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February 1, 2022

## **VIA ELECTRONIC MAIL**

Hon. Marqueece Harris-Dawson, Chair  
Los Angeles City Council  
Planning and Land Use Management Committee  
c/o City Clerk  
200 North Spring Street  
Los Angeles, CA 90012  
[armando.bencomo@lacity.org](mailto:armando.bencomo@lacity.org)

**Re: Item No. 5 Agenda of PLUM Committee Meeting for February 1, 2022 (Reese Davidson Project, VTT-82288; ENV-2018-6667-SE; CPC-2018-7344-GPAJ-VZCJ-HD-SP-SPP-CDP-MEL-SPR-PHP; Council File Nos. 21-0829 and 21-0829-S1)**

Dear Chair Harris-Dawson and PLUM Committee Members:

This firm represents the Coalition for Safe Coastal Development ("Coalition") and its supporting organizations and individuals.

The Coalition objects to the Project. Moreover, Coalition hereby adopts all project objections, comments, and all evidence/studies submitted in support of project objections, and specifically requests that the City print out or attach to the Council file each and every hyperlinked document cited in all comment letters in the administrative record for this Project. Additionally, please confirm that the City Clerk has placed an accurate and complete copy of all of our correspondence, including this letter, in each of the following City Council Files: Council File No. 21-0829 and Council File No. 21-0829-S1.

On December 1, 2021, the City Council adopted a Notice of Exemption from the California Environmental Quality Act ("CEQA"), denied land use appeals of a Coalition member group, Venice Vision, approved a Vesting Tentative Tract Map and a mass of amendments to fundamental zoning laws, including but not limited to the General Plan – Venice Community Plan, base zoning of the Project site, the Venice Coastal Zone Specific Plan, and the certified

Venice Land Use Plan.

On January 13, 2022, the Coalition filed a lawsuit in Los Angeles Superior Court alleging the City Council's actions on December 1, 2021 violated CEQA, the Subdivision Map Act, the Mello Act, and constitutional procedural due process of law.

On January 25, 2022, Council Member Mike Bonin introduced a motion that is the subject of Item No. 5 of today's PLUM Committee meeting agenda. Mr. Bonin's motion concedes that the City Council approved certain land use documents related to the Project that were missing required materials and maps, and included other materials and maps inconsistent with the requested action.

The Motion asks the City Council to rescind the Resolution to amend the Venice Community Plan and Venice Land Use Plan it adopted on December 1, 2021, and to propose amendments to Resolution, and its supporting materials and maps. The Motion also proposes to refer the case back to the Los Angeles City Planning Commission and Mayor in accordance with City Charter Section 555(c). This item has been scheduled for consideration at the City Council Meeting on February 2, 2022.

The Council's revisiting of the general plan amendment, zoning amendment, Venice Coastal Zone Specific Plan amendment, and the certified Land Use Plan of the Venice Coastal Program amendment merely underscores numerous fundamental flaws with the Reese Davidson Project:

**1. The City Likely Pre-Committed to the Reese Davidson Project At The RFQ/P Stage Despite The Project Site's Mapped Location For Multiple Risks To Human Life.**

The Coalition's member organization, Venice Vision, and now the Coalition have submitted Public Records Act requests trying to obtain copies of the full RFQ/P proceedings now that the City completed the process and entered into an Exclusive Negotiating Agreement with Hollywood Community Housing Corporation and Venice Community Housing Corporation ("Applicant"). Only limited documents have been produced by the Housing Department. (**Exhibit 1.**) The Housing Department has refused to produce responsive documents based upon bogus exemption claims that continue to this date.

The Coalition is informed and believes and thereon alleges that the Applicant was the favored developer in the "competitive" bidding process operated by the City. For instance, the City's RFQ/P invited developers to propose to use portions of or all of the Project Site. Pursuant to this invitation, the Coalition believes that some developers proposed more sensitive projects less than the entire site, and the City eliminated them from consideration. However, the Coalition is informed and believes that Applicant was told or encouraged to propose a Project covering the entire Project site, and its proposal, consistent with what City officials instructed Applicant to do, was favorably received. Accordingly, Applicant likely knew that only Projects utilizing the entire site would be accepted by the City even though the RFQ/P issued by the City said otherwise to mislead others making proposals.

Prior to recent years, the community had considered ideas to construct a sensitive community park/parking structure to improve beach access and parking capacity. These proposed uses were consistent with the open space land use plans of the City and Coastal

Commission, and were expected to be designed to absorb sea level rise flooding to avoid exposure of humans to such flooding and tsunami risks.

Then City officials, especially Council Member Mike Bonin, proposed that an Affordable Housing Project be identified for this Project site. They made the initial commitment to placing human beings in harms way by making the Project site available for affordable housing development despite its sensitive location in a low-lying coastal flood risk zone, tsunami inundation zone and evacuation route, historic oil drilling district, and methane hazard zone. The City's RFQ/P only acknowledged the Project site had an elevated water table.

The actions of the City to locate formerly homeless and low income persons at this troubled location is a continuation of the City's violations of environmental justice, similar to when the City located public housing projects next to excessive diesel sources such as rail yards/ports, or on formerly polluted industrial sites. Why must the City's most in need be personally exposed to health hazards in affordable housing sited in the unjust locations?

No other City property offered in the same RFQ/P process by the City was located in such an ill-advised location for human housing development. And yet the City, relentlessly pushed by Mr. Bonin, persisted in shoving through a project, covering the entire open space Project site, and pushed out to the edge of the street, shrinking beach access sidewalks to such inadequate widths that it will result in crowds of people having to step into the street to pass each other on the way to and from the beach with their baby strollers, bicycles, umbrellas, coolers, and other beach accessories.

The pre-selection of this problematic site soon became a subject of controversy and objection in the community as residents realized the public health dangers of the proposed location. Councilmember Bonin refused to acknowledge the common sense concerns of his constituents regarding the problems of the low lying site, refused to consider alternate available sites for such supportive housing, and instead launched an outrageous campaign to silence community objections, including making false accusations that those concerned about these homeless housing projects were responsible for placing bomb-like materials at a related Bridge Temporary Homeless Housing site nearby. Emails released by Mr. Bonin's office itself revealed he had been advised by police detectives these devices were unrelated to the homeless housing project and were no threat to public safety, yet after being so informed he weaponized the Los Angeles Police Department to paint his opponents as some form of domestic terrorists.

Mr. Bonin proclaimed these "cowardly acts" would not deter his supposedly heroic efforts to politically ram his "vision" through City approval processes, human health and safety would be brushed aside. Not only did the City place the ill-conceived Reese Davidson Project at this poor location, a site design that the City's own professional architect review panel branded as looking like a "beached barge," the City would refuse to conduct an objective environmental review of the hazards of this particular site or give any consideration to more reasonable project alternatives to mitigate the hazards.

More than 1,000 persons from the community sent letters objecting to the Project. Heirs of the families of Arthur Reese and Gregory Hines demanded that their family names be removed from the Project because if they were alive they would not have supported such an ill-conceived project at the main entrance to world famous Venice Beach.

Residents rose up to gather signatures to recall Mr. Bonin, and although the City Clerk recently declared the effort fell just short of enough valid signatures (thousands were disqualified by the City Clerk), Mr. Bonin, seeing the handwriting on the wall and pre-empting another recall effort, announced he will not run for re-election. And yet, without political portfolio, Mr. Bonin's proposed motion today underscores the extraordinary unlawful actions taken to push this pre-committed Project forward despite strenuous objection from thousands of reasonable community leaders and residents.

**2. The City's Unlawful Withholding Of The Competing Proposals It Received For The Project Site Prevents The Public, The City's Decision Makers, and The Coastal Commission From Knowing Feasible Alternative Projects.**

To this day, the City continues to refuse to produce for public copying the competing proposals it received from other developers who responded to the RFQ/P process. What is the City hiding? The Coalition and its supporting organizations and individuals have been thwarted from obtaining these records to place in front of the City's decision makers and the Coastal Commission. A reasonable decision-making process would have given serious consideration to Project alternatives, including the original enhanced parking facility and park contemplated by the community in its adopted planning documents until Mike Bonin strongarmed his "vision" on the community. In the upcoming Coastal Commission hearing process, the Commission should act more responsibly than the City of Los Angeles which is hampered by corruption of its decision-making processes – a scourge currently under investigation and prosecution by federal authorities.

**3. While The RFQ/P Authorized Developers To Propose Affordable Housing Projects With Unrelated Commercial Uses, The State Legislature's Special CEQA Statutory Exemption For Supportive Housing Projects Did Not Exempt Such Commercial Uses.**

The City's RFQ/P specifically allowed developers to propose commercial uses along with the supportive housing project. The Applicant included at least 6,000 square feet of unrelated commercial land uses in the Project. The commercial elements of the Project have been comingled into the building pro forma as well. (**Exhibit 2.**) Then the City pursued special legislation from the Legislature to exempt certain homeless housing projects from CEQA review. However, commercial and non-supportive housing elements of such projects were not granted exemption from CEQA review.

**4. The Commercial Portions of The Project, Including The Northwest Tower Are Not Exempt From CEQA Review Because They Are Not In Furtherance of Supportive Housing.**

The intent of the Legislature in enacting AB 1197 was to exempt certain temporary and permanent supportive housing activities from CEQA review and mitigation. That said, the City cannot fold into such supportive housing projects unrelated land uses, including commercial uses, and obtain an exemption from CEQA review for those elements of the Project too. In other words, only those elements of the Project, and the land use entitlements associated with them necessary to provide for supportive housing are arguably exempt from CEQA review and mitigation.



Supportive affordable housing projects might require a general plan amendment to a residential land use designation and residential zoning classification, but they in no way require the commercial land use designation and C2 base zoning sought by the Applicant. Seeking a land use entitlement solely consistent with furthering supportive housing such as a medium residential land use designation and R3 zoning would be consistent with the Legislature's CEQA exemption. Seeking a land use designation and base zoning more than required to further supportive housing fails to qualify for the exemption.

The Project includes thousands of additional square footage dedicated to non-supportive housing activities such as: retail stores, public restaurant, art center, and a lookout tower over nearby residences and the beach. None of these uses, appended onto the residential building, expanding it out to the streets and adjacent properties in every direction, are required to provide supportive housing. Accordingly, the general plan amendment and zoning change sought by the Applicant, to Neighborhood Commercial and C2 base zoning, are not required to provide supportive housing and therefore do not qualify for exemption from CEQA review and mitigation.

Surely, no one would credibly contend that the Project could include land use designation and base zoning to permit a hazardous recycling center, auto repair shop, adult entertainment club, or marijuana dispensary appended onto the supportive housing building. The same is true for non-essential commercial retail, restaurant, art center, or vanity lookout tower. They disqualify the general plan amendment and zoning change from exemption from CEQA review and mitigation measures with the inclusion of the unnecessary commercial project elements. The City has failed to proceed in accordance with law.

## **5. The Project is Not Exempt From Other Mandatory Environmental Reviews That Have Not Been Performed.**

Even assuming the City's actions in relationship to this project were somehow exempt under the limited exemption of AB 1197, which they are not, in no way was and is the Project exempt from other environmental reviews. Environmental reviews comparable to CEQA are required by other laws for approval of the land use entitlements or the funding sources of the project. For instance, the Advisory Agency in reviewing the Project under the Subdivision Map Act erroneously failed to require CEQA comparable study of potential negative impacts of the Project. Similarly, the California Coastal Commission requires a CEQA like review to prevent exposure of sensitive marine and water estuary resources, and humans, to environmental harm or degradation.

However, during the City's disjointed process, it terminated environmental review the moment it thought it could paint all of the non-supportive housing elements of the Project with its special CEQA exemption from the Legislature. (**Exhibit 2.**) The law does not work that way. The potential harms have been ignored by failures of the City to require sufficient and serious study of potential project impacts before entitlement or funding.

## **6. The Applicant Who Received The Entitlements To Build The East Site Parking Garage Will Likely Not Finance, Build, Own Or Operate It – LADOT Will.**

What does the City have to hide regarding the development, construction, financing and operation of the East Site Public Parking Garage? Throughout the administrative review process, the Coalition and its members have submitted and renewed Public Records Act requests for documents, communications, and design plans for the separate East Site Public Parking garage. The City's LADOT has stonewalled production of disclosable non-exempt public records.

Based upon what little information has been obtained, it appears clear that although the City granted entitlements to the non-profit Applicant to construct the East Site Parking Garage, the City never intended to have the Applicant finance, construct, own the underlying land, or operate the public parking facility. Therefore, the supportive housing project not only appended unrelated commercial land uses to paint the entire collection of land uses as CEQA exempt, it also folded a separately owned, financed, and constructed parking garage project in the middle of the Project site, and falsely represented the public parking garage as part of the supportive housing project. The Project's current pro forma fails to confirm that the East Site Public Parking Garage costs are included in the Project cost estimates. (**Exhibit 2.**)

LADOT's ongoing refusal to release all non-exempt documents related to the East Site Public Parking Garage, including details of a problematic hydraulic automated parking system, has obscured the proper segregation of the two projects that appear to have separate financing, construction, underlying land ownership, and long-term operational control. The failure of the City to disclose the apparent true nature of the East Site Public Parking Garage project, has resulted in a failure to award the land use entitlements to the proper party, a failure to disclose the true land ownership or lease characteristics of the Project, and failure to provide for proper environmental review of project impacts.

#### **7. The Lack Of Accurate Project Plans For The East Site Garage Tower Deprived The City Decision Makers Of The Ability To Assess The Full Impacts Of The Project.**

Perhaps most disturbing is that the Project plans placed in front of City decision makers appear to omit the actual design of the LADOT parking garage in the center of the Project site. For more than a year, LADOT and other City officials have discussed the installation of an automated double stacked hydraulic parking system in the East Site Public Parking Garage. The details of this system have not been disclosed to the public or City decision makers. Instead, false and incomplete versions of the Project have been released to the public. The use of such plans will presumably later lead to a substitution of the actual project plans, evading any public review. The use of inaccurate and incomplete plans for project land use entitlements is a failure to proceed in accordance with law.

#### **8. The Failure To Publicly Disclose The Use Of Automatic Stacking Systems On The Roof Of The East Site Parking Garage And The Residential Building Plans With Solar Panel Fixtures Obscures The Fact That Large Portions Of The Project Cannot Comply With the 35 Foot Height Limit.**

The Project building height is limited to 35 feet. The design plans depict the structure itself at the 35-foot height limit. However, the affixing of a mass of automated hydraulic double stacked parking systems and shading them with even taller solar panel structures on the roof, strongly suggests that the building and parking/solar fixtures will far exceed the 35-foot height limit. (**Exhibit 3.**) In fact, the plans do not appear to depict a realistic height for double stacked parking facilities, and in fact, the structures will exceed the height limit. These realities are

suggested by the limited documents released by LADOT. The failure to disclose the true construction plans for the East Site Public Parking Garage to guarantee conformity to height limits was and is a failure to proceed in accordance with law.

**9. The Plan Amendments Constitute An Impermissible Spot Zoning Whose Public Benefits Do Not, As A Matter of Law, Outweigh The Recklessly Unstudied Threats To Life And Properties From Intensified Flooding, Methane System Failure, or Tsunami Wave Diversion.**

Throughout these proceedings, numerous commenters have branded the mass of amendments to the City's general plan for Venice, the certified Land Use Plan of the Venice Coastal Program, and the Venice Coastal Specific Plan as a wildly inappropriate spot zoning. It is a spot zoning. One need only look at the maps Mr. Bonin seeks to substitute to see a planning boundary is drawn around the exterior lines of this single Project site and massive replanning and rezoning is undertaken to allow that which the City's fundamental planning documents do not allow.

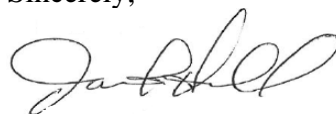
While some spot zoning activity can be justified by public benefit of a project, a spot zone that elevates a public benefit that could have been conferred at a safer location cannot be justified at a location where the site characteristics subject the Project's occupants and adjoining properties to unsafe conditions. This is such a spot zone. The City tried to avoid this by requiring in the RFQ/P related documents that any project proposed would comply with the then existing Venice Coastal Zone Specific Plan. But the City now violates its own planning guardrails on the Project. The City refused to locate this supportive housing project at other available Venice sites outside the coastal zone, or at least not in the low lying coastal flooding, sea level rise, tsunami and methane risk zone. Because the risks are acknowledged by the City by mapped hazards, yet unstudied, the City lacks any factual basis to support a conclusion that this otherwise unlawful spot zone has benefits that outweigh the potential risks to human life and property.

**10. The Ongoing Failure To Release The Proposed Amendment Resolution, Supporting Materials and Maps Continues An Ongoing Denial Of Rights Of Public Participation In General Plan Amendments Under State Law.**

Throughout the administrative proceedings, the City has played a game of hide the ball. Mr. Bonin's motion is unsupported with the actual revised resolution and exhibits/maps the City is now proposing to amend into the proceedings. As of the morning of the PLUM Committee meeting, the City has failed to post and make available the revised materials to enable informed public participation in a general plan amendment. This is a failure to proceed in accordance with the public participation requirements under state law for a proposed general plan amendment.

