

HHH Commitment Extension Requests

1st Quarter 2020

11.15.2019

Topics

1. List of Projects Requesting HHH Extension
2. Summary of Project Request
3. List of Projects Closing Loans Prior To HHH Expiration Date

Projects Requesting HHH Extension

No.	Project Name	CD	TDC	Total Units	Supportive Housing Units at Risk of Loss	Target Population
1	Firmin Court	1	\$38,673,468	64	45	<ul style="list-style-type: none"> • Homeless individuals • Homeless families • Non homeless individuals • Chronically homeless
2	Sun Commons	2	\$53,017,962	103	51	<ul style="list-style-type: none"> • Homeless families • Homeless individuals • Non homeless individuals • Chronically homeless
3	Depot at Hyde Park	8	\$25,116,685	43	33	<ul style="list-style-type: none"> • Homeless families • Homeless individuals • Chronically homeless
4	Isla de Los Angeles	8	\$25,019,928	54	53	<ul style="list-style-type: none"> • Chronically homeless • Other homeless
5	Adams Terrace	10	\$42,363,034	86	43	<ul style="list-style-type: none"> • Homeless families • Non homeless individuals • Chronically homeless
6	PATH Villas Hollywood	13	\$41,337,445	60	59	<ul style="list-style-type: none"> • Homeless individuals • Chronically homeless
	TOTAL:		\$225,528,522	410	284	

Firmin Court

Original Expiration Date	2/23/2020
Recommended Expiration Date	6/14/2020 (Developer requested 3/16/2020)
Additional Time Requested	112 days
HHH Loan Amount (HHH/Unit)	\$11,700,000 (or \$182,813 per Unit)
Total Units	64
Supportive Housing Units at Risk of Loss	45
TDC	\$38,673,468
TDC/Unit	\$604,273
Target Population	Homeless individuals, Homeless families, Non homeless individuals, Chronically homeless
Reason for extension request	HACLA award for vouchers expected in January 2020. The time to draft bond & HHH documents, post voucher award, results in City Council's approval by mid-March. Additional time is added to account for potential delays with City processes and approvals due to end of the year holidays and Council Winter recess.
CDLAC application date	3/16/2019
Obstacles developer has overcome	Plans have been approved by Department of Oil Gas, and Geothermal Resources (DOGGR) and the LA Fire Department for the re-abandonment and remediation of one identifiable oil well on the property. Within a week of this document, the Developer will obtain the demolition permit for the house located on the property. Received a bond CDLAC allocation and a TCAC award of 4% credits.
Additional information	Secured entitlements. Has an FHA lender and rental housing voucher commitment from the County. NEPA has been completed.

Firmin Court

Sources

Sources	Construction	Permanent
Perm Loan (FHA 221(d)(4))	\$6,035,000	\$6,035,000
Construction/Bridge Loan – Tax Exempt	\$21,044,526	\$0
CaHCD – MHP Funds	\$0	\$5,677,960
City of Los Angeles – HHH	\$4,435,000	\$11,700,000
City of Los Angeles – HHH Accrued/Deferred Interest	\$211,900	\$0
Deferred Costs until Stabilization	\$2,039,110	\$0
AHP	\$0	\$0
Developer Fee Contributed back as GP Equity	\$1,731,000	\$1,731,000
Deferred Developer Fee	\$588,831	\$588,831
General Partner	\$100	\$100
<u>Tax Credit Equity (LIHTC)</u>	<u>\$2,588,000</u>	<u>\$12,940,577</u>
TOTAL	\$38,673,468	\$38,673,468

Sun Commons

Original Expiration Date	1/16/2020
Requested Expiration Date	1/16/2021
Additional Time Requested	365 days
HHH Loan Amount (HHH/Unit)	\$12,000,000 <i>(or \$116,505 per Unit)</i>
Total Units	103
Supportive Housing Units at Risk of Loss	51
TDC	\$53,017,962
TDC/Unit	\$514,737
Target Population	Homeless families, Homeless individuals, Non homeless individuals, Chronically homeless
Reason for extension request	Reapplication of TCAC on March 20, 2020 due to \$13K error in original application.
TCAC application date	3/20/2020
Obstacles developer has overcome	Unlike 4% LIHTC, which are available throughout the year, 9% LIHTCs are only available twice (2x) a year.
Additional information	<p>To assure cost savings during construction, the development team hired a construction manager and engaged the general contractor early in the process. This design-build approach results in real-time cost estimates and cost-savings.</p> <p>All entitlements are secured.</p>

