developer Fee	-	300,000	2,727	300,000	100.00%
Deferred Costs	-	381,067	3,464	381,067	100.00%
Tax Credit Equity	41,540,968	50,687,028	460,791	9,146,060	22.02%
Total	\$88,927,096	\$90,036,954	\$818,518	\$1,109,858	1.25%

Uses

Uses of Funds	Total Uses (HHH 2019)	Revised Uses (August 2023)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$ 13,800,000	\$ 10,350,000	\$ 73,486	-\$3,630,000	-25.97%
Construction Hard Costs	\$51,002,504	\$55,378,097	\$ 503,437	\$4,375,593	8.58%
Architecture & Engineering	\$ 2,481,844	\$ 3,186,271	\$ 33,330	\$ 704,427	168.20%
Construction Interest Fees/ Expenses	\$ 9,516,740	\$ 9,762,953	\$ 88,754	\$246,213	2.59%
Permanent Financing Costs	\$ 30,000	\$ 94,672	\$ 861	\$64,672	215.57%
Total hard & Soft Contingency Costs	\$ 5,385,250	\$ 3,318,905	\$ 9,156	-\$2,066,345	-38.37%
Legal Costs	\$ 220,000	\$ 220,733	\$ 34,767	\$ 733	0.33%
Capitalized Reserves	\$ 818,000	\$ 1,007,170	\$ 733	\$ 189,170	23.13%
Developer Fee	\$ 2,200,000	\$ 2,500,000	\$ 22,727	\$ 300,000	13.64%
Other Project Costs	\$ 3,277,758	\$ 4,179,653	\$ 38,142	\$ 917,895	28.00%
Total	\$41,989,592	\$90,036,954	\$818,518	\$48,047,362	1.25%

Ann Sewill, General Manager
Tricia Keane, Executive Officer

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

Karen Bass, Mayor

Grace Villas Staff Report

Recommended Loan

The ULA Accelerator Loan that is being recommended is \$6,720,000 for a total LAHD loan investment of \$12,426,050. The ULA Accelerator Loan amount will represent a \$140,000 subsidy per unit and 14.33% of the total development cost. In addition, LAHD construction period interest is being deferred. The LAHD funds are leveraged primarily by equity proceeds from 9% Low-Income Housing Tax Credits (LIHTC) and the other permanent funding sources outlined below.

Project Description

Grace Villas (the “Project”) is a proposed new construction of a six-story building for 48 units consisting of 47 affordable housing units plus one manager’s unit for families with special needs. The unit mix includes 21 one-bedroom units, 15 two-bedroom units and 12 three-bedroom units. One of the two-bedroom units will be for the on-site resident manager. The site is located at 216-224 S Avenue 24, in the Lincoln Heights community, East of downtown Los Angeles. It is currently a Los Angeles Department of Transportation (LADOT, Lot # 658) with low parking utilization. The development will be of Type III housing on top of a Type I ground level parking and a subterranean parking garage. The building will have a style of Spanish Colonial Revival architecture with smooth off-white exterior cement plaster, recessed windows and door openings, as well as arched wall openings. The massing of the building is broken up to provide a variety of shapes to express the volume of the building. Along the street facade the building steps back to allow for a lower building height at street level. The Project will also include 47 parking spaces, a community room, service office space, bike parking, computer area, and a landscaped courtyard with activity and seating areas.

Each unit will have HVAC, vinyl planking flooring, closets, built in kitchen and bathroom cabinets with solid surface countertops, light fixtures, and operable windows with blinds. The community-serving spaces will include community rooms, manager’s office, a service office suite with offices and meeting room, laundry facilities, area for computer use. Outside, on the 2nd floor at the courtyard level, there will be open space with a tot lot, seating area and landscaping. On the 5th floor will be a roof deck with outdoor furnishings and landscaping. The project as currently proposed will have 47 residential parking spaces, with 29 spaces provided in a subterranean parking garage and 18 spaces provided at-grade. A bicycle parking area will also be provided at the ground floor level.

The Grace Villas Apartments initially received on June 28, 2023 an award of \$5,706,050 in HOME Funds through the AHMP for its 2023 Super NOFA application. The addition of the ULA Accelerator Loan will help to relieve the additional burden on the Project and developer from the cost increases discussed below.

Project Cost Increase

Since the Project applied to AHMP in 2023, the costs have increased by \$4.9 million or 12% of the Total Development Cost (TDC) due to several key factors outlined below:

- The requirement for a Project Labor Agreement under the ULA program, which increases construction costs by approximately 10% which adds approximately \$165,000 in additional soft costs to cover the added cost of a consultant to manage the hiring and monitoring;
- Increased costs related to electrification and for stepbacks required for the building as a result of power lines along the north and east sides of the building. Based on the recent mandate, the building will be all-electric, which while it is more expensive up front, will reduce tenant utility costs and property operating costs and benefit the environment over the long term. While a fully electric building is anticipated, the design has become more defined in the 15 months since the AHMP application. In addition, both design and construction incentives were initially included in the costs calculation through the BUILD program offered by LADWP; however, it was recently revealed that BUILD requires that solar power cover a minimum of 5% of tenant utilities, whereas a multi-story infill project such as this one cannot meet that requirement because of limited roof space. Accordingly, all design and building costs were included without the offsetting incentives;
- The increase in insurance costs, as result of market forces; insurance costs have generally increased by 400% - the anticipated increase for builder's risk insurance is from \$476,750 to \$795,000, a 66% increase;
- Increased interest rate for the construction loan, based on market forces, from 7.1% to 8.9% along with the increase in the size of the construction loan as costs increased. This increased the interest cost from \$2.24 million to \$3.197 million;
- There are other smaller adjustments, including an increase from \$777,000 to \$1,174,000 in permits and fees, school fees, and impact fees, due to higher construction costs as well as corrected, more accurate estimates; increase in hard cost contingency to maintain a 6.5% contingency;