I may be contacted at 310-982-1760 or at [jamie.hall@channellawgroup.com](mailto:jamie.hall@channellawgroup.com) if you have any questions, comments or concerns.

Sincerely,



Jamie T. Hall

# **Exhibit 1**



Eric Garcetti, Mayor  
Ann Sewill, General Manager

**Custodian of Records**

1200 West 7th Street, 4th Floor, Los Angeles, CA 90017  
tel 213.922.9612  
hcidla.custodian@lacity.org

7/16/2021

CoR File No. **28255**

**VIA Email To [fbv@fightbackvenice.org](mailto:fbv@fightbackvenice.org)**

Christian Wrede

Subject: CPRA request regarding:  
All records--including all documents and communications--relating to the Request for Qualifications / Proposals ("RFQ/P") and selection process for the "Venice Dell Pacific Site" at 125 E. Venice Boulevard (the "Site"), as referenced at page 37 of "City of Los Angeles Request for Qualifications / Proposals for the Affordable Housing Opportunity Sites Issued by Office of the City Administrative Officer, Submission Deadline: September 15, 2016 at 4:00 p.m."

Dear Christian Wrede

This letter is in response to your request dated 7/6/2021 and received by our office on 7/6/2021, seeking records from the Los Angeles Housing and Community Investment Department pursuant to the California Public Records Act (HCIDLA).

Please be advised that this office finds that "unusual circumstances" exist with respect to the request, as that term is defined in California Government Code section 6253(c). Unusual circumstances exist because of

1. The possible need to search for, collect, and appropriately examine a voluminous amount of separate and distinct records in order to respond to the request.

We expect to make a determination concerning your request on or before 7/30/2021.

If you have any questions, you may phone the Custodian of Records line at (213) 922-9612. We greatly appreciate your courtesy and cooperation in this matter.

Very truly yours,

A handwritten signature in black ink, reading "Joan M. Chen".

JOANN M. CHEN  
Custodian of Records



## **Public Order Under City of Los Angeles Emergency Authority**

**Issue Date: April 17, 2020**

### **Subject: Tolling HCIDLA Deadlines and Revising Expiration of Emergency Orders**

To further aid in our efforts to slow the spread of the COVID-19 virus, by virtue of authority vested in me as Mayor of the City of Los Angeles under the provisions of the Los Angeles Administrative Code, Chapter 3, Section 8.29 to promulgate, issue, and enforce emergency rules, regulations, orders, and directives, I hereby declare the following order to be necessary for the protection of life and property and I hereby order, effective immediately and until the end of the emergency period, that:

All deadlines prescribed by the Los Angeles Housing and Community Investment Department (HCIDLA) related to the financing and predevelopment activities necessary to develop or rehabilitate affordable and supportive housing shall be tolled and suspended until further notice. This will ensure development of affordable housing can continue within the limits of the Safer At Home order, and after the emergency has ended, without penalties caused by missed deadlines.

This order shall apply, without limitation, to the following non-exhaustive list of circumstances:

1. **Exclusive Negotiation Agreements:** During the effective period of this order, toll the term of Exclusive Negotiation Agreements and all deadlines contained within them.
2. **Site Control:** During the effective period of this order, toll the deadline to demonstrate site control as required by the Mayor's Housing Innovation Challenge.

3. Schedule of Performance: During the effective period of this order, toll all dates contained within executed Term Sheets and Disposition and Development Agreements.

4. Funding Commitments: During the effective period of this order, toll the commitment expiration dates contained within all HHH Commitment Letters and Managed Pipeline Commitment Letters.

HCIDLA is authorized to hold public hearings prescribed by the Tax Equity and Fiscal Responsibility Act (TEFRA) in a manner consistent with the Governor's Executive Order N-29-20, and any subsequent orders or published guidance, pertaining to local bodies.

Nothing in this Order prohibits HCIDLA from continuing to process applications in a reasonable and timely manner.

This Order is subject to any applicable superseding State and Federal deadlines, including but not limited to, deadlines related to Federal and State bond inducement, TEFRA, or issuance resolutions.

#### **Order Extending the Expirations of Prior Orders**

The expiration of the City of Los Angeles public emergency orders, dated March 15, 21, and 23, 2020, are hereby extended until the end of the local emergency period.



Eric Garcetti, MAYOR

Dated: April 17, 2020 at Los Angeles, California

Time: 6:30pm

Filed with the City Clerk

Date: \_\_\_\_\_

Time: \_\_\_\_\_

By: \_\_\_\_\_



# CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,  
COUNCIL/PUBLIC SERVICES DIVISION  
ROOM 395, CITY HALL

DATE: January 12, 2017

FROM (DEPARTMENT): Los Angeles Housing + Community Investment Department

CONTACT PERSON: Mariana Lem PHONE: 213-808-8966

CONTRACT NO.: C-128799 COUNCIL FILE NO.: 16-0600-S145

ADOPTED BY COUNCIL: 12/14/16

DATE

APPROVED BY BPW: n/a

DATE

- ☒ NEW CONTRACT
- ☐ AMENDMENT NO. \_\_\_\_\_
- ☐ ADDENDUM NO. \_\_\_\_\_
- ☐ SUPPLEMENTAL NO. \_\_\_\_\_
- ☐ CHANGE ORDER NO. \_\_\_\_\_

CONTRACTOR NAME: Venice Community Housing Corporation & Hollywood Community Housing Corporation

TERM OF CONTRACT: 1/11/2017 THROUGH: 1/2/2019

TOTAL AMOUNT: \$0

## PURPOSE OF CONTRACT:

Exclusive Negotiation Agreement with developers for the development of the Venice Pacific Dell Pacific site into permanent supportive housing.

**NOTE: CONTRACTS ARE PUBLIC RECORDS - SCANNED AND UPLOADED TO THE INTERNET**

### Exclusive Negotiation Agreement

This AGREEMENT is made as of the Effective Date (defined in Section 14 below) by and between Venice Community Housing Corporation, a california non-profit public benefit corporation, Hollywood Community Housing Corporation, a california non-profit benefit corporation (DEVELOPER) and the Los Angeles Housing and Community Investment Department (HCIDLA).

#### RECITALS

- A. The City of Los Angeles currently owns the property, commonly known as the Venice Dell Pacific Site, consisting of ten (10) parcels located near the intersection of North Venice Boulevard and Dell Avenue in the City of Los Angeles, as more particularly described on the legal description attached hereto as Exhibit "A" ("Site") consisting of parcels at: 1) 2100 South Pacific Avenue, Assessor Parcel Number: 4238-024-900, containing approximately 27,780 square feet; 2) 128 East Venice Boulevard, Assessor Parcel Number 4238-024-902, containing approximately 14,000 square feet; 3) 208 East Venice Boulevard, Assessor Parcel Number: 4238-024-903, containing approximately 6,300 square feet; 4) 216 East Venice Boulevard, Assessor Parcel Number 4238-024-905, containing approximately 6,300 square feet; 5) 302 East Venice Boulevard, Assessor Parcel Number 4238-024-906, containing approximately 3,100 square feet; 6) 319 East Venice Boulevard, Assessor Parcel Number 4238-024-907, containing approximately 47,800 square feet; 7) 200 East Venice Boulevard, Assessor Parcel Number 4238-024-908, containing approximately 3,200 square feet; 8) no known address, Assessor Parcel Number 4238-024-909, containing approximately 1,100 square feet; 9) 212 East Venice Boulevard, Assessor Parcel Number 4238-024-910, containing approximately 3,200 square feet; and 10) 125 East Venice Boulevard, Assessor Parcel Number 4238-024-911, containing approximately 2,700 square feet.
- B. In response to a Request for Qualifications and Proposals (RFQ/P) issued by the City Administrative Officer (CAO), the DEVELOPER has submitted qualifications for a development project ("Project") at this Site (DEVELOPER's Proposal).
- C. The qualifications submitted by DEVELOPER best support the type of affordable housing development conceptually envisioned by the City of Los Angeles.
- D. On December 14, 2016 the Los Angeles City Council approved (Council File: 16-0600-S145) the selection of the DEVELOPER for the purpose of creating, in conjunction with City and community stakeholders, a full development plan for the project leading to negotiating the terms of a Development and Disposition Agreement ("DDA") and/or ground lease ("Ground Lease") pertaining to the Site under a 720 day Exclusive Negotiation Agreement ("Agreement").
- E. Together, HCIDLA and the DEVELOPER (collectively referred to as "Parties", or if referred to in the singular form "Party") desire to negotiate exclusively for the development of the Project at the Site.

The Parties agree to negotiate exclusively and in good faith to enter into a DDA and/or a Ground Lease upon the following terms and conditions.

**1. Agreement to Negotiate Exclusively: Good Faith Negotiations**

HCIDLA agrees that, after competitive bidding and selection process outlined above, during the Negotiation Period (as defined in Section 2 below) and provided that DEVELOPER is not in default of its obligations under this Agreement (subject to reasonable notice and opportunity to cure such default), HCIDLA shall negotiate exclusively and in good faith with DEVELOPER, with respect to a DDA, property disposition such as a sale or Ground Lease to be entered into between HCIDLA and DEVELOPER concerning the rights and obligations of each respective Party concerning the development of the Site. During the negotiation period, HCIDLA shall not solicit or entertain offers or proposals from other third parties concerning the Site. DEVELOPER acknowledges, however, that HCIDLA may, from time to time, be contacted by other developers respecting the Site and that such contact is expressly permitted so long as HCIDLA does not initiate or further the contact and HCIDLA indicates to such other developers that HCIDLA has executed this Agreement with DEVELOPER and that HCIDLA is unable to: (1) discuss anything concerning the Project; (2) discuss anything concerning these negotiations; (3) entertain any other offer or proposals; or (4) negotiate with any other developer until this Agreement expires or is terminated, as provided in Section 2 below.

The Parties agree, in consideration of this Agreement, to negotiate in good faith with each other with respect to the terms and conditions as set forth in the RFQ and the proposed project to be included in the DDA, property disposition such as a sale or Ground Lease and to cooperate in the preparation thereof. The Parties shall provide each other with any information regarding the Site or Project that may be reasonably requested by any other Party.

**2. Period of Negotiation**

The Parties agree to negotiate in good faith for a period of 720 days from the Effective Date, as defined in Section 14 hereof (the "Negotiation Period"). If the Parties have not agreed upon the form of a draft DDA property disposition such as a sale or the Ground Lease to be delivered to The City Council and Mayor by such date, then this Agreement shall automatically terminate provided, however, that if prior to the expiration of the Negotiation Period, the Parties have not agreed upon the form of a draft DDA property disposition such as a sale or Ground Lease satisfactory to the Parties to be delivered to The City Council and Mayor, then the Parties may mutually agree to extend the term of this Agreement for an additional period of up to 90 days. If the Parties cannot agree upon such an extension, this Agreement shall automatically terminate.

The Negotiation Period may be extended only by written agreement between the Parties and HCIDLA shall have the right to thereafter develop or dispose of the Site as it shall determine appropriate in its sole and absolute discretion.

This Agreement may also be terminated if the Parties agree in writing that a successful consummation of the negotiations is impossible.

### **3. Test and Surveys**

During the Negotiation Period, DEVELOPER shall conduct such tests, surveys, and other analyses as the DEVELOPER deems necessary to determine the feasibility of designing, constructing, leasing and financing the Project and shall complete such tests, surveys, and other analyses promptly within the Negotiation Period. For these purposes, HCIDLA shall provide to DEVELOPER, its agents and/or representatives, the right to enter onto the Site and to conduct such tests, surveys, and other procedures ("Tests"). DEVELOPER shall take all necessary effort to ensure that such Tests shall not unreasonably alter the condition of the Site, or other HCIDLA activities on the Site. DEVELOPER shall indemnify and hold harmless the City of Los Angeles ("City"), and its departments (HCIDLA), its Boards, Officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including but not limited to, reasonable attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including DEVELOPER's and any contractor's and subcontractor's employees and agents, or damage or destruction of any property of any property of the Parties hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to any such entry on the Site by DEVELOPER, its agents or representatives, provided that such indemnity shall not relate to existing Site conditions that differ substantially from existing plans and drawings, and could not have been discovered by reasonable visual inspection or reasonable and typical non-intrusive tests prior to any intrusive testing. DEVELOPER shall present HCIDLA with evidence of a general liability insurance policy in an amount of at least \$1 million, naming the City of Los Angeles as an additional insured. The insurance policy shall cover all liability and property damage arising from DEVELOPER's employees' presence on the Site during Tests. Any destruction or alteration of site features or surfaces resulting from the tests shall be fully replaced at the full expense of the Developer within ten (10) business days.

### **4. Essential Terms**

A. **DDA.** DEVELOPER's rights and obligations shall be specifically set-forth in the DDA and shall include without limitation all of the following:

- 1) Project Description;
- 2) Scope of Development;
- 3) DEVELOPER Site Inspection rights;

- 4) The financial relationships between the parties
- 5) Method of land transfer and ownership rights over specific improvements that could include property disposition for sale or Ground Lease;
- 6) Scope and method of disposition for a sale or Ground Lease of property, depending on HCIDLA's preferred method of disposition;
- 7) Design and construction of the Project, including HCIDLA review, approval, and inspection rights, and DEVELOPER assurances;
- 8) Deposits and Costs Reimbursements;
- 9) Schedules of Performance, including effect of change;
- 10) Restrictions on Transfers;
- 11) Covenants to enter into property disposition such as sale or Ground Lease and other required agreements;
- 12) Escrow provisions, including title, deliveries to escrow, conditions to close of escrow and delivery of Site, parts thereof;
- 13) Insurance and Indemnity;
- 14) Defaults, remedies and termination;
- 15) Encumbrances and rights of lenders;
- 16) Agreement on all other matters necessary to reach a full comprehensive agreement; and
- 17) Restrictions on use of Site.

**B. Ground Lease.** The Ground Lease shall include, without limitation, provisions relating to all of the following:

- 1) Demise of the premises, including conditions, exceptions, representations and warranties;
- 2) Term, including options and extensions, if any;
- 3) Payment for Ground Lease based generally on the structure proposed in the original RFQ response, taxes and other charges (including appropriate security and bonds);
- 4) Restrictions on Transfers;
- 5) Encumbrances and rights of lenders;
- 6) Possessions, use, subleasing, operations, maintenance and compliance with laws;
- 7) Construction of improvements and operations, including HCIDLA inspection and approval rights, and environmental matters;
- 8) Insurance, indemnity, damage, destruction and eminent domain;
- 9) Default, cure, dispute, remedies;
- 10) Termination and surrender of Site; and
- 11) Administrative provisions.

**5. Development Goals for Site**

- a) Coordinate with HCIDLA on the development and property disposition such as a sale or Ground Leasing of the Site.
- b) Provide for rental housing opportunities to low income individuals, families and/or homeless.



- c) Ensure that all uses on the Site are consistent with the local jurisdiction's adopted land use plans.
- d) Create a development which increases mobility, economic development (including job creation), and meets other community needs.
- e) Design of a development that meets community needs and standards.

## **6. Topics for Negotiation**

In addition, or as supplement to the Essential Terms, as described in Section 4, the topics for negotiation (to the extent of, and as limited by the terms of the Proposal) shall include, among other things:

- a) Project assembly [e.g. re-subdivision of Site, maintaining current subdivision of Site, etc.];
- b) Structure of the transaction [include, e.g. structure of property disposition such as a sale, Ground Lease (or leases), exchanges, easements, as applicable];
- c) Method of calculating value and paying for property disposition such as a sale or Ground Lease based generally on the structure proposed in the original RFQ response;
- d) The terms of the proposed DDA, property disposition such as a sale or Ground Lease and other agreements as described in Section 4 above;
- e) Availability of the Site to the DEVELOPER;
- f) Proposed land uses and appropriate assurances regarding the continued use of the Project improvements for their original intent;
- g) Site layout and conceptual architectural and urban design plans;
- h) HCIDLA's requirements upon DEVELOPER to ensure long-term affordability of rental units;
- i) Permanent financing plan, including strategy as it relates to HCIDLA's Managed Pipeline;
- j) Aesthetic considerations;
- k) Quality and type of construction;
- l) DEVELOPER's responsibility to obtain environmental clearances, entitlements, and project financing;
- m) Terms of DEVELOPER's construction financing and HCIDLA's right to approve same; and
- n) Project schedule and any other considerations necessary to fully implement the proposed Project in a timely fashion.

## **7. Deposit**

Prior to and as a condition precedent to the execution of this Agreement by HCIDLA DEVELOPER shall submit to HCIDLA a good faith non-refundable site control fee ("SITE CONTROL FEE") in the amount of FIFTY THOUSAND DOLLARS (\$50,000) in the form of cash or certified check to subsidize holding costs.

## **8. Broker's Fees**

The Parties represent and warrant to each other that no broker or finder has been engaged, or is in any way connected with the transactions contemplated by this Agreement. In the event any claim for brokers' or finders' fees is made in connection with the transaction contemplated by this Agreement, the Party upon whose statement, representation or agreement the claim is made shall indemnify, hold harmless and defend the other Parties from and against such claims.