Sun Commons

Sources

Sources	Construction	Permanent
Construction Loan (Wells Fargo)	\$37,929,529	\$0
City of Los Angeles – HHH	\$12,000,000	\$12,000,000
LACDA	\$1,950,000	\$2,000,000
Deferred Costs until Stabilization	\$1,919,001	\$0
General Partner Contribution	\$100	\$100
Deferred Developer Fee	\$0	\$0
Tax Credit Equity (LIHTC)	\$2,861,000	\$29,776,648
Perm Loan (CCRC)	\$0	\$6,155,000
<u>CaHCD – MHP Funds</u>	<u>\$0</u>	<u>\$6,727,882</u>
TOTAL	\$56,659,630	\$56,659,630

Depot at Hyde Park

Original Expiration Date	1/16/2020
Requested Expiration Date	8/16/2020
Additional Time Requested	213 days
HHH Loan Amount (HHH/Unit)	\$8,160,000 <i>(or \$189,767 per Unit)</i>
Total Units	43
Supportive Housing Units at Risk of Loss	33
TDC	\$25,116,685
TDC/Unit	\$584,109
Target Population	Homeless families, Homeless individuals, Chronically homeless
Reason for extension request	CDLAC bonds and state tax credits are outstanding. All sources secured, except for CDLAC award. Developer expects CDLAC award in February 2020 and State Tax Credits in January 2020.
CDLAC application date	11/15/19
Obstacles developer has overcome	Securing State Tax Credits and CDLAC award. CDLAC and TCAC allows up to 180 days after award to close.
Additional information	All other financing and rental subsidies are secured.

Depot at Hyde Park

Sources

Sources	Construction	Permanent
Construction Lender - TBD	\$14,650,000	\$0
Perm Lender - TBD	\$0	\$3,000,000
City of Los Angeles – HHH	\$4,735,000	\$8,160,000
County of Los Angeles – NPLH	\$4,820,000	\$4,870,000
City of Los Angeles – Land Loan	\$440,000	\$440,000
State Tax Credits	\$0	\$2,439,756
Developer Fee Contributed back as GP Equity	\$0	\$657,392
LIHTC Equity	\$1,787,340	\$9,475,842
Deferred Developer Fee	\$0	\$0
<u>Deferred Costs until Stabilization</u>	<u>\$2,610,650</u>	<u>\$0</u>
TOTAL	\$29,042,990	\$29,042,990

Isla de Los Angeles

Original Expiration Date	2/23/2020
Requested Expiration Date	5/23/2020
Additional Time Requested	90 days
HHH Loan Amount (HHH/Unit)	\$11,660,000 (or \$215,926 per Unit)
Total Units	54
Supportive Housing Units at Risk of Loss	53
TDC	\$25,019,928
TDC/Unit	\$463,332
Target Population	Chronically homeless, Other homeless
Reason for extension request	Developer believes it can close prior to the expiration date, but is requesting the extension as preemptive measure to avoid any difficulties closing by the target date 12/16/19 due to the holidays, Council recess, finalizing a legal description of the site and any other unexpected issues.
CDLAC application date	8/17/2018
Obstacles developer has overcome	Delays due to incongruence between the legal description and as-built physical boundaries of the parcel did not allow design to progress. Project is in the process of obtaining the approvals necessary to move forward and create a new legal description.
Additional information	Project does not have a hard deadline until its 4/27/2020 TCAC/CDLAC deadline. Project has secured all necessary financing, PBV, and VASH and has begun the closing process.

Isla de Los Angeles

Sources

Sources	Construction	Permanent
Construction Loan	\$17,950,000	\$0
Permanent Loan	\$0	\$4,470,000
City of Los Angeles – HHH	\$7,269,663	\$11,660,000
Home Depot Foundation	\$100,000	\$100,000
Annenberg Foundation	\$2,955,000	\$2,955,000
GP Capital Contribution	\$0	\$1,786,475
Tax Credit Equity	\$20,000	\$20,000
LP Capital	\$2,325,453	\$13,271,975
Costs Deferred During Construction	\$0	\$0
Deferred Costs until Stabilization	\$4,079,363	\$0
<u>Deferred Developer Fee</u>	<u>\$0</u>	<u>\$436,029</u>
TOTAL	\$34,699,479	\$34,669,479