This project has always had relatively higher costs for the following reasons:

- Large Family Project – The project has 1, 2 and 3 bedroom units, with 56% larger units;
- Increased costs as a result of providing 47 parking spaces – The developer and the Council Office have done more than two years of community outreach. While the development is within ½ mile of a high-volume bus route, the community, and especially the business along Broadway St., have expressed during the outreach their serious concern regarding the elimination of the LADOT lot and the potential for cars from the new development to use up the limited street parking. While replacement parking is not required for the surface parking that was there, since the current parking lot had relatively low utilization, the community has stated that the project needs to provide parking for its residents to avoid placing more vehicles on the streets for street parking in an area that is already congested;
- Increased costs associated with the types of construction - The two parking levels (podium and subterranean) will be Type I construction and the five levels of residential housing above will be Type III construction, both of which are more expensive than Type V construction. The construction of five stories above the parking requires commercial prevailing wages and higher cost of building materials.

Project Eligibility

Grace Villas meets the following criteria for Group B:

1. Project needs Accelerator Plus as a sole source of supplemental funds to apply for LIHTC financing.
2. Project has funding commitments from City, County and/or State housing funding programs but needs a single source of supplemental funds to be ready to apply for an allocation of Low Income Housing Tax Credits

(“LIHTCs”) to complete the funding stack and to begin construction.

3. Project will have secured all funding sources with the exception of LIHTCs and Accelerator Plus.
4. Project requested loan amount meets the maximum loan limit which is the lesser of up to \$140,000/unit or \$15 million per project.

Priority

The Project anticipates applying to CTCAC in July 2024 with an estimated closing date of April 2025. The Project is estimated to be completed by December 2027 followed by a permanent loan conversion date of June 2028.

(The Project's financials follow this report)

Construction Sources

Construction Sources	AHMP NOFA 2022	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Construction Loan	\$26,500,000	\$23,250,000	\$484,375	\$(3,250,000)	-12%
LAHD - AHMP	\$5,706,050	\$5,706,050	\$118,876	\$0	0%
LAHD – ULA Accelerator	\$0	\$6,720,000	\$140,000	\$6,720,000	
LACDA (LA County)-AHTF	\$2,700,000	\$0	\$0	\$(2,700,000)	-100%
LAHD Land	\$2,250,000	\$2,250,000	\$46,875	\$0-	0%
Deferred Developer Fee	\$902,031	\$569,860	\$11,872	\$(332,171)	-37%
Deferred Costs	\$292,261	\$292,261	\$6,089	\$0	0%
Tax Credit Equity	\$3,318,418	\$8,090,316	\$168,548	\$4,771,898	144%
Total	\$41,668,760	\$46,878,487	\$976,635	\$5,209,727	13%

Permanent Sources

Permanent	AHMP NOFA 2022	REVISED Sources (ULA 2023)	Revised Sources/unit	\$ Variance	% Variance
Permanent Loan	\$1,040,000	\$4,370,000	\$91,042	\$3,330,000	320%
LAHD - AHMP	\$5,706,050	\$5,706,050	\$118,876	\$0	0%
LAHD – ULA Accelerator	\$0	\$6,720,000	\$140,000	\$6,720,000	
LACDA (LA County)-AHTF	\$3,000,000	\$0	\$0	\$(3,000,000)	-100%
LAHD - Land	\$2,250,000	\$2,250,000	\$46,875	\$0	0%
HCD - MHP	\$7,549,923	\$0	\$0	\$(7,549,923)	-100%
Deferred Developer Fee	\$0	\$263,762	\$5,495	\$263,762	
Tax Credit Equity 9%	\$22,122,787	\$27,568,675	\$574,347	\$5,445,888	25%
Total	\$41,668,760	\$46,878,487	\$976,635	\$5,209,727	13%

Uses of Funds

Uses of Funds	Total Uses (2022)	Revised Uses (2023)	Revised Uses/Unit	\$ Variance	% Variance
Acquisition Costs	\$2,275,000	\$2,250,000	\$46,875	\$(25,000)	-1%
Construction Costs	\$27,091,300	\$30,479,481	\$634,989	\$3,388,181	13%
Architectural Costs	\$761,000	\$762,257	\$15,880	\$1,257	0%
Survey & Engineering	\$668,900	\$635,970	\$13,249	\$(32,930)	-5%
Construction & Interest Fees	\$3,265,292	\$4,607,500	\$95,990	\$1,342,208	41%
Permanent Financing Costs	\$55,400	\$120,000	\$2,500	\$64,600	117%
Legal Fees	\$305,000	\$310,000	\$6,458	\$5,000	2%
Reserve Costs	\$292,261	\$293,010	\$6,104	\$749	0%
Appraisal Costs	\$10,000	\$10,000	\$208	\$0	0%
Contingency Costs	\$2,210,935	\$2,414,231	\$50,296	\$203,296	9%
Other Costs	\$2,533,672	\$2,796,038	\$58,251	\$262,366	10%
SUBTOTALS	\$39,468,760	\$44,678,487	\$930,802	\$5,209,727	13%
Total - Developer Costs	\$2,200,000	\$2,200,000	\$45,833	\$0	0%
TOTAL	\$41,668,760	\$46,878,487	\$976,635.15	\$5,209,727	13%