## **9. Assignment**

As a condition to any proposed assignment of this Agreement, DEVELOPER shall be required to make full disclosure to HCIDLA of the principals, officers, stockholders, partners, etc., and all other reasonable pertinent information concerning the assignee of DEVELOPER and its associates.

Except as to an assignment to an entity wholly controlled or wholly owned by DEVELOPER or a limited partnership in which DEVELOPER or an affiliate is a general partner, for which HCIDLA's consent is not required, no assignment by DEVELOPER of its rights and obligations hereunder shall be made without the express written consent of HCIDLA, which consent shall be given or withheld at the sole discretion of HCIDLA. Upon any permitted assignment by Developer of its rights and obligations hereunder, DEVELOPER and the permitted assignee shall execute a written assignment agreement and the succeeding entity shall be deemed DEVELOPER for all purposes under this Agreement. Notwithstanding anything which may be or appear to be herein to the contrary, no assignment hereof by DEVELOPER shall relieve DEVELOPER of its obligations under this Agreement unless specifically agreed to in writing by HCIDLA.

DEVELOPER shall along with any request for approval of any assignments hereof, deliver to HCIDLA the most recent financial statement and/or the financial statements of the assignee. HCIDLA understands and acknowledges the proprietary nature of said information and, to the extent permitted by law, agree not to disclose said information to any person or entity other than representatives of HCIDLA or their consultants, having a need to know.

HCIDLA shall not assess a fee for its approval or any assignment, except to the extent that it incurs direct third party expenses, consultant or legal fees related to approval of the assignment in which event the fee shall not exceed the total of the direct costs incurred by HCIDLA related to approval of the assignment.

## **10. HCIDLA Obligations**

During the Term of this Agreement, HCIDLA shall deliver, within 15 days of receipt of written request thereof, any existing HCIDLA information, studies, reports, site and construction plans or other documents which DEVELOPER may reasonably request to facilitate the Project design without cost or expense to DEVELOPER. The Parties shall cooperate to ensure timely review and revision of any DEVELOPER documents or plans.

This Agreement is an agreement to enter into a period of exclusive negotiations according to the terms hereof. HCIDLA expressly reserves the right to decline to enter into a DDA property disposition such as a sale or a Ground Lease in the event the Parties fail to negotiate either agreement to the satisfaction of HCIDLA. Except as expressly provided in this Agreement, HCIDLA shall have no obligations or duties hereunder and no liability whatsoever in the event the Parties fail to timely execute a DDA as long as they negotiate exclusively in good faith and cooperate in the preparation of the DDA property disposition such as a sale or Ground Lease in accordance with Section 1 above.

Developer acknowledges and agrees that HCIDLA has not agreed to fund, subsidize or otherwise financially contribute in any manner toward the development of the Project other than those representations contained in the HCIDLA RFQ/P.

By its execution of this Agreement, HCIDLA is not committing to or agreeing to undertake: (i) disposition of land to DEVELOPER; or (ii) any other acts or activities requiring the subsequent independent exercise of discretion by HCIDLA, other than their good faith obligation to negotiate exclusively with DEVELOPER as provided herein.

The Parties recognize that one or more of the conditions to DEVELOPER's proposal set forth herein may fail to be met as a result of subsequent studies, reviews and proceedings invoking the exercise of discretion by HCIDLA or any public agency having regulatory jurisdiction.

DEVELOPER shall bear all costs incurred as a result of compliance with the California Environmental Quality Act and the National Environmental Policy Act relating to Developer's joint development of the Project; including, but not limited to, preparation of an environmental report or any other required studies or documents.

#### **11. Non-Liability of HCIDLA, Officials and Employees**

Without limiting the provisions set forth herein, no member, official, representative, director, attorney, or employee of HCIDLA shall be personally liable to DEVELOPER or any successor in interest, in the event of any default or breach by HCIDLA or any obligations under the terms of this Agreement, or of any amount which may become due to DEVELOPER or to its successor under the terms of this Agreement.

#### **12. Plans, Reports, Studies and Investigation**

Upon written request by HCIDLA, DEVELOPER shall provide the requesting agency, without cost or expense to that agency and without representation or warranty, copies of all plans, reports, studies, or investigations (collectively, "Plan") prepared by or on behalf of DEVELOPER which the DEVELOPER owns or has the copyrights to with respect to the Site and the Project. All Plans shall be prepared at DEVELOPER's sole cost and expense, and DEVELOPER agrees to indemnify, defend and hold harmless the City of Los Angeles, its departments (HCIDLA), and its members, representatives, employees,



officials, directors, attorneys, successors and assigns (collectively, "Representatives") from losses, liability, claims, causes of action, injury or expense, including without limitation, reasonable attorneys' fees and costs (collectively, "Loss and Liabilities") arising from or in any way related to the cost of preparation of such Plans. Unless both Parties execute a DDA, property disposition such as a sale, or a Ground Lease before the termination of the Agreement, both Parties agree that Plans provided to HCIDLA that have been prepared during the Term of the Agreement by or on behalf of DEVELOPER which the DEVELOPER owns or has the copyrights to with respect to the Site and the Project will be returned to Developer upon the termination of the Agreement

### **13. Developer's Responsibilities**

Without limiting any other provision of this Agreement, during the period of negotiations hereunder, DEVELOPER, at its sole cost and expense, shall prepare and submit the following documents and perform the following acts all in furtherance of the negotiation process:

**A. Submittals.** HCIDLA and all agencies having regulatory jurisdiction will require planning and design approval for the Project. DEVELOPER shall meet with representatives of HCIDLA to review and come to a clear understanding of the planning and design criteria required by these agencies.

DEVELOPER, within 360 days after execution of this Agreement (subject to receipt of all plans and studies requested by DEVELOPER of HCIDLA pursuant to Section 10), shall submit to HCIDLA the following:

- a) Evidence of control or acquisition plan of any properties not owned by HCIDLA but considered essential to the Project (if applicable). Evidence shall be in the form of letters of intent from each of the owners stating commitment of land, economic terms and cost basis as well as a detailed action plan and schedule relating to the acquisition of the properties.
- b) Revised or updated Project design concept plan, including a site plan and sections as necessary to describe the proposed scope and schedule.
- c) Project development schedule including milestones for site control, financing commitments, design, environmental/entitlement, construction and completion.
- d) Financing plan/economic projection for the Project. The financing plan shall include a detailed statement of the overall estimated costs of construction and, to the extent it is then available: a) the source and availability of equity capital; and b) construction and long-term development financing. The economic projection shall estimate income to be derived from the Project, and operating costs and debt service shall include a pro forma statement of Project return adequate to enable HCIDLA to evaluate the economic feasibility of the proposed development of the Project. Prior to expiration of the Negotiation Period, DEVELOPER shall update the financing plan to include the source and availability of equity capital, construction and long-term financing if not previously included in the plan.

- e) Proposed term sheet for the property disposition such as a sale or Ground Lease. The proposal shall include without limitations
1. Term, including any options,
  2. Rent amount based upon no less than fair-market value (base rent) additional rent based upon project performance and method of base rent adjustments (e.g. CPA adjustment periodic reappraisals, etc.);
  3. Recognition that HCIDLA will not subordinate their right to the base rent for the Site, but may subordinate the right to the additional Rent if required to do so;
  4. Recognition of costs, if any, incurred by or for the benefit of any party to achieve design objectives or construction interfaces;
  5. Description of any reciprocal access rights related to the common use areas; and
  6. The general terms upon which DEVELOPER may enter into subleases.

**B. Design Review:** HCIDLA and all agencies having regulatory jurisdiction will require planning and design approval for the Project. DEVELOPER shall meet with representatives of HCIDLA and City to review and come to clear understanding of the planning and design Criteria required by HCIDLA.

**C. Cost Disclosure:** To support negotiation of property disposition such as a sale or the Ground Lease, the DEVELOPER agrees to disclose to HCIDLA all costs and revenue projections for the proposed Project, including the terms under which the DEVELOPER has been able to obtain control of any other adjacent properties to be included in the Project.

**D. Further Information:** HCIDLA reserve the right at any time to request from DEVELOPER additional or updated information including data, and commitments to ascertain the depth of the DEVELOPER's capacity and desire to lease and develop the Site expeditiously. HCIDLA will provide a reasonable time for DEVELOPER to submit to the respective agency such additional information.

#### **14. Effective Date**

The Agreement shall be deemed effective upon the date on which this Agreement is executed by all Parties, as evidenced by the date of the last signature on the signature pages hereto (the "Effective Date").

#### **15. Entire Agreement**

This Agreement represents the entire agreement of the Parties with respect to the matters set forth herein. This Agreement may not be amended except in writing signed by all the Parties hereunder.

#### **16. Covenant Against Discrimination**

DEVELOPER shall not discriminate against nor segregate any person, or group of

persons on account of sex, race, color, age marital status, religion, handicaps, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Site, nor shall the DEVELOPER establish or permit any such practice or practices of discrimination or segregation in the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees of the Site.

## **17. Notices**

All notices required or permitted hereunder shall be delivered in person, by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested to such party at its address shown below, or to any other place designated in writing by such Party.

**DEVELOPER:**

Venice Community Housing Corporation  
720 Rose Avenue  
Venice, CA 90291  
Attention: Becky Dennison, Executive Director

Hollywood Community Housing Corporation  
5020 Santa Monica Boulevard  
Los Angeles, CA 90029  
Attention: Sarah Letts, Executive Director

**HCIDLA:**

City of Los Angeles Housing and Community Investment Department  
1200 W. 7th Street, 9th Floor  
Los Angeles, CA 90017  
Attention: Rushmore D. Cervantes, General Manager

Any such notice shall be deemed received upon delivery, if delivered personally or by FAX or email, (1) the next business day after delivery by a courier, if delivered by courier, and three (3) days after deposit into the United States Mail, if delivered by registered or certified mail.

Exclusive Negotiation Agreement  
Venice Dell Pacific Site

IN WITNESS WHEREOF, HCIDLA AND DEVELOPER have signed this Agreement as of the dates set forth below.

By: [Signature] Date: 1-12-2017

HCIDLA  
City of Los Angeles Housing and Community Investment Department

By: ANNA DIDAK by MICHAEL Date: 1-12-17

Approved as to form:

MICHAEL N. FEUER  
City Attorney

By: [Signature] Date: 1-12-17

DEVELOPER  
Venice Community Housing Corporation

By: [Signature] Date: Jan 11, 2017

DEVELOPER  
Hollywood Community Housing Corporation

Attest: Holly Wolcott, City Clerk

By: [Signature]  
Deputy  
1-12-17



**EXHIBIT A**

**LEGAL DESCRIPTION**

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

LOTS 1 THRU 7, INCLUSIVE, 36 THRU 42, INCLUSIVE IN BLOCK 9; LOTS 1 THRU 12, INCLUSIVE IN BLOCK 12; LOTS 1 AND 7 THRU 12, INCLUSIVE IN BLOCK 14, ALL OF THE SHORT LINE BEACH SUBDIVISION NO. 1 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2 PAGES 59 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF ALBERTA AVENUE, 40 FEET WIDE, AS DESCRIBED IN THE RESOLUTION TO VACATE NO. 85-21463, RECORDED MARCH 22, 1985, AS INSTRUMENT NO. 85-316811, OF OFFICIAL RECORDS, AS SHOWN ON MAP OF SAID SHORT LINE BEACH SUBDIVISION NO. 1, BOUNDED NORTHWESTERLY BY THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 5 FEET OF LOT 1 IN BLOCK 14 AND BOUNDED SOUTHEASTERLY BY THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF LOT 12 IN BLOCK 14 OF SAID SHORT LINE BEACH SUBDIVISION NO. 1.

EXCEPT THEREFROM ALL MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER OCCURRING 500 FEET BENEATH THE SURFACE THEREOF, WITHOUT THE RIGHTS OF SURFACE ENTRY.

ALSO EXCEPT THEREFROM THE NORTHWESTERLY 5 FEET THEREOF OF SAID LOTS 1, 39 THRU 42 IN BLOCK 9; LOTS 1 THRU 6, IN BLOCK 12 AND LOT 1 IN BLOCK 14, ALL OF THE SAID SHORT LINE BEACH SUBDIVISION NO. 1

APN: 4238-024-900 and 4238-024-902 and 4238-024-903 and 4238-024-905 and 4238-024-906 and 4238-024-907 and 4238-024-908 and 4238-024-909 and 4238-024-910 and 4238-024-911



### Exclusive Negotiation Agreement Extension

Pursuant to Section 2 of the Exclusive Negotiation Agreement (AGREEMENT), Contract number C-128799, with an effective date of January 12, 2017. The ten (10) parcels located near the intersection of North Venice Boulevard and Dell Avenue in the City of Los Angeles consisting of parcels at: 1) 2100 South Pacific Avenue, Assessor Parcel Number: 4238-024-900, containing approximately 27,780 square feet; 2) 128 East Venice Boulevard, Assessor Parcel Number 4238-024-902, containing approximately 14,000 square feet; 3) 208 East Venice Boulevard, Assessor Parcel Number: 4238-024-903, containing approximately 6,300 square feet; 4) 216 East Venice Boulevard, Assessor Parcel Number 4238-024-905, containing approximately 6,300 square feet; 5) 302 East Venice Boulevard, Assessor Parcel Number 4238-024-906, containing approximately 3,100 square feet; 6) 319 East Venice Boulevard, Assessor Parcel Number 4238-024-907, containing approximately 47,800 square feet; 7) 200 East Venice Boulevard, Assessor Parcel Number 4238-024-908, containing approximately 3,200 square feet; 8) no known address, Assessor Parcel Number 4238-024-909, containing approximately 1,100 square feet; 9) 212 East Venice Boulevard, Assessor Parcel Number 4238-024-910, containing approximately 3,200 square feet; and 10) 125 East Venice Boulevard, Assessor Parcel Number 4238-024-911, containing approximately 2,700 square feet; the Parties mutually agree to extend the term of the AGREEMENT by 90 days. The effective date of this extension is January 3, 2019.

By:  Date: 12/19/18

HCIDLA  
City of Los Angeles Housing and Community Investment Department

By:  Date: 12-17-18

DEVELOPER  
Venice Community Housing Corporation

By:  Date: 12-17-18

DEVELOPER  
Hollywood Community Housing Corporation



ERIC GARCETTI  
MAYOR

**Public Order Under City of Los Angeles Emergency Authority**

**Issue Date: April 17, 2020**

**Subject: Tolling HCIDLA Deadlines and Revising Expiration of Emergency Orders**

To further aid in our efforts to slow the spread of the COVID-19 virus, by virtue of authority vested in me as Mayor of the City of Los Angeles under the provisions of the Los Angeles Administrative Code, Chapter 3, Section 8.29 to promulgate, issue, and enforce emergency rules, regulations, orders, and directives, I hereby declare the following order to be necessary for the protection of life and property and I hereby order, effective immediately and until the end of the emergency period, that:

All deadlines prescribed by the Los Angeles Housing and Community Investment Department (HCIDLA) related to the financing and predevelopment activities necessary to develop or rehabilitate affordable and supportive housing shall be tolled and suspended until further notice. This will ensure development of affordable housing can continue within the limits of the Safer At Home order, and after the emergency has ended, without penalties caused by missed deadlines.

This order shall apply, without limitation, to the following non-exhaustive list of circumstances:

1. Exclusive Negotiation Agreements: During the effective period of this order, toll the term of Exclusive Negotiation Agreements and all deadlines contained within them.
2. Site Control: During the effective period of this order, toll the deadline to demonstrate site control as required by the Mayor's Housing Innovation Challenge.

3. Schedule of Performance: During the effective period of this order, toll all dates contained within executed Term Sheets and Disposition and Development Agreements.

4. Funding Commitments: During the effective period of this order, toll the commitment expiration dates contained within all HHH Commitment Letters and Managed Pipeline Commitment Letters.

HCIDLA is authorized to hold public hearings prescribed by the Tax Equity and Fiscal Responsibility Act (TEFRA) in a manner consistent with the Governor's Executive Order N-29-20, and any subsequent orders or published guidance, pertaining to local bodies.

Nothing in this Order prohibits HCIDLA from continuing to process applications in a reasonable and timely manner.

This Order is subject to any applicable superseding State and Federal deadlines, including but not limited to, deadlines related to Federal and State bond inducement, TEFRA, or issuance resolutions.

**Order Extending the Expirations of Prior Orders**

The expiration of the City of Los Angeles public emergency orders, dated March 15, 21, and 23, 2020, are hereby extended until the end of the local emergency period.



Eric Garcetti, MAYOR

Dated: April 17, 2020 at Los Angeles, California

Time: 6:30pm

Filed with the City Clerk

Date: \_\_\_\_\_

Time: \_\_\_\_\_

By: \_\_\_\_\_



FIRST AMENDMENT  
TO AGREEMENT NUMBER C-128799 OF CITY OF LOS ANGELES CONTRACT  
BETWEEN  
THE LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT  
AND  
VENICE COMMUNITY HOUSING CORPORATION AND HOLLYWOOD COMMUNITY  
HOUSING CORPORATION  
RELATING TO EXCLUSIVE NEGOTIATION AGREEMENT FOR DEVELOPMENT OF  
CITY-OWNED PROPERTY LOCATED AT 200 E. NORTH VENICE BOULEVARD

THIS FIRST AMENDMENT to Agreement Number C-128779 of the City of Los Angeles Contract, is made and entered into this 2 day of April, 2019 by and between Venice Community Housing and Hollywood Community Housing Corporation ("Developer"); and the Los Angeles Housing and Community Investment Department ("HCIDLA").