Adams Terrace

Original Expiration Date	1/16/2020
Requested Expiration Date	12/31/2020
Additional Time Requested	350 days
HHH Loan Amount (HHH/Unit)	\$12,000,000 (or \$139,535 per Unit)
Total Units	86
Supportive Housing Units at Risk of Loss	43
TDC	\$42,363,034
TDC/Unit	\$492,593
Target Population	Homeless families, Non homeless individuals, Chronically homeless
Reason for extension request:	Apply to CDLAC on January 17 (one day after the HHH expiration). Project expected to receive allocated March 2020, with a Closing target of Sept 2020. Requesting 90 days beyond target closing as a preemptive measure.
CDLAC application date:	1/17/2020
Obstacles developer has overcome	Has obtained HACLA Project Based Voucher section 8 voucher contract, HCID Seller carryback loan, Federal Home Loan Bank AHP award, LACDA construction & permanent financing, MHP award will be official in December 2019. Developer plans to submit to CDLAC thereafter in Jan. 2020.
Additional information	Developer expects project to have approved building plans by December 2019.

Adams Terrace

Sources

Sources	Construction	Permanent
Permanent Lender – TBD	\$0	\$3,467,300
Construction Lender – TBD	\$32,230,000	\$0
CaHCD – MHP Funds	\$0	\$8,000,000
HCID Seller Note	\$895,000	\$895,000
AHP (committed)	\$2,000,000	\$2,000,000
City of Los Angeles – HHH	\$12,000,000	\$12,000,000
LACDA – NPLH	\$4,950,000	\$5,000,000
Deferred Costs until Stabilization	\$1,386,185	\$0
Deferred Developer Fee	\$802,349	\$802,349
General Partner	\$0	\$3,985,834
<u>Tax Credit Equity (LIHTC)</u>	<u>\$2,012,561</u>	<u>\$20,125,612</u>
TOTAL	\$56,276,095	\$56,276,095

PATH Villas Hollywood

Original Expiration Date	1/16/2020
Requested Expiration Date	1/16/2022
Additional Time Requested	731 days
HHH Loan Amount (HHH/Unit)	\$12,320,000 <i>(or \$205,000 per Unit)</i>
Total Units	60
Supportive Housing Units at Risk of Loss	59
TDC	\$41,337,445
TDC/Unit	\$688,957
Target Population	Homeless individuals, Chronically homeless
Reason for extension request:	A local anti-development activist filed a lawsuit objecting to the entitlements approved by the City. Developer is seeking settlement talks with the plaintiffs and apply for AB1197 relief. After the resolution of the CEQA lawsuit, the project will re-apply for a CDLAC allocation and will need 180 days to close.
CDLAC application date:	10/12/2020
Obstacles developer has overcome	The project has attained a bond allocation from the CDLAC as well as its allocation of 4% tax credits.
Additional information	Attained planning entitlements and secured all soft financing It is believed that the lawsuit can be resolved by December 31,2020 and begin construction by January 16, 2022.

PATH Villas Hollywood

Sources

Sources	Construction	Permanent
Permanent Loan	\$0	\$2,027,000
Construction Loan	\$23,070,520	\$0
CaHCD – AHSC Funds	\$	\$4,837,217
National Housing Trust Fund (NHTF)	\$	\$3,935,162
City of Los Angeles – HHH	\$12,320,000	\$12,320,000
City of Los Angeles – HHH Accrued/Deferred Interest	\$120,100	\$120,100
Deferred Developer Fee	\$860,895	\$860,895
Developer Fee Contributed back as GP Equity	\$2,264,700	\$2,264,700
Tax Credit Equity (LIHTC)	\$1,543,000	\$15,432,167
<u>Deferred Costs until Stabilization</u>	<u>\$1,618,025</u>	<u>\$0</u>
TOTAL	\$41,797,240	\$41,797,240

Projects Not Requesting Extension

No.	Project Name	CD	TDC	Total Units	HHH Expiration Date	Target Closing Date	Target Population
1	Summit View Apartments	7	\$26,464,827	48	2/23/2020	11/15/2019	<ul style="list-style-type: none"> • Homeless veterans • Chronically homeless
2	PATH Villas Montclair/Gramercy	10	\$30,786,345	46	2/23/2020	12/19/2019	<ul style="list-style-type: none"> • Homeless individuals • Homeless with mental illness • Chronically homeless
3	Building 205	11	\$37,994,432	67	2/23/2020	2/3/2020	<ul style="list-style-type: none"> • Homeless veterans • Chronically homeless
4	Building 208	11	\$35,135,102	54	2/23/2020	2/3/2020	<ul style="list-style-type: none"> • Homeless veterans • Chronically homeless

The four projects above are confident they will close their loans prior to their HHH commitment expiration dates and are not requesting an extension.