WITNESSETH

WHEREAS, the HCIDLA and the DEVELOPER (collectively referred to as "Parties", or if referred to in the singular form "Party") have entered into an Agreement wherein the Parties desire to negotiate exclusively for the development of an affordable housing project at the site. Said Agreement effective date is January 12, 2017, and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, Section 2 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the Parties are desirous of reinstating and amending the Agreement as authorized by the City Council and the Mayor (refer to Council File Number 16-0600-S145) approved by City Council on March 5, 2019, which authorizes the General Manager of the HCIDLA to prepare and execute an amendment to the Agreement to extend the term of the Negotiating Period until March 31, 2021;

WHEREAS, this First Amendment is necessary and proper to continue and/or complete certain activities authorized under the Agreement.

NOW, THEREFORE, the Parties agree that the Agreement be amended effective April 2, 2019, as follows:

FIRST AMENDMENT

- §1. Amend the Agreement to extend the period of negotiation until March 31, 2021.
- §2. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §3. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original. This Amendment includes three (3) pages which constitute the entire understanding and agreement of the parties.

[Remainder of page intentionally left blank.]

[Signatures begin on next page.]

IN WITNESS WHEREOF, HCIDLA AND DEVELOPER have signed this First Amendment Agreement as of the dates set forth below.


HCIDLA  
City of Los Angeles Housing and Community Investment Department

By:  Date: 4/2/19  
Sean L. Spear  
Assistant General Manager

Approved as to form:

MICHAEL N. FEUER  
City Attorney

By:  Date: 4.2.19  
Deputy City Attorney

By:  Date: 3.26.19  
DEVELOPER  
Venice Community Housing Corporation

By: \_\_\_\_\_ Date: \_\_\_\_\_  
DEVELOPER  
Hollywood Community Housing Corporation

Attest: Holly Walcott, City Clerk

By:   
Deputy  
4-3-19



IN WITNESS WHEREOF, HCIDLA AND DEVELOPER have signed this First Amendment Agreement as of the dates set forth below.

HCIDLA  
City of Los Angeles Housing and Community Investment Department

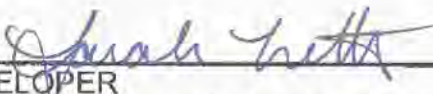
By: \_\_\_\_\_ Date: \_\_\_\_\_  
Sean L. Spear  
Assistant General Manager

Approved as to form:

MICHAEL N. FEUER  
City Attorney

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Deputy City Attorney

By: \_\_\_\_\_ Date: \_\_\_\_\_  
DEVELOPER  
Venice Community Housing Corporation

By:  Date: March 26, 2019  
DEVELOPER  
Hollywood Community Housing Corporation



**CITY OF LOS ANGELES**  
**REQUEST FOR QUALIFICATIONS / PROPOSALS**  
**FOR THE**  
**AFFORDABLE HOUSING OPPORTUNITY SITES**



**ISSUED BY**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

**Submission Deadline:**  
**September 15, 2016 at 4:00 p.m.**

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## SUMMARY

Request for Qualifications / Proposals  
City of Los Angeles Office of the City Administrative Officer

**DATE ISSUED:** **July 25, 2016**

**DESCRIPTION:** The City of Los Angeles ("City") is seeking Statements of Qualifications and Development Strategies from housing developers interested in building permanent supportive housing and other types of affordable housing on City-owned land.

**DEADLINE FOR SUBMISSION:** Responses must be received at the Submission Delivery Address shown below by **September 15, 2016 at 4:00 p.m.** (Pacific Standard Time).

**SUBMISSION DELIVERY ADDRESS:** Office of the City Administrative Officer  
200 North Main Street  
Room 1500, City Hall East  
Los Angeles, CA 90012  
Attention: **Jacqueline Wagner**

**PRE-SUBMISSION CONFERENCE:** A Pre-submission Conference will be held on **August 9, 2016 at 10:30 a.m.** (Pacific Time) at 200 North Main Street, Room 1500, City Hall East, Los Angeles, CA 90012.

**SITE TOURS:** **Tentative schedule for the site tours:**

<b>August 15</b>	<b>10:30 a.m.</b>	CD 1 sites
<b>August 16</b>	<b>10:30 a.m.</b>	CD 7 site
<b>August 17</b>	<b>10:30 a.m.</b>	CD 11 sites
<b>August 18</b>	<b>10:30 a.m.</b>	CD 8 and CD 15 sites

*Final confirmation of dates, times and locations will be distributed at the Pre-Submission Conference.*

**TECHNICAL ASSISTANCE:** All questions related to this Request for Qualifications and Proposals shall be submitted in writing via e-mail to [affordablehousing.rfqp@lacity.org](mailto:affordablehousing.rfqp@lacity.org) no later than **August 23, 2016 at 4:00 p.m.** Responses to questions will be published on LABAVN by **August 30, 2016.**



## **I. OVERVIEW**

The Office of the City Administrative Officer (CAO) of the City of Los Angeles (City) is issuing this Request for Qualifications/Proposals (RFQ/P) with the goal of compiling a list of pre-qualified housing developers for City-owned property, which have been identified as affordable housing opportunity sites (AHOS). The AHOS initiative, approved as part of the 2016-17 Adopted Budget, is a component of the City's strategies for decreasing homelessness and increasing affordable housing. The purpose of the pre-qualified list is to shorten the time to match a site with a qualified developer. Responders to this RFQ/P are required to submit at least one development strategy to be placed on the pre-qualified list. The City will have the ability to enter into an Exclusive Negotiating Agreement (ENA) on any site if an appropriate development strategy is received. Both the qualified list and the ability to enter into an ENA will expedite the development of these sites. The City could convey the land for fair market value, for partial market value, or contribute the land value as a subsidy to advance the development of supportive and affordable housing units.

The goal of this RFQ/P is to maximize the supportive units on these sites. However, we are soliciting development strategies that cover a range of housing types because not all of the property parcels may be appropriate for supportive housing, and additional City-owned sites may be identified. Again, a prequalified list would allow the City to move quickly to match developers with future sites.

Along with this effort, the City is working in partnership with the County of Los Angeles and the Housing Authority of the City of Los Angeles to more effectively coordinate the funding of services and project-based vouchers for permanent supportive housing projects.

## **II. BACKGROUND**

Los Angeles is facing a homelessness crisis. There are approximately 28,464 people who are living unsheltered in the City Los Angeles (from the 2016 [Homeless Count](#)) and there are thousands more who are at risk of homelessness. Mayor Eric Garcetti and the City Council have made addressing homelessness a top priority. In January 2016, a [Comprehensive Homeless Strategy](#) (CHS) report was issued jointly from the Office of the City Administrative Officer (CAO) and the Office of the Chief Legislative Analyst (CLA). Adopted by City Council on February 9, 2016, the CHS analyzed various ways to solve homelessness and listed 64 specific short, medium and long-term strategies for achieving the goal of reducing the number of people in Los Angeles living without safe, decent housing.

This RFQ/P is being issued in support of the long-term Strategy 7D from the CHS, "Using Public Land for Affordable and Homeless Housing."



In the spring of 2016, City staff initiated a process of identifying City sites that may be appropriate for affordable housing. Through this coordinated effort, eight potential sites that include multiple parcels were identified. Each of the sites identified are either vacant or underutilized and recommended or approved by the Council office in which they are located.

This RFQ/P invites developers to submit information that will enable them to be selected as qualified developers for a specific type of housing. Qualified developers are those who have a proven track record of successful completion of the development process from initial community engagement through project design, financing and development. Qualified developers must bring passion and creativity to solving the affordable housing crisis and a vision for how to produce housing units in Los Angeles as quickly as possible. Moreover, developers should be committed to local hiring, including using programs that train homeless or formerly homeless individuals. Developers are also encouraged to utilize energy-efficient construction methods and materials.

#### **What makes this a RFQ/P?**

Interested developers must respond with site-specific strategies that will comprise one or more of the housing types in Exhibit D. Only one development strategy is required to be submitted for a developer to be deemed responsive to this RFQ/P. However, we encourage developers to respond with as many Development Strategies as they feel represent the range of housing types that their firm is qualified to produce.

Based on a specific development strategy, the City may directly enter into an ENA with a developer for a site on this initial list. This ability to enter directly into an ENA is what makes this both a Request for Qualifications and a Request for Proposals.

The proposed term for the list of pre-qualified developers will be three years from the time of approval by Council, with the option for two one-year extensions. The City may issue a future RFQ/P to add additional firms to the list.

The selection of firms for the pre-qualified list will be based on two parts:

- A) Experience and Capacity (up to 60 points). Developers will provide evidence of development team experience, financial capacity, prior history of providing community benefits, and detailed information of at least five recent developments completed by the developer.
- B) Development Strategies (up to 40 points). Developers will select one or more of the sites listed in Exhibit B to use as the basis of an exercise in creating an affordable housing strategy.

Development Strategies will include one or more of the following types of affordable housing:

- Permanent Supportive Housing
- Affordable Multifamily Rental Housing
- Mixed-income Housing Affordable Homeownership
- Innovative Housing Types such as Micro Housing, Stacked Modular Housing and other types of Manufactured Housing

See Exhibit D for further explanation. See Exhibit B and Exhibit C for more detailed information regarding each site. Sites tours are *tentatively scheduled* to take place on August 15, 16, 17 and 18, 2016 as listed on Page 3. A final schedule will be distributed at the Pre-Submission conference. Site-specific questions will be addressed on the Questions and Answers posted to the Los Angeles Business Assistance Virtual Network (LABAVN). See Exhibit I for LABAVN Instructions.

Housing developers on the pre-qualified list will be given the opportunity to respond to future Request for Bids or Request for Proposals for sites on the affordable housing opportunity sites list.

Sites on this initial list that are not selected for an ENA may be maintained as part of the affordable housing opportunities initiative. Additional sites may be added in the future. However, the City reserves the right to dispose of sites for economic development purposes, including affordable housing, outside of this process.

### III: RFQ/P SCHEDULE

Date (2016)	Time (PST)	Milestone
Tuesday, August 9	10:30 a.m.	Pre-submission Conference at CAO Office, 200 N. Main Street, 15 <sup>th</sup> Floor, Los Angeles CA 90012.
August 15 – 19	TBD	Site Tours (dates and times are tentative and pending confirmation)
Tuesday, August 23	4:00 p.m.	Deadline for receipt of Questions, Inquiries and Clarifications
Tuesday, August 30	Close of business	Responses to questions posted on LABAVN website for all developers
Thursday, September 15	4:00 p.m.	Submission Deadline

Interviews with selected developers may be scheduled after the Submission Deadline. A final review and recommendation to the Mayor and City Council is intended to be completed by the end of October.

#### **IV: EVALUATION CRITERIA**

##### **A) Developer Threshold Requirements**

Submissions must meet the following minimum threshold requirements in order for the developer to be eligible for inclusion on the list of pre-qualified housing developers.

##### ***Threshold Requirements:***

- 1) The submissions must be received by the determined deadline.
- 2) The submissions must include all the required information and executed forms.
- 3) The developer must register on LABAVN.
- 4) The developer must not be subject any adverse findings that would prevent the City from selling the Property to the Developer or any person or entity associated with the Developer. These include, but are not limited to:
  - a) Out-of-compliance with HCIDLA business practices;
  - b) Removal or involuntary exit of the developer, or any of its principals, from an ownership position in any publically-funded residential, commercial or industrial project;
  - c) Arson conviction or pending case;
  - d) Harassment conviction or pending case;
  - e) City, state, federal or private mortgage foreclosure proceedings or arrears;
  - f) In remedial foreclosure; sale of tax lien or substantial tax arrears;
  - g) Defaults under any federal, state or city-sponsored program;
  - h) Federal Debarment - debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any Federal department or agency from doing business with the Federal Government;
  - i) A record of substantial building code violations or litigation against properties owned and/or managed by the developer or by any entity or individual that comprises the developer;
  - j) Past or pending voluntary or involuntary bankruptcy proceedings;
  - k) In ligation with the City of Los Angeles; and
  - l) Conviction for fraud, bribery or grand larceny.

Submissions that meet the threshold requirements will be evaluated and ranked based on the Selection Criteria and Submission Scoring described below.

##### **B) Selection Criteria**

This RFQ/P will select successful developers with a proven ability to engage community stakeholders, design housing that enhances the existing neighborhood, and develop financing plans that leverage outside resources effectively.

Reviewers of this RFQ/P are looking for development strategies that result in the ability to:

- 1) Maximize each site's potential for supportive and affordable housing units;
- 2) Build units as quickly as possible; and
- 3) Use the lowest amount of City subsidy per unit as possible.

Retail, parking and other ancillary uses may also be included in the developments, subject to any site specific limitations.

Qualified developers should demonstrate their ability to:

- 1) lead a team that will successfully design, build, market and manage affordable housing in Los Angeles;
- 2) identify and compete for existing sources of financing, and should present ideas on alternative or underutilized sources of financing; and
- 3) "think outside the box" and expedite the current typical schedule for affordable units that utilize 9% tax credits and are subject to the Managed Pipeline for the Los Angeles geographic apportionment.

Qualified developers that propose permanent supportive housing should demonstrate their ability to:

- 1) successfully design and manage service enriched housing;
- 2) successfully partner with appropriate service providers; and
- 3) utilize the coordinated entry system.

## **V. SUBMISSION SCORING**

A maximum of 100 points may be awarded to a developer responding to this RFQ/P.

Of the 100 points, a maximum of 60 points will be awarded to developers on their experience and capacity.

Of the 100 points, a maximum of 40 points will be awarded for the Development Strategy or Strategies that are proposed. Each Development Strategy will be scored separately and the highest score will be used for the final Capacity and Experience Criteria score.

***Developers that achieve a score of 80 points or higher will be placed on the pre-qualified list.***

### **A. Experience and Capacity (60 points maximum)**

#### **1) Development Team Experience**

The proposed development team will be evaluated on the experience of the individual team members including the Developer, the Property Manager, the Asset Manager, and the Construction Manager. Provide the following:

- Description of the Applicant's organization, including mission and legal status.
- Firm resumes for each team member that list the experience for each specified Housing Type. Individual resumes for all key staff.

- A narrative on the past experience working together for all team members.
- For any developer that is submitting a development strategy that includes permanent supportive housing, submit firm resumes for select service providers that the developer has worked with in the past five years.
- At least one reference (name, title, email and phone number) in each of the following categories:
  - Financial: Conventional Lending
  - Financial: Grants
  - Financial and Regulatory: City or County
  - Community Partners
  - Service Providers, if applicable
- Describe one example of a project in which the time from conception to completion was shortened by strategic decisions on the part of the developer, such as financing or entitlement, and describe that strategy and the result.
- Describe your organization's overall approach to community outreach and inclusion. Select one example of a community outreach strategy and how it affected the project.

## **2) Portfolio Summary**

Include information for a minimum of 5 and a maximum of 10 recent housing projects, including projects in collaboration with HCIDLA or other public sector entities, in which the development team and proposed associates have participated. Include a summary listing of your portfolio using Exhibit H. An excel version of Exhibit H has been uploaded to LABAVN for your use.

Provide a one or two page narrative project description for each project that includes a general overview of the scope of the project and its location, and whether it is new construction or rehabilitation.

Provide the following for each project:

- Project Type (Refer to Exhibit D)
- Population(s) served
- Affordability levels
- Location
- Team members, including architect, contractor, property manager and service provider, if any
- Financing sources
- Total development cost and cost per unit
- Length of time to complete and actual completion date.
- Description of the community outreach strategy
- Description of unique challenges (if any)
- Sustainable features

Include pictures of the completed projects to highlight architectural design for each project description. If applicable, describe ways in which the development approach was innovative especially in terms of financing and design.

**3) Financial Capacity**

Document stable income and net income over a three-year period; provide detailed explanations of any interruptions in that stability; provide any explanations of any extraordinary expenses; and include a summary schedule that presents side-by-side columns of the three years of audited income statements for comparative purposes (see Exhibit G).

Document stable and adequate cash and cash equivalent assets as equity resources and consistent avoidance of an over-leveraged financial position; include a summary schedule that presents three years of balance sheets in side-by-side columns for comparative purposes (see Exhibit G).

Explain any material contingent liabilities and relevant financial arrangements whether noted or not in “Notes to Audited Financial Statements” that are reasonably important to judging financial capability.

Show the ability to access capital appropriate to the size and type of developments that could be proposed.

Include the documentation, explanations, summary schedules and audited financial statements for the last three (3) audits of the developer.

Summary financial schedules shall be input into the format provided in Exhibit G – Format of Summary Financial Schedules, which is available as a template in Microsoft Excel on LABAVN. For developers which consolidate limited partnership interests in their audited financial statements, the summary financial information should reflect the ‘stand alone’ financials of the developer.

**4) Community Benefits**

Describe the participation of MBE, WBE, Small Businesses, Emerging Businesses, and Disabled Veterans Businesses in projects listed in the Portfolio section. Also describe participation in local hiring programs, if any. When describing previous engagement efforts, list specific percentages of engagement achieved for each example project. In the narrative, include the developer’s track record in addressing the City’s goals, sources of contractors, the developer’s plan to meet the minimum targets, the desired outcomes and who is accountable for achieving the desired goals.



## **B. Development Strategy (40 points maximum)**

Each developer must submit a Development Strategy for one or more of any of the 12 properties listed in Exhibit B and Exhibit C. Each development strategy will be scored up to a maximum of 40 points. The highest development strategy score will be added to the Capacity and Experience Criteria for a maximum score of 100 points. Each development strategy response should not exceed 24 pages.

Submit the applicable documentation:

1. Narrative project description, including population(s) proposed to be served and knowledge of the surrounding community.
2. Conceptual site plan (does not need to be professionally produced).
3. Unit matrix, include unit quantity, type and size
4. Development Budget and Schedule, including assumptions. Provide the development sources and uses and the construction budget using the format of the California Tax Credit Allocation Committee for the 2016 9% Competitive Tax Credit Application or the 4% Tax Credit Application with Tax Exempt Bond Financing. These forms can be found here: <http://www.treasurer.ca.gov/ctcac/2016/application/index.asp>.
5. Community outreach strategy
6. Innovative approaches for achieving rapid delivery of units
7. Innovative approaches to financing

It is anticipated that successful Development Strategies may incorporate part or all of the value of the land as part of the subsidy for the proposed development. The amount of any land subsidy should be specified in the Development Budget and Schedule. Land values should be based on typical values for the area.

A mix of uses, such as commercial, retail, parking, or other ancillary uses may also be included in the developments. Proposals that include non-housing uses should be specific in how such uses are related to the surrounding community and/or to the population served by the housing, and they should also be specific in the type of benefits provided.

The City anticipates that many of the sites will require entitlements changes in order to accommodate housing development and supportive uses. For the purpose of creating a development strategy, this RFQ/P provides an initial analysis of potential revised entitlements for the affordable housing opportunity sites, including potential unit counts and Floor Area Ratio (FAR). See Exhibits E and F.



## **VI: SELECTION AND NEGOTIATION PROCESS**

All submissions in response to this RFQ/P will be reviewed based on the requirements and evaluation criteria described herein, including consistency with the goals and objectives of this RFQ/P. In addition, submissions will be reviewed for completeness, developer and team experience, as well as the ability of the developer to finance, undertake, complete and manage the proposed type of project.

Upon receipt of submissions, the City will review the submissions and may recommend a short list of developers to interview. At its discretion, the City may contact references and industry sources, investigate previous projects and current commitments, interview some or all of the development team members, and take any other information into account in its evaluation of the responses. The City reserves the right to request clarification or additional information from developers and to request that development teams make presentations to community groups and or others.

If the composition of the development team changes, the developer will be required to notify the City of these changes and, at its sole discretion, the City will determine whether this revised development team meets the requirements of the RFQ/P.

### **Final Approval Process**

Once the City makes its recommendation, the selected qualified list of Developers and/or any recommendations to enter into an ENA must be approved by the Mayor and City Council of the City of Los Angeles. If a Developer is selected for a specific parcel, the City will prepare an ENA in cooperation with the Developer. A sample ENA is included as Exhibit J.

## **VII: SUBMISSION REQUIREMENTS**

All interested developers must be registered on the Los Angeles Business Assistance Virtual Network ([www.labavn.org](http://www.labavn.org)) (LABAVN) in order to be considered under this RFQ/P. In addition, developers will be required to submit several completed City forms to this site and all updates and other information related to this RFQ/P will be distributed only to registrants of the LABAVN network. See Exhibit I for directions regarding registering for LABAVN.

Proposers must submit one (1) signed original proposal, five (5) hard copies of each proposal and one electronic copy in a single PDF file to the Office of the City Administrative Officer no later than **September 15 at 4:00 p.m. (PST)**. Submissions will not be accepted via the LABAVN network. Digital versions should be submitted on USB or emailed to [affordablehousing.rfqp@lacity.org](mailto:affordablehousing.rfqp@lacity.org).

All submissions must be marked "Affordable Housing Opportunity Site RFQ/P" and must be delivered to the following address:



Office of the City Administrative Officer  
200 North Main Street  
Room 1500, City Hall East  
Los Angeles, CA 90012  
Attention: **Jacqueline Wagner**

Note: 200 North Main Street is also known as City Hall East. The entrance is on Main Street, across from City Hall.

All submissions shall include the required forms and disclosures listed in the forms section. All forms that require signature(s) shall be signed by a principal or officer authorized to represent and commit on behalf of the Developer.

Refer all questions, inquiries and request for clarification regarding this RFQ/P in writing to [affordablehousing.rfqp@lacity.org](mailto:affordablehousing.rfqp@lacity.org). All inquiries must be received no later than **August 23, 2016 at 4:00 p.m.** All questions and answers will be posted to LABAVN no later than **August 30, 2016**.

A Pre-Submission Conference has been scheduled for **August 9, 2016 at 10:30 a.m.** at 200 North Main Street, 15<sup>th</sup> Floor, Office of the City Administrative Officer. Attendance is strongly encouraged. Please send attendance confirmation to [affordablehousing.rfqp@lacity.org](mailto:affordablehousing.rfqp@lacity.org) by close of business on **August 8, 2016**.

The City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities. Please contact the City at least seventy-two (72) hours in advance to request an accommodation.

## **VIII: REAL ESTATE AND OTHER DISCLOSURES**

This information is applicable only to Developers who are selected to enter into an Exclusive Negotiating Agreement with the City for a specific site.

### ***Title and Escrow:***

City makes no warranty as to the condition of title. Proposers are encouraged to conduct their own due diligence and make their own determinations prior to the final negotiation of the ENA. The title company and escrow company used for the grant of the fee simple interest in these properties shall be selected by the City of Los Angeles. Selected developers shall be required to pay applicable transaction costs.

### ***Additional Reports:***

Should any selected Developer desire additional surveys or any other types of inspections, an independent surveyor and/or inspectors may be employed by the Developer at its own expense.

***Land Use and Zoning:***

The City anticipates that many of the sites will need to be re-zoned to accommodate housing development and supportive uses. In some cases, the rezoning may also need to include a general plan amendment. Developers will be responsible for re-zoning and are encouraged to speak with the Department of City Planning to explore entitlement options. See Exhibits E and F for more information.

***Expedited Approvals:***

On October 23, 2015, Mayor Eric Garcetti signed Executive Directive No. 13 which directed the General Managers to develop policies to prioritize case processing for affordable housing. As a result, departments have developed expedited approval processes, examples of which are described here. Notwithstanding, each developer is responsible for the entitlement process for any proposed development.

The Department of Building and Safety (LADBS) is implementing a new policy to reduce initial plan check processing times for projects that have more than 20% of their units set aside as affordable. These affordable projects will receive a reduction of 25% of the regular plan check waiting time between application and assignment.

Alternatively, LADBS has an expedited plan check assignment program where the applicant can pay an additional 50% plan check fee for the project to be queued in the expedited plan check group. This expedited line reduces the waiting time between application and assignment by about 50% compared with the regular plan check group's waiting time to assignment.

In addition, any affordable housing development that qualifies as a major project receives a case manager who acts as the point person for the development to facilitate the permitting process. These major projects are defined as those that have at least 20 affordable housing units or at least \$5 million of construction value.

The Department of City Planning (DCP) has a team of dedicated planners who streamline case processing for all housing projects. This team is called the Development Services Center (DSC) Housing Services Unit.

They offer specialized, one-stop shop technical assistance and interdepartmental coordination through all phases of development. The Priority Housing Project (PHP) is a unique program initiated by the DSC Housing Services Unit. They coordinate efforts with appropriate geographic project planning divisions to reduce processing time for entitlement projects that meet minimum thresholds for affordability. These programs are identified and tracked throughout the development phases to ensure priority processing.

Projects qualify for the PHP if they are 10 or more units, with at least 20% of on-site rental units affordable for low income households, or 30% of on-site for sale units affordable for low or moderate income households.

***Environmental:***

Selected Developers shall be responsible for meeting all the requirements of the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA), as applicable, including the completion of all environmental assessments to determine project feasibility.

***Section 504, Americans with Disability Act (ADA) and Prevailing Wage Requirements:***

All housing developments shall comply with all applicable City, State and Federal accessibility laws and agreements, including but not limited to the Fair Housing Act, Section 504 of The Rehabilitation Act of 1973 and the Americans with Disabilities Act. All projects shall comply with prevailing wage requirements as specified in the most recent Managed Pipeline regulations. A copy of the most recent 2015 Managed Pipeline regulations is available at the HCIDLA website <http://hcidla.lacity.org/>.

***Initiation of Exclusive Negotiation Agreements:***

The City may convey a fee simple interest to the selected developers, or enter into a ground lease, upon satisfaction of the conditions precedent to execution, including but not limited to: (a) providing any required monetary considerations; and (b) final approval of the Developers and submissions by the Mayor and City Council, based on recommendations by City staff.

**IX: CONDITIONS**

The City of Los Angeles reserves the right to request additional information from developers, reject any and all submissions, waive any irregularities in the submission requirements, or cancel this RFQ/P. By their submission, developers acknowledge and agree to the terms and conditions of this RFQ/P and to the accuracy of the information they submit in response. All submission packages become the property of the City of Los Angeles and will not be returned.

## **ATTACHMENTS**

### **Additional detail and requirements regarding Section V. Submission Scoring**

#### **Proposed Development Team**

- a. Provide information regarding the organizations incorporating the proposed ownership and Developer, including the official name of the organizations, address and the names and titles of the proposer's principals, the name and address of the person who is authorized to receive notices, make decisions and represent the proposer. Indicate the form of legal entity of the proposed ownership (e.g., individual, limited partnership, nonprofit corporation, general partnership, joint venture, for-profit corporation, Limited Liability Company, etc.) and any relationship the development organization(s) may have with a parent corporation, subsidiaries, joint ventures or other entities.
- b. Provide information on the history, mission, programs, track record and roles and responsibilities of the Developer as it relates to affordable housing development. Provide the same information for key members of the development team, if applicable.
- c. Include an organizational chart indicating the ownership structure and its parties. If the ownership entity and/or Developer will consist of more than one entity, include a detailed description of the roles, responsibilities and authorities of each entity.
- d. Provide the name, title, address, telephone and fax number, email address and resumes for key members of the proposed development team.
- e. Submit one copy of the Articles of Incorporation, partnership, or other business organizational documents (as appropriate) filed with the California Secretary of the State for each entity within the ownership structure, other than the limited partner, if any.
- f. Provide proof of good standing and authorization to do business in California for each entity within the proposed ownership structure, except for the limited partner, if any.
- g. Provide Secretary of State Corporate Number, a copy of your organization's by-laws and a current list of the Board of Directors.
- h. Provide a brief description of the number of years of housing development experience for the Developer and proposed development team. Indicate the number of years of affordable housing development experience.
- i. Describe the Developer's local presence in the City of Los Angeles.
- j. In addition to housing development, describe other programs that are part of the Developer's portfolio.

#### **Financial Capacity**

Submit the documentation, explanations, summary schedules and audited financial statements for the last three (3) consecutive years (2013, 2014, 2015) of all parties in the proposed ownership structure (or related parties and/or affiliates that will provide financial resources and/or guarantees), other than the limited



partner, if any. Use the summary schedule format provided in Exhibit G. An excel version of Exhibit G has been uploaded to LABAVN for your use.

**Format of Development Budget and Schedule**

Provide the development sources and uses and the construction budget using the format of the California Tax Credit Allocation Committee for the 2016 9% Competitive Tax Credit Application or the 4% Tax Credit Application with Tax Exempt Bond Financing. These forms can be found here: <http://www.treasurer.ca.gov/ctcac/2016/application/index.asp>. Development schedules should show the following major milestones and sub tasks:

- a. Financing
- b. Entitlements and Permits
- c. Design
- d. Bid Process and Contractor Selection
- e. Construction
- f. Leasing
- g. Stabilized Occupancy

**Affordable Housing Opportunity Sites RFQ/P**  
**Exhibit A: General RFQ/P Information**

**A. Costs Incurred by Developer**

All costs of submission preparation shall be borne by the Developer. The City shall not, in any event, be liable for any pre-contractual expenses incurred by Developers in the preparation the submissions. Submissions shall not include any such expenses as part of the proposed budget.

**B. Accuracy and Completeness**

The submission must set forth accurate and complete information as required in this RFQ/P. Unclear, incomplete, and/or inaccurate documentation may not be considered. Falsification of any information may result in disqualification.

If the Developer knowingly and willfully submits false performance or other data, the City reserves the right to reject that submission. If it is determined that a contract was awarded as a result of false performance or other data submitted in response to this RFQ/P, the City reserves the right to terminate the contract.

Unnecessarily elaborate or lengthy submissions or other presentations beyond those needed to give a sufficient, clear response to all the RFQ/P requirements are not desired.

**C. Withdrawal of Submissions**

Submissions may be withdrawn by written request of the authorized signatory on the Developer's letterhead at any time prior to the submission deadline. The firm may thereafter submit a new submission before the submission date. Submissions may not be re-submitted after the submission date.

**D. General City Reservations**

The City reserves the right to extend the submission deadline should this be in the interest of the City. Developers have the right to revise their submissions in the event that the deadline is extended.

The City reserves the right to withdraw this RFQ/P at any time without prior notice. The City makes no representation that any contract will be awarded to any Developer responding to the RFQ/P. The City reserves the right to reject any or all submissions. If an inadequate number of submissions is received or the submissions received are deemed non-responsive, not qualified or not cost effective, the City may at its sole discretion reissue the RFQ/P or execute a sole-source contract with a Developer.

The City shall review and rate submitted submissions. The Developer may not make any changes or additions after the deadline for receipt of submissions. The City reserves the right to request additional information or documentation, as it deems necessary. The City reserves the right to issue future RFQ/Ps to add firms to the pre-qualified list.



The City reserves the right to verify all information in the submission. If the information cannot be verified, and if the errors are not willful, the City reserves the right to reduce the rating points awarded.

The City reserves the right to require a pre-award interview and/or site inspection.

The City reserves the right to waive minor defects in the submission in accordance with the City Charter.

If the selection of the Developer is based in part on the qualifications of specific key individuals named in the submission, the City must approve in advance any changes in the key individuals or the percentage of time they spend on the project. The City reserves the right to have the Developer replace any project personnel.

#### **E. Contract Negotiations**

The City reserves the right to make a contract award contingent upon the satisfactory completion by the Developer of certain special conditions. The contract offer of the City may contain additional terms or terms different from those set forth herein.

As part of the negotiation process, the City reserves the right to:

- Fund all or portions of a Developer's submission and/or require that one Developer collaborate with another for the provision of specific services, either prior to execution of an agreement or at any point during the life of the agreement;
- Convey the land for fair market value, for partial market value, or contribute the land value as part of the City's subsidy, at the City's sole discretion;
- Use other sources of funds to fund all or portions of a Developer's submission; and
- Elect to contract directly with one or more of any identified collaborators; and/or require all collaborators identified in the submission to become co-signatories to any contract with the City.

There may be covenants and deed restrictions in regards to the conveyance of the property.

#### **F. Standing of Developer**

Regardless of the merits of the submission submitted, a Developer may not be selected if it has a history of contract non-compliance with the City or any other funding source, poor past or current contract performance with the City or any other funding source, or current disputed or disallowed costs with the City or any other funding source.

Developers/Organizations that have been sanctioned because of non-compliance with Single Audit Act requirements for managing grant funds will be eligible to apply; however, they will not be eligible to receive any funding, if awarded under this RFQ/P process, until this sanction is removed.

The City will enter into an agreement only with entities that are in good standing with the California Secretary of State and the City of Los Angeles.

**G. Proprietary Interests of the City**

The City reserves the right to retain all submitted submissions which shall then become the property of the City and a matter of public record. Any department or agency of the City has the right to use any or all ideas presented in the submission without any change or limitation. Selection or rejection of a submission does not affect these rights. All submissions will be considered public documents, subject to review and inspection by the public at the City's discretion, in accordance with the Public Records Act.

Developers must identify all copyrighted material, trade secrets or other proprietary information claimed to be exempt from disclosure under the California Public Records Act (California Government Code Sections 6250 et seq.) In the event such an exemption is claimed, the submission must state: "(Name of Developer) shall indemnify the City and hold it and its officers, employees and agents harmless from any claim or liability and defend any action brought against the City for its refusal to disclose copyrighted material, trade secrets or other proprietary information to any person making a request thereof." Failure to include such a statement shall constitute a waiver of the Developer's right to exemption from disclosure.

**H. Discount Terms**

Proposers agree to offer the City any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discount to payments made under this agreement, which meet the discount terms.

**I. Americans with Disabilities Act**

Any contract awarded pursuant to this RFQ/P shall be subject to the following:  
The Developer/Consultant hereby certifies that it will comply with the Americans with Disabilities Act 42, U.S.C. Section 12101 et seq., and its implementing regulations. The Developer/Consultant will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Disabilities Act. The Developer/Consultant will not discriminate against persons with disabilities or against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by the Developer/Consultant, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

**J. Child Support Assignment Orders**

Any contract awarded pursuant to this RFQ/P shall be subject to the following:

This Contract is subject to Section 10.10 of the Los Angeles Administrative Code, Child Support Assignment Orders Ordinance. Pursuant to this Ordinance, Developer/Consultant certifies that it will (1) fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) that the principal owner(s) of Developer/Consultant are in compliance with any Wage

and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230 et seq.; and (4) maintain such compliance throughout the term of this Contract. Pursuant to Section 10.10.b of the Los Angeles Administrative Code, failure of Developer/Consultant to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Developer/Consultant to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default by the Developer/Consultant under the terms of this Contract, subjecting this Contract to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Developer/Consultant by City. Any subcontract entered into by the Developer/Consultant relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph and shall incorporate the provisions of the Child Support Assignment Orders Ordinance. Failure of the Developer/Consultant to obtain compliance of its subcontractors shall constitute a default by the Developer/Consultant under the terms of this contract, subjecting this Contract to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Developer/Consultant by the City.

Developer/Consultant shall comply with the Child Support Compliance Act of 1998 of the State of California Employment Development Department. Developer/Consultant assures that to the best of its knowledge it is fully complying with the earnings assignment orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in subdivision (1) of the Public Contract Code 7110.

#### **K. Equal Opportunity/Affirmative Action Requirements**

It is the policy of City of Los Angeles to provide minority, women and other business enterprises (M/W/OBE's) with the opportunity to compete for and participate in the performance of THE CITY contracts. Any firm who is awarded a contract will be required to make its best efforts to recruit M/W/OBE's and enhance employment opportunities for minorities, women and others for subcontract opportunities created by any contract. If developers are successful in obtaining a contract, they will be required to make their best efforts to recruit minority business enterprises or women business enterprises for subcontract opportunities created by any contract(s).

All Proposers shall submit proof of Business Inclusive outreach, documentation of registration and account activation in the Los Angeles Business Assistance Virtual Network (LABAVN) (Website: [www.labavn.org](http://www.labavn.org)) and perform outreach online 15 days prior to contract execution date; if applicable, identify the organization's certification in any of the following categories: Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Other Business Enterprise (OBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE) and Disabled Veteran Business Enterprise (DVBE); and perform OUTREACH for sub-contracting opportunities and comply with the City's Business Inclusion Outreach program.



In accordance with THE CITY's Policies and Goals for Equal Opportunity and Affirmative Action, all developers (the prime or lead Developer and each proposed subcontractor) are required to complete and upload, the City of Los Angeles Affirmative Action Plan (four (4) pages) available on the City of Los Angeles' Business Assistance Virtual Network (LABAVN) residing at [www.labavn.org](http://www.labavn.org) at the time it registers on LABAVN, but no later than the time when an individual Submission is submitted. Proposers opting to submit their own Affirmative Action Plan may do so by uploading their Affirmative Action Plan onto the City's LABAVN. Proposers with current OCC approval for their Affirmative Action Plan do not need to re-submit unless the approval is 30 days or less from expiration.

Furthermore, subject subcontractors shall be required to submit the Non-Discrimination/Equal Employment Practices Certification and Affirmative Action Plan to the successful Bidder/Proposer prior to commencing work on the contract. The subcontractors' Non-Discrimination/Equal Employment Practices Certification(s) and Affirmative Action Plan(s) shall be retained by the successful Proposer and shall be made available to the Office of Contract Compliance upon request.

Both the Non-Discrimination/Equal Employment Practices Certification and the City of Los Angeles Affirmative Action Plan Affidavit shall be effective for a period of twelve (12) months from the date it is first uploaded onto the City's LABAVN.

Proposers seeking additional information regarding the requirements of the City's Non-Discrimination Clause, Equal Employment Practices and Affirmative Action Program may visit the Bureau of Contract Administration's website at <http://bca.lacity.org>.

## **L. Development Policies and Requirements**

### ***Labor Requirements for Development***

This RFQ/P includes the information on laws that affect development projects. This section highlights requirements related to prevailing wage, which would apply to a project that could develop as a result of this RFQ/P. All Developers considering submission to this RFQ/P shall also carefully review the City of Los Angeles' specific policies and requirements in the Exhibits for consideration and inclusion in your development and financial assumptions.

### ***Local Hiring Program Requirements***

Selected Developers must comply with Federal Section 3 and the Local Hire Program Requirements (Rev. 7/9/08). Contractors and others engaged in construction and rehabilitation are encouraged to hire and train the maximum feasible number of employees from the community. In addition, the City of Los Angeles want to actively encourage local hire of permanent employees in commercial projects and residential. Local Hire Goals for construction and permanent jobs are typically negotiated on a project-by-project basis.



Developers are also encouraged to consider employment programs for the homeless or formerly homeless, such as City's LA RISE Program, as a resource for potential employees.

***Sustainable Development***

Development Teams are encouraged to comply with the City's Sustainable Building Initiative. This may include use of active and passive energy conservation techniques, use of recycled materials and "green" materials, and use of water conservation techniques including xeriscaping and other conservation methods as may be recommended by relevant agencies. Provision of storage areas for recycling, solid waste management, and incorporation of design features allowing flexibility to use reclaimed gray water are encouraged. The City's Sustainable Building initiative can be found at: <http://eng.lacity.org/projects/sdip/>.

**M. Supplemental Information Related to the RFQ/P Process**

***Contact AFTER RFQ/P Submission***

During the period immediately following the deadline to submit submissions and continuing until a recommendation has been submitted to the City Council, developers are not to contact City staff and the City Council on this specific matter. Any such contact may result in the immediate disqualification of any respondent from consideration. All questions or request for clarification or additional information shall be submitted to [affordablehousing.rfqp@lacity.org](mailto:affordablehousing.rfqp@lacity.org).

***Amendments to the RFQ/P***

Any amendments to this RFQ/P shall be effected in writing and issued by City staff. If this RFQ/P is amended, then all terms and conditions which are not modified remain unchanged.

All interested proposers shall acknowledge receipt of any amendment to this solicitation by including a statement in its submission that it has received the amendment (the amendment number, if any, should be identified).

***Restriction on Disclosure of Data***

Prospective firms who include data or information in their submissions that they do not want disclose to the public for any purpose or used by the City except for evaluation purposes, shall mark the title page with the following legend:

"This submission includes data that shall not be disclosed outside the City and shall not be duplicated, used or disclosed – in whole or part – for any purpose other than to evaluate this submission, subject to the California Public Record Act. If, however, a contract is awarded to this prospective firm as a result of, or in connection with, the submission of this data, the City shall have the right to duplicate, use or disclose the data to the extent provided in the resulting contract. This restriction does not limit the City's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (insert numbers or other identification of sheets)."



Mark each sheet of data Developer wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this submission."

***Submission Preparation Expenses***

The City will not in any event be liable for any pre-contractual expenses incurred by the prospective firm. The prospective firm shall not include any such expenses as a part of the price proposed in response to this RFQ/P. Pre-contractual expenses are defined as expenses incurred by the prospective firm in (1) preparing the submission in response to this RFQ/P; (2) submitting and delivering the submission to the City; (3) discussing and/or negotiating with the City on any matter related to this RFQ/P; or (4) any other expenses incurred by the prospective offer or prior to the date of award, if any, of a proposed contract.

***Misunderstandings***

All questions related to this Request for Qualifications and Proposals shall be submitted in writing via e-mail to [affordablehousing.rfqp@lacity.org](mailto:affordablehousing.rfqp@lacity.org) no later than August 23, 2016 at 4:00 p.m. Responses to questions will be published on LABAVN by August 30, 2016. The City's decision shall be final in any matter of interpretation of the documents.

***Late Submissions***

It is the responsibility of each proposer responding to this solicitation to ensure that its submission is received by the City prior to the time specified in this RFQ/P. Any submission received by the City after the exact time specified for receipt is "late" and shall be date and time stamped and not considered for inclusion on the pre-qualified list.

***Right to Reject Any or All Submissions***

This RFQ/P is not a contract offer, a request for technical services or an agreement to construct any project that may be proposed or otherwise submitted and does not commit the City to create a pre-qualified list, to enter into any exclusive negotiating agreement, disposition and development agreement, ground lease, or any other agreement, or to accept any part of any submission, including, without limitation, a selected submission, or to pay any costs incurred in submission of any submission. Should this process result in an Exclusive Negotiating Agreement, the execution of such agreement does not constitute a contract, agreement or promise that such agreement will lead to a Disposition and Development Agreement or Ground Lease, or that the City will agree to build or have built any proposed project.

***Protest and Appeal Process***

The City will adhere to its Protest and Appeal Policy administered by the City Administrative Officer (CAO), outlined below.

**1. Appeal Rights**

The City will notify all proposers of the results of the submission evaluations and of their right to file an appeal. Proposers may appeal procedural issues only.

## 2. Letter of Appeals

Appeals shall be hand-delivered to the City no later than five (5) business days of receiving notification of the results of the RFQ/P. Proposers may file an appeal by submitting a written request and identifying the specific reason for the appeal to:

Blair Miller, Principal Project Coordinator  
Office of the City Administrative Officer  
RFQ/P Appeal – Affordable Housing Opportunity Sites  
200 N. Main Street, Room 1500  
Los Angeles, CA 90012-4190

Written appeals may not be more than three (3) typewritten pages and shall request an appeals review be granted. Written appeals must include the following information:

- a. The name, address and telephone number of the proposer.
- b. The name/title of RFQ/P to which the organization responded.
- c. Detailed statement of the grounds for appeal.

Written appeals may not include any new or additional information that was not submitted with the original submission. Only one appeal per submission will be permitted. All appeals and protests must be submitted within the time limits set forth in the above paragraphs.

## 3. Review Panel

A panel composed of selected staff will review the appeal for this RFQ/P. The decision of the panel will be the City's final recommendation.

## 4. Disclaimer

The City is not responsible for representations made by any of its officers or employees prior to the approval of an agreement by the Los Angeles City Council unless such understanding or representation is included in this RFQ/P or in subsequent written addenda. The City is responsible only for that which is expressly stated in this solicitation document and any authorized written addenda.

**Affordable Housing Opportunity Sites RFQ/P  
Exhibit B: LIST OF PROPERTIES**

	Site Name	Address / APN	Zip	CD
C.1	Lincoln Heights DOT Lots (658)*	2332-234 N. Workman Street 5204-16-091	90031	1
C.2	Lincoln Heights DOT Lots (658)*	216-224 S. Avenue 24 5204-005-901	90031	1
C.3	Lincoln Heights DOT Lots (659)*	2331 - 2337 N. Workman and 2332-2338 N. Daly 5204-011-903	90031	1
C.4	Lincoln Heights DOT Lots (661)*	2416-2422 N. Workman 5204-015-901	90031	1
C.5	Lincoln Heights DOT Lots (660)*	151-164 S. Avenue 24 5204-004-901	90031	1
C.6	Hillside Parcel	11681 W. Foothill Blvd, Sylmar 2530-008-901	91342	7
C.7	Imperial Lot	283 W. Imperial Highway 6074-024-900	90061	8
C.8	Thatcher Yard	3233 S. Thatcher Avenue 4229-002-901	90292	11
C.9	Old West LA Animal Shelter	11950 Missouri Avenue 4259-020-900	90025	11
C.10	Old Fire Station #5	6621 W. Manchester Avenue 4112-029-900	90045	11
C.11	Venice Dell Pacific Site	125 E Venice Boulevard 4238-024-900 to -911	90015	11
C.12	Fire Station 53	438 N. Mesa Street 7449-009-900	90731	15



**EXHIBIT C.1**  
Lincoln Heights DOT Lot  
Lot Number 697  
2332-2340 N. Workman Street

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**Property Description**

- Located in Council District 1
- Property is zoned [Q]C4-1XL-CDO
- Potential future zoning is RAS3-1VL-CDO
- APN: 5204-016-901
- Parcel size is approximately 6,600 s.f.

**Site Condition**

One of five non-contiguous lots located behind North Broadway commercial storefronts.

**Project Assumptions**

Community serving retail or other community space is a desired element. If the submission includes more than one of the Lincoln Heights DOT Lots, the Developer should consider a mixed-income and mixed use project.

Replacement public parking does not need to be assumed in the development submission for a single Lincoln Heights DOT lot, though it may be incorporated as part of the eventual project. If a development strategy incorporates all of the Lincoln Heights DOT lots, replacement parking for all of the lots must be included.



**EXHIBIT C. 2**  
Lincoln Heights DOT Lot  
Lot Number 658  
216-224 S. Avenue 24

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**Property Description**

- Located in Council District 1
- Property is zoned PF-1-CD0
- Potential future zoning is RAS3-1VL-CDO
- APN: 5204-005-901
- Parcel size is approximately 19,379 s.f.

**Site Condition**

One of five non-contiguous lots located behind North Broadway commercial storefronts.

**Project Assumptions**

Community serving retail or other community space is a desired element. If the submission includes more than one of the Lincoln Heights DOT Lots, the Developer should consider a mixed-income and mixed use project.

Replacement public parking does not need to be assumed in the development submission for a single Lincoln Heights DOT lot, though it may be incorporated as part of the eventual project. If a development strategy incorporates all of the Lincoln Heights DOT lots, replacement parking for all of the lots must be included.





### **EXHIBIT C.3**

Lincoln Heights DOT Lot  
Lot Number 659  
2331-2337 N. Workman Street and 2332-2338 N. Daly Street

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#### **Property Description**

- Located in Council District 1
- Property is zoned PF-1-CD0
- Potential future zoning is RAS3-1VL-CDO
- APN: 5204-011-903
- Parcel size is approximately 37,200 s.f.

#### **Site Condition**

One of five non-contiguous lots located behind North Broadway commercial storefronts.

#### **Project Assumptions**

Community serving retail or other community space is a desired element. If the submission includes more than one of the Lincoln Heights DOT Lots, the Developer should consider a mixed-income and mixed use project.

Replacement public parking does not need to be assumed in the development submission for a single Lincoln Heights DOT lot, though it may be incorporated as part of the eventual project. If a development strategy incorporates all of the Lincoln Heights DOT lots, replacement parking for all of the lots must be included.



#### **EXHIBIT C.4**

Lincoln Heights DOT Lot  
Lot Number 661  
2416-2422 N. Workman Street

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##### **Property Description**

- Located in Council District 1
- Property is zoned PF-1-CD0
- Potential future zoning is RAS3-1VL-CDO
- APN: 5204-015-901
- Parcel size is approximately 16,502 s.f.

##### **Site Condition**

One of five non-contiguous lots located behind North Broadway commercial storefronts.

##### **Project Assumptions**

Community serving retail or other community space is a desired element. If the submission includes more than one of the Lincoln Heights DOT Lots, the Developer should consider a mixed-income and mixed use project.

Replacement public parking does not need to be assumed in the development submission for a single Lincoln Heights DOT lot, though it may be incorporated as part of the eventual project. If a development strategy incorporates all of the Lincoln Heights DOT lots, replacement parking for all of the lots must be included.





**EXHIBIT C.5**  
Lincoln Heights DOT Lot  
Lot Number 660  
154 -164 S. Avenue 24

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**Property Description**

- Located in Council District 1
- Property is zoned PF-1-CD0
- Potential future zoning is RAS3-1VL-CDO
- APN: 5204-004-901
- Parcel size is approximately 20,295 s.f.

**Site Condition**

One of five non-contiguous lots located behind North Broadway commercial storefronts.

**Project Assumptions**

Community serving retail or other community space is a desired element. If the submission includes more than one of the Lincoln Heights DOT Lots, the Developer should consider a mixed-income and mixed use project.

Replacement public parking does not need to be assumed in the development submission for a single Lincoln Heights DOT lot, though it may be incorporated as part of the eventual project. If a development strategy incorporates all of the Lincoln Heights DOT lots, replacement parking for all of the lots must be included.



**EXHIBIT C.6**  
Hillside Parcel  
11681 W. Foothill Blvd, Sylmar

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**Property Description**

- Located in Council District 7
- Hillside parcel owned by HCID
- Property is zoned (T)RD2-1
- APN: 2530-008-901
- Parcel size is approximately 132,095 s.f.

**Site Condition**

This is a large site across from Hansen Dam recreation area. There are several neighboring apartment complexes. The area is not well served by transit, and it includes mostly low density development.





### **EXHIBIT C.7**

Imperial Lot  
283 W. Imperial Highway

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#### **Property Description**

- Located in Council District 8
- Property in a single- and multi-family neighborhood
- Property is zoned C2-1
- APN: 6074-024-900
- Parcel size is approximately 17,385 s.f.

#### **Site Condition**

This is a vacant triangular parcel, flat and paved, near the freeway.

#### **Project Assumptions**

The City would be interested in a stacked modular submission for this site, in addition to submissions that utilize standard stick-built construction.



### **EXHIBIT C.8**

Thatcher Yard  
3233 S. Thatcher Ave

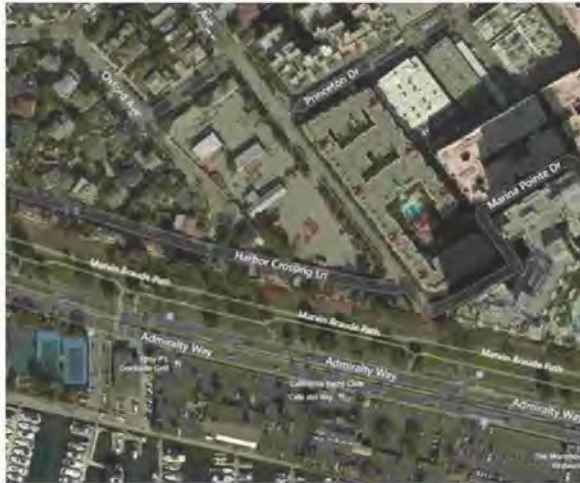
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#### **Property Description**

- Located in Council District 11
- Property is zoned (Q) PF-1XL
- Potential future zoning is RD1.5
- APN: 4229-002-901
- Parcel size is approximately 93,347 s.f.

#### **Site Condition**

This is an underused BSS/BOS yard located in a residential community. Demolition of the existing improvements will begin in the summer of 2016. A Coastal Development Permit from the City of Los Angeles will be required, and Coastal Commission approval may be required on appeal.



### **EXHIBIT C.9**

Old West L.A. Animal Shelter  
11950 Missouri Ave

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#### **Property Description**

- Located in Council District 11
- Property is zoned PF-1-XL and M2-1
- Potential future zoning is R3
- APN: 4259-020-900
- Parcel size is approximately 32,642 s.f.

#### **Site Condition**

This is a City-owned site previously used as an animal shelter. There are structures on site that would need to be demolished.





**EXHIBIT C.10**

Old Fire Station #5  
6621 W. Manchester Ave

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**Property Description**

- Located in Council District 11
- Property is zoned R1-1
- Potential future zoning is R3
- APN: 4112-029-900
- Parcel size is approximately 19,507 s.f.

**Site Condition**

The property has been vacant since 2005. It is improved with an abandoned fire station.





### **EXHIBIT C.11**

Venice Dell Pacific Site  
125 E Venice Boulevard

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#### **Property Description**

- Located in Council District 11
- Property is zoned OS-1SL-O
- Potential future zoning is R3
- APN: 4238-024-900 to 911
- Parcel size is approximately 122,171 s.f.

#### **Site Condition**

The site includes two parking lots that are being operated by the LADOT. There is a high water table at the site that may present challenges for construction.

#### **Project Assumptions**

This is a large site that can potentially accommodate more than one project. Proposed Development Strategies do not need to include the entire site. All Development Strategies that do utilize the entire site must assume replacement public parking at least a 1:1 ratio. Innovative solutions for parking management and capacity are encouraged. Developments must comply with the Venice Specific Plan. A Coastal Development Permit from the City of Los Angeles will be required, and approval from the California Coastal Commission will also be required.



**EXHIBIT C.12**

Old Fire Station #53  
438 N. Mesa Street

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**Property Description**

- Located in Council District 15
- Property is zoned R2-1XL
- APN: 7449-009-900
- Parcel size is approximately 8,990 s.f.

**Site Condition**

The property is improved with an abandoned fire station.



**Affordable Housing Opportunity Sites RFQ/P**  
**Exhibit D: HOUSING TYPES**

The following housing types have been identified for the Affordable Housing Opportunity Sites:

**Permanent Supportive Housing**

This is a type of Affordable Multifamily Housing that is directly targeted to formerly homeless individuals or others who need intensive services. Permanent Supportive Housing is targeted to people who are homeless or chronically homeless. A homeless person is typically living on the streets, in a car, or in a shelter. A chronically homeless person has been homeless for a year or more or has had at least four episodes of homelessness in the past three years and has a disabling condition. These disabling conditions include physical health conditions, mental health issues, and substance addiction. Permanent Supportive Housing is characterized by significant operating subsidies that allow residents to pay no more than 30% of their income in rent, even if their income is low or nonexistent.

Another characteristic of Permanent Supportive Housing is that each resident has a case manager who connects the resident with existing programs in the community. A third characteristic is that some services are delivered on site. On site services may include life skills training, job training, and mental health counseling. Usually Permanent Supportive Housing does not require sobriety, participation in counseling is usually voluntary, and the housing is usually intended to be permanent, not time-limited or transitional. Permanent Supportive Housing has been shown to successfully stabilize residents, and it reduces the need for high-cost crisis care.

Typical financing sources for Permanent Supportive Housing include 9% Low Income Housing Tax Credit, County NOFA funds, the Affordable Housing Trust Fund, HUD or County operating subsidy, and grant-funded services.

**Affordable Multifamily Housing**

For this type, Developers should propose housing that is affordable to households with a range of income levels. For housing that is targeted to families, at least 25% of the units should have 3 or more bedrooms. Unit sizes must be as follows:

Unit Type	Minimum Size	Minimum Number of Bathrooms
One Bedroom	500 s.f.	One
Two Bedroom	750 s.f.	One
Three Bedroom	1,000 s.f.	One
Four Bedroom	1,200 s.f.	Two

This housing type may also include housing for seniors, people with disabilities and/or people with special needs. Amenities must include outdoor play / recreational facilities, appropriately sized common areas and laundry facilities. See the California Tax Credit Allocation Committee's 2016 9% Competitive Tax Credit Application for reference.

**Mixed-Income Housing**

Mixed-income housing developments include both market rate and subsidized affordable units. Unit sizes for the affordable units must follow the minimum size guidelines for Affordable Multifamily Housing. There is no minimum unit size for the market rate units. Amenities must include appropriately sized common areas and laundry facilities.

**Affordable Homeownership**

Developers should assume all subsidized units have covenants or other mechanisms to ensure that the subsidy remains with the project. There are no minimum size requirements or amenities for this building type.

**Innovative Methods of Housing**

Micro Housing, Stacked Modular Housing and Manufactured Housing are examples of types of innovative methods that would be considered under this RFQ/P. All innovative methods must meet City zoning code and building standards, as well as State codes where applicable.



Affordable Housing Opportunity Sites RFQ/P  
Exhibit E: Zoning Matrix

Project Site							Base Density			Potential Entitlement(s)									Recommended Zoning for Heights and Best Use						Setting		Cost	
Site ID	Site Address/ APN	CD	Lot Area in Square Feet	Zoning	Q Conditions	FAR	Base Density	Density Bonus (LAMC 12.22.A.25)	Other DCP Action (LAMC 12.24.U); PUB LAMC 14.00	Zone Change (LAMC 12.32)	General Plan Amendment (LAMC 11.56)	Density Bonus (LAMC 12.22.A.25)	Coastal Development Permit (LAMC 12.20)	Site Plan Review for (LAMC 16.05, 50 units or more)	Conditional Use (LAMC 12.24 U.25), or PUB	PUB ( LAMC 14.00)	SPP (11.5.7) or CDO (13.08)	Subdivision of land (17.06 or 17.15, VTT, TT, or PMLA may be need for projects producing for sale units)	Recommended Zoning	Density	Density Bonus (LAMC 12.22.A.25)	Conditional Use (12.24 U 26) or PUB (LAMC 14.00)	FAR <sup>2</sup>	Parking (LAMC 12.22.A.25, parking option 1 assuming one bedroom / Option 2) <sup>3</sup>	Next to HPOZI CDO	Coastal Commission Authority	Approximate Cost of Entitlements <sup>6</sup>	
1	Lincoln Heights DOT Lots, 2332 - 2340 N. Workman Street, 5204-016-901	1. Cedillo	13,199	[Q]C4-1XL-CDO <sup>4</sup>	●	1.5:1	8	N/A	N/A	●	●	●			●	●	●			RAS3-1VL-CDO	16	22	28	3:1	15/ 8	●		\$30,161.81
2	Lincoln Heights DOT Lots, 216 - 224 S. Avenue 24, 5204-005-901	1. Cedillo	20,893*	PF-1-CDO	N/A	N/A	N/A	N/A	N/A	●	●	●			●	●	●			RAS3-1VL-CDO	26	36	45	3:1	47/ 24	●		\$43,847.81
3	Lincoln Heights DOT Lots, 2331 - 2337 N. Workman Street and 2332 - 2338 N. Daly Street, 5204-011-903	1. Cedillo	37,224	PF-1-CDO	N/A	N/A	N/A	N/A	N/A	●	●	●		●	●	●	●			RAS3-1VL-CDO	46	63	79	3:1	85/ 42	●		\$43,847.81
4	Lincoln Heights DOT Lots, 2416 - 2422 N. Workman Street, 5204-015-901	1. Cedillo	16,502	PF-1-CDO	N/A	N/A	N/A	N/A	N/A	●	●	●			●	●	●			RAS3-1VL-CDO	20	27	34	3:1	38/ 19	●		\$43,847.81
5	Lincoln Heights DOT Lots, 154 - 164 S. Avenue 24, 5204-004-901	1. Cedillo	20,295*	PF-1-CDO	N/A	N/A	N/A	N/A	N/A	●	●	●			●	●	●			RAS3-1VL-CDO	25	34	43	3:1	46/ 23	●		\$43,847.81
6	Hillside Parcel, 11681 W. Foothill Blvd, Sylmar, 2530-008-901	7. Fuentes	132,095	(T) RD2-1/ underlying: A2-1	N/A	3:1	66	90	120					●						N/A								\$17,318.21
7	Imperial Lot, 283 W. Imperial Highway, 6074-024-900 <sup>7</sup>	8. Harris-Dawson	17,385	C2-1	N/A	1.5:1	43	59	79		●			●						N/A								\$42,221.20
8	Thatcher Yard, 3233 S. Thatcher Avenue, 4229-002-901	11. Bonin	93,347	[Q]PF-1XL <sup>5</sup>	●	N/A	N/A	N/A	N/A	●	●	●	●	●	●	●	●			RD1.5	62	84	106	3:1	113/ 57		●	\$48,306.71
9	Old West LA Animal Shelter, 11950 Missouri Avenue, 4259-020-900	11. Bonin	32,642	M2-1/ PF-1XL	N/A	1.5:1 /NA	N/A	N/A	N/A	●	●	●		●	●	●				R3	40	54	68	3:1	74/ 37			\$43,128.10
10	Old Fire Station #5, 6621 W. Manchester Ave., 4112-029-900	11. Bonin	19,507	R1-1	N/A	3:1	1	N/A	N/A	●	●	●			●	●		●		R3	24	33	41	3:1	44/ 22			\$42,411.71
11	Venice Dell Pacific Site, 125 E. Venice Boulevard, 4238-024-900 to 911 <sup>7</sup>	11. Bonin	122,171	OS-IXL-O	N/A	N/A	N/A	N/A	N/A	●	●	●	●	●	●	●	●			R3	153	207	260	3:1	278/ 179		●	\$48,306.71
13	Former Fire Station #53, 438 N. Mesa Street, 7449-009-900	15. Buscaino	8991 (2 lots)	R2-1XL	N/A	3:1	4 (2 per lot)	N/A	N/A	●	●	●			●	●				RD1.5	6	9	11	3:1	11/ 5			\$42,411.71

Notes:  
1. CU or PUB, assumes combined 70% additional density (35% of DB + 35 of CU)  
2. FAR, additional FAR requires a Height District Change  
3. Parking Requirements by Density Bonus  
Option 1 (Mixed Income projects)  
0-1 Bedroom, 1 space/ unit | 2-3 Bedrooms, 2 Spaces/ Unit | 4 or more bedrooms, 2.5 spaces / unit  
Option 2 (100% affordable)  
1 space/ unit for every restricted affordable | 5 Parking space/ unit for very low/ low income senior or disabled | 25 parking space/unit for Restricted Affordable Unit in a Residential Hotel  
4. Condition: per Ordinance: ORD-173012-SA7630 prohibits 100% residential projects and limits density at 1/1500 (RD1.5 Zone)  
5. Condition per CPC2836: That the southwesterly perimeter of the subject property shall be planted with trees, 15 gallons, and 10 feet tall at the time of planting, using a type and spaced at a distance to eventually provide visual screening for the residential properties located across Oxford street  
\* For density calculation, half of the alley's area is included  
6. Approximate Cost of Entitlements does not include impact fees or any applicable subdivision fees.  
7. Thatcher Yard is in Single Jurisdiction and Venice Dell Pacific Site is in Dual Jurisdiction

**Affordable Housing Opportunity Sites RFQ/P**  
**Exhibit F: SUMMARY OF ZONING INFORMATION**  
**Supplemental Information to the Affordable Housing Opportunity Sites Zoning Matrix**

**Open Space Requirements**

Open space requirements are not addressed in the Affordable Housing Opportunity Sites Zoning Matrix. Use the following information for the Development Strategy for each site:

Any project that has six or more residential units must provide open space on site according to the table below. Open space can be exterior open space or interior community rooms.

One bedroom (For each unit having less than 3 habitable rooms)	100 s.f. per unit
Two bedroom units (For each units having 3 habitable rooms )	125 s.f. per unit
Three bedroom units (For each units having more than 3 habitable rooms)	175 s.f. per unit

**Parking Requirements**

This information is also addressed in Note 3 in the Affordable Housing Opportunity Sites Zoning Matrix.

Option 1 applies to any project that contains any affordable housing units. Below are the parking requirements for Option 1:

Studio or One Bedroom	1 parking space per unit
Two or Three Bedrooms	2 parking spaces per unit
Four or More Bedrooms	2.5 parking spaces per unit

Option 2 applies to any project that consists of 100% affordable housing units. Below are the parking requirements for Option 2:

Affordable Housing	1 parking space per unit
Low Income Seniors, Very Low Income Households, or Disabled Households	0.5 parking spaces per unit
Residential Hotel	0.25 parking spaces per unit

### **Assembly Bill (AB) 744**

AB 744 is a State law which amends sections of the State Density Bonus Law and may potentially allow for a lower parking requirement than the city standard that is listed above. AB 744 is not addressed in the Affordable Housing Opportunity Sites Zoning Matrix. Here is a summary of the effect of AB 744 on parking requirements:

#### Eligible Projects:

- 1) 100% affordable developments
- 2) Mixed income developments consisting of 11% very low-income units or 20% low income units.

#### Parking Requirements:

- 1) For 100% affordable developments within ½ mile of a major transit stop, the City may not impose a parking requirement in excess of 0.5 spaces per unit.
- 2) For 100% affordable senior rental projects (62 and older) having either paratransit service or unobstructed access, within ½ mile, to fixed bus route service that operates at least eight times per day, the City may not impose a parking requirement in excess of 0.5 spaces per unit.
- 3) For 100% affordable rental special needs projects having either paratransit service or unobstructed access, within ½ mile, to fixed bus route service that operates at least eight times per day, the City may not impose a requirement in excess of 0.3 spaces per unit; and
- 4) For mixed income projects within ½ mile of a major transit stop, the City may not impose a requirement in excess of 0.5 spaces per bedroom.

A “major transit stop” is defined as a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. It also includes major transit stops that are included in the applicable regional transportation plan.

Contact LADBS and the Los Angeles Department of City Planning with additional questions regarding these Open Space or Parking Requirements.

**Affordable Housing Opportunity Sites RFQ/P**  
**Exhibit G: FORMAT OF SUMMARY FINANCIAL STATEMENTS**

**Balance Sheet**

<b>Assets</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<u>Current Assets</u>			
Cash and Cash Equivalents			
Other Receivables			
Total Current Assets			
<u>Fixed Assets</u>			
Land			
Buildings, Improvements and Equipment			
Total Fixed Assets			
Less: Accumulated Depreciation			
Fixed Assets Net Accumulated Depreciation			
<u>Other Assets</u>			
Reserves			
Investment partnerships			
Total other assets			
<b>Total Assets</b>			
<b>Liabilities and Net Assets</b>			
<u>Current Liabilities</u>			
Current portion of long term debt			
Accounts payable			
Mortgage interest payable			
Security deposits payable			
Total current liabilities			
<u>Long term liabilities</u>			
Mortgages payable - long term portion			
Other notes payable			
Residual receipts notes payable			
Interest payable - long term			
Total long term liabilities			



**Total liabilities**

Net Assets

Unrestricted

Temporarily unrestricted

Permanently restricted

Total net assets

**Total liabilities and net assets**


**Revenue and Expenses**

**2015**

**2014**

**2013**

**Support and Revenue**

Contribution and grants

Development fees

Rental income

Property management income

Asset management

Debt forgiveness

Other income and fees


Net assets released from restrictions

Total support and revenue


Expenses

Program services:

Housing development

Rental operations

Management and general

Fundraising

Total expenses


Change in net assets

Distributions to members

Net assets, beginning of the year

Net assets, end of the year


**Affordable Housing Opportunity Sites RFQ / P**  
**Exhibit H: FORMAT OF PORTFOLIO SUMMARY**

Provide information for at least five recent housing projects completed by members of development team.

<b>Project Name</b>	
<b>Total</b>	
<b>Units</b>	
<b>City/State</b>	
<b>Total Development Cost</b>	
<b>Cost Per Unit</b>	
<b>List Financing Sources Above \$500,000</b>	
<b>Affordability Levels</b>	
<b>Project Type (Permanent Supportive, Family, Seniors, Disabled/Special Needs, Mixed Income, For Sale, Other)</b>	
<b>Development Team Members</b>	
Architect	
Contractor	
Property Manager	
Service Provider, if any	
<b>Sustainable Features</b>	
<b>Time to Complete</b>	
<b>Completion Date</b>	

Note: An excel version of this document is available on LABAVN.

**Affordable Housing Opportunity Sites RFQ/P**  
**Exhibit I: LOS ANGELES BUSINESS ASSISTANCE VIRTUAL NETWORK**  
**INSTRUCTIONS**

**Document Access:**

Documents for the RFQ/P will be uploaded to LABAVN, which is the Los Angeles Business Assistance Virtual Network: <http://www.labavn.org/>. Once you have registered, the Affordable Housing Opportunity Sites RFQ/P will appear as an option. At the bottom of the Summary page is the link to the Documents.

The Affordable Housing Opportunity Sites RFQ/P is only available to businesses that have selected specific NAICS codes. One of the codes you select must match a code listed below, or you will not be able to access the RFQ/P and supporting documents.

**Affordable Housing Opportunity Sites Selected NAICS Codes for LABAVN:**

236115: New Single-Family Housing Construction (except Operative Builders)  
236116: New Multifamily Housing Construction (except Operative Builders)  
236117: New Housing Operative Builders  
236220: Commercial and Institutional Building Construction  
531210: Offices of Real Estate Agents and Brokers  
531311: Residential Property Managers  
531312: Nonresidential Property Managers  
531390: Other Activities Related to Real Estate  
541310: Architectural Services  
541320: Landscape Architectural Services  
541330: Engineering Services  
813319: Other Social Advocacy Organizations  
813410: Civic and Social Organizations  
925110: Administration of Housing Programs  
925120: Administration of Urban Planning and Community and Rural Development

Contact City staff at [affordablehousing.rfqp@lacity.org](mailto:affordablehousing.rfqp@lacity.org) if you have any questions regarding the registration process.

**Required Forms:**

Once registered, under Company Profile, there is a link for Compliance Documents. The following forms are available there:

Form C: Equal Benefits Compliance Form  
Form G: Slavery Disclosure Ordinance Form

**Affordable Housing Opportunity Sites RFQ/P**  
**Exhibit J: SAMPLE EXCLUSIVE NEGOTATING AGREEMENT**

**Exclusive Negotiation Agreement**

This AGREEMENT is made as of the Effective Date (defined in Section 14 below) by and between \_\_\_\_\_ (DEVELOPER) and the Los Angeles Housing and Community Investment Department (HCIDLA).

**RECITALS**

A. The City of Los Angeles currently owns the property consisting of \_\_\_\_\_ ( ) parcels located near the intersection of \_\_\_\_\_ and \_\_\_\_\_ in the City of Los Angeles, as more particularly described on the legal description attached hereto as Exhibit "A" ( "Site") consisting of Parcel \_\_\_\_\_, at address \_\_\_\_\_, Assessor Parcel Number: \_\_\_\_\_, containing approximately \_\_\_\_\_ square feet and Parcel \_\_\_\_\_, at address \_\_\_\_\_, Assessor Parcel Number: \_\_\_\_\_, containing approximately \_\_\_\_\_ square feet. Parcel \_\_\_\_\_, at address \_\_\_\_\_, Assessor Parcel Number: \_\_\_\_\_, containing approximately \_\_\_\_\_ square feet.

B. In response to a Request for Qualifications (RFQ) issued by HCIDLA, the DEVELOPER has submitted qualifications for a development project ("Project") at this Site (DEVELOPER's Submission).

C. The qualifications submitted by DEVELOPER best support the type of affordable housing development conceptually envisioned by the City of Los Angeles.

D. On \_\_\_\_\_, 2016 the Los Angeles City Council approved (Council File: \_\_\_\_\_) the selection of the DEVELOPER for the purpose of creating, in conjunction with City and community stakeholders, a full development plan for the project leading to negotiating the terms of a Development and Disposition Agreement ("DDA") and/or ground lease ("Ground Lease") pertaining to the Site under a 360 day Exclusive Negotiation Agreement ("Agreement").

E. Together, HCIDLA and the DEVELOPER (collectively referred to as "Parties", or if referred to in the singular form "Party") desire to negotiate exclusively for the development of the Project at the Site.

The Parties agree to negotiate exclusively and in good faith to enter into a DDA and/or a Ground Lease upon the following terms and conditions.

**1. Agreement to Negotiate Exclusively: Good Faith Negotiations** HCIDLA agrees that, during the Negotiation Period (as defined in Section 2 below) and provided that DEVELOPER is not in default of its obligations under this Agreement (subject to reasonable notice and opportunity to cure such default), HCIDLA shall negotiate exclusively and in good faith with DEVELOPER, with respect to a DDA and/or Ground



Lease to be entered into between HCIDLA and DEVELOPER concerning the rights and obligations of each respective Party concerning the development of the Site. During the negotiation period, HCIDLA shall not solicit or entertain offers or submissions from other third parties concerning the Site. DEVELOPER acknowledges, however, that HCIDLA may, from time to time, be contacted by other developers respecting the Site and that such contact is expressly permitted so long as HCIDLA initiates or furthers the contact and HCIDLA indicates to such other developers that HCIDLA has executed this Agreement with DEVELOPER and that HCIDLA is unable to: (1) discuss anything concerning the Project; (2) discuss anything concerning these negotiations; (3) entertain any other offer or submissions; or (4) negotiate with any other developer until this Agreement expires or is terminated, as provided in Section 2 below.

The Parties agree, in consideration of this Agreement, to negotiate in good faith with each other with respect to the terms and conditions as set forth in the RFQ and the proposed project to be included in the DDA and/or Ground Lease and to cooperate in the preparation thereof. The Parties shall provide each other with any information regarding the Site or Project that may be reasonably requested by any other Party.

## **2. Period of Negotiation**

The Parties agree to negotiate in good faith for a period of 360 days from the Effective Date, as defined in Section 14 hereof (the "Negotiation Period"). If the Parties have not agreed upon the form of a draft DDA and/or the Ground Lease to be delivered to The City Council and Mayor by such date, then this Agreement shall automatically terminate provided, however, that if prior to the expiration of the Negotiation Period, the Parties have not agreed upon the form of a draft DDA and/or Ground Lease satisfactory to the Parties to be delivered to The City Council and Mayor, then the Parties may mutually agree to extend the term of this Agreement for an additional period of up to 90 days. If the Parties cannot agree upon such an extension, this Agreement shall automatically terminate.

The Negotiation Period may be extended only by written agreement between the Parties and HCIDLA shall have the right to thereafter develop or dispose of the Site as it shall determine appropriate in its sole and absolute discretion.

This Agreement may also be terminated if the Parties agree in writing that a successful consummation of the negotiations is impossible.

## **3. Test and Surveys**

During the Negotiation Period, DEVELOPER shall conduct such tests, surveys, and other analyses as the DEVELOPER deems necessary to determine the feasibility of designing, constructing, leasing and financing the Project and shall complete such tests, surveys, and other analyses promptly within the Negotiation Period. For these purposes, HCIDLA shall provide to DEVELOPER, its agents and/or representatives, the right to enter onto the Site and to conduct such tests, surveys, and other procedures ("Tests"). DEVELOPER shall take all necessary effort to ensure that such Tests shall not unreasonably alter the condition of the Site, or other HCIDLA activities on the Site. DEVELOPER shall indemnify and hold harmless the City of Los Angeles ("City"), and its departments (HCIDLA), its Boards, Officers, agents, employees, assigns, and

successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including DEVELOPER's and any contractor's and subcontractor's employees and agents, or damage or destruction of any property of any property of the Parties hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to any such entry on the Site by DEVELOPER, its agents or representatives, provided that such indemnity shall not relate to existing Site conditions that differ substantially from existing plans and drawings, and could not have been discovered by reasonable visual inspection or reasonable and typical non-intrusive tests prior to any intrusive testing. DEVELOPER shall present HCIDLA with evidence of a general liability insurance policy in an amount of at least \$1 million, naming the City of Los Angeles as an additional insured. The insurance policy shall cover all liability and property damage arising from DEVELOPER's employees' presence on the Site during Tests. Any destruction or alteration of site features or surfaces resulting from the tests shall be fully replaced at the full expense of the Developer within ten (10) business days.

#### **4. Essential Terms**

**A. DDA.** DEVELOPER's rights and obligations shall be specifically set-forth in the DDA and shall include without limitation all of the following:

- 1) Project Description;
- 2) Scope of Development;
- 3) DEVELOPER Site Inspection rights;
- 4) The financial relationships between the parties
- 5) Method of land transfer and ownership rights over specific Improvements
- 6) Design and construction of the Project, including HCIDLA review, approval, and inspection rights, and DEVELOPER assurances;
- 7) Deposits and Costs Reimbursements;
- 8) Schedules of Performance, including effect of change;
- 9) Restrictions on Transfers;
- 10) Covenants to enter into ground lease and other required agreements;
- 11) Escrow provisions, including title, deliveries to escrow, conditions to close of escrow and delivery of Site, parts thereof;
- 12) Insurance and Indemnity;
- 13) Defaults, remedies and termination;
- 14) Encumbrances and rights of lenders;
- 15) Agreement on all other matters necessary to reach a full comprehensive agreement; and

16) Restrictions on use of Site.

**B. Ground Lease.** The Ground Lease shall include, without limitation, provisions relating to all of the following:

- 1) Demise of the premises, including conditions, exceptions, representations and warranties;
- 2) Term, including options and extensions, if any;
- 3) Payment for Ground Lease based generally on the structure proposed in the original RFQ response, taxes and other charges (including appropriate security and bonds);
- 4) Restrictions on Transfers;
- 5) Encumbrances and rights of lenders;
- 6) Possessions, use, subleasing, operations, maintenance and compliance with laws;
- 7) Construction of improvements and operations, including HCIDLA inspection and approval rights, and environmental matters;
- 8) Insurance, indemnity, damage, destruction and eminent domain;
- 9) Default, cure, dispute, remedies;
- 10) Termination and surrender of Site; and
- 11) Administrative provisions.

## **5. Development Goals for Site**

- a) Coordinate with HCIDLA on the development and leasing of the Site.
- b) Provide for rental housing opportunities to low income individuals, families and/or homeless.
- c) Ensure that all uses on the Site are consistent with the local jurisdiction's adopted land use plans.
- d) Create a development which increases mobility, economic development (including job creation), and meets other community needs.
- e) Design of a development that meets community needs and standards.

## **6. Topics for Negotiation**

In addition, or as supplement to the Essential Terms, as described in Section 4, the topics for negotiation (to the extent of, and as limited by the terms of the Submission) shall include, among other things:

- a) Project assembly [e.g. re-subdivision of Site, maintaining current subdivision of Site, etc.];
- b) Structure of the transaction [include, e.g. structure of Ground Lease or leases, sales, exchanges, easements, as applicable];
- c) Method of calculating value and paying for Ground Lease based generally on the structure proposed in the original RFQ response;

- d) The terms of the proposed DDA, Ground Lease and other agreements as described in Section 4 above;
- e) Availability of the Site to the DEVELOPER;
- f) Proposed land uses and appropriate assurances regarding the continued use of the Project improvements for their original intent;
- g) Site layout and conceptual architectural and urban design plans;
- h) HCIDLA's requirements upon DEVELOPER to ensure long-term affordability of rental units;
- i) Permanent financing plan, including strategy as it relates to HCIDLA's Managed Pipeline;
- j) Aesthetic considerations;
- k) Quality and type of construction;
- l) DEVELOPER's responsibility to obtain environmental clearances, entitlements, and project financing;
- m) Terms of DEVELOPER's construction financing and HCIDLA's right to approve same; and
- n) Project schedule and any other considerations necessary to fully implement the proposed Project in a timely fashion.

## **7. Deposit**

Prior to and as a condition precedent to the execution of this Agreement by HCIDLA DEVELOPER shall submit to HCIDLA a good faith non-refundable site control fee ("SITE CONTROL FEE") in the amount of \_\_\_\_\_ (\$\_\_\_\_\_) in the form of cash or certified check to subsidize holding costs.

## **8. Broker's Fees**

The Parties represent and warrant to each other that no broker or finder has been engaged, or is in any way connected with the transactions contemplated by this Agreement. In the event any claim for brokers' or finders' fees is made in connection with the transaction contemplated by this Agreement, the Party upon whose statement, representation or agreement the claim is made shall indemnify, hold harmless and defend the other Parties from and against such claims.

## **9. Assignment**

As a condition to any proposed assignment of this Agreement, DEVELOPER shall be required to make full disclosure to HCIDLA of the principals, officers, stockholders, partners, etc., and all other reasonable pertinent information concerning the assignee of DEVELOPER and its associates.

Except as to an assignment to an entity wholly controlled or wholly owned by DEVELOPER or a limited partnership in which DEVELOPER or an affiliate is a general partner, for which HCIDLA's consent is not required, no assignment by DEVELOPER of its rights and obligations hereunder shall be made without the express written consent of HCIDLA, which consent shall be given or withheld at the sole discretion of HCIDLA. Upon any permitted assignment by Developer of its rights and obligations hereunder, DEVELOPER and the permitted assignee shall execute a written assignment



agreement and the succeeding entity shall be deemed DEVELOPER for all purposes under this Agreement. Notwithstanding anything which may be or appear to be herein to the contrary, no assignment hereof by DEVELOPER shall relieve DEVELOPER of its obligations under this Agreement unless specifically agreed to in writing by HCIDLA.

DEVELOPER shall along with any request for approval of any assignments hereof, deliver to HCIDLA the most recent financial statement and/or the financial statements of the assignee. HCIDLA understands and acknowledges the proprietary nature of said information and, to the extent permitted by law, agrees not to disclose said information to any person or entity other than representatives of HCIDLA or their consultants, having a need to know.

HCIDLA shall not assess a fee for its approval or any assignment, except to the extent that it incurs direct third party expenses, consultant or legal fees related to approval of the assignment in which event the fee shall not exceed the total of the direct costs incurred by HCIDLA related to approval of the assignment.

#### **10. HCIDLA Obligations**

During the Term of this Agreement, HCIDLA shall deliver, within 15 days of receipt of written request thereof, any existing HCIDLA information, studies, reports, site and construction plans or other documents which DEVELOPER may reasonably request to facilitate the Project design without cost or expense to DEVELOPER. The Parties shall cooperate to ensure timely review and revision of any DEVELOPER documents or plans.

This Agreement is an agreement to enter into a period of exclusive negotiations according to the terms hereof. HCIDLA expressly reserves the right to decline to enter into a DDA and/or a Ground Lease in the event the Parties fail to negotiate either agreement to the satisfaction of HCIDLA. Except as expressly provided in this Agreement, HCIDLA shall have no obligations or duties hereunder and no liability whatsoever in the event the Parties fail to timely execute a DDA as long as they negotiate exclusively in good faith and cooperate in the preparation of the DDA and/or Ground Lease in accordance with Section 1 above.

Developer acknowledges and agrees that HCIDLA has not agreed to fund, subsidize or otherwise financially contribute in any manner toward the development of the Project other than those representations contained in the HCIDLA RFQ.

By its execution of this Agreement, HCIDLA is not committing to or agreeing to undertake: (i) disposition of land to DEVELOPER; or (ii) any other acts or activities requiring the subsequent independent exercise of discretion by HCIDLA, other than their good faith obligation to negotiate exclusively with DEVELOPER as provided herein.

The Parties recognize that one or more of the conditions to DEVELOPER's submission set forth herein may fail to be met as a result of subsequent studies, reviews and proceedings invoking the exercise of discretion by HCIDLA or any public agency having regulatory jurisdiction. DEVELOPER shall bear all costs incurred as a result of compliance with the California Environmental Quality Act and the National Environmental Policy Act relating to Developer's joint development of the Project; including, but not limited to, preparation of an environmental report or any other required studies or documents.

### **11. Non-Liability of City Officials and Employees**

Without limiting the provisions set forth herein, no member, official, representative, director, attorney, or employee of HCIDLA shall be personally liable to DEVELOPER or any successor in interest, in the event of any default or breach by HCIDLA or any obligations under the terms of this Agreement, or of any amount which may become due to DEVELOPER or to its successor under the terms of this Agreement.

### **12. Plans, Reports, Studies and Investigation**

Upon written request by HCIDLA, DEVELOPER shall provide the requesting agency, without cost or expense to that agency and without representation or warranty, copies of all plans, reports, studies, or investigations (collectively, "Plan") prepared by or on behalf of DEVELOPER which the DEVELOPER owns or has the copyrights to with respect to the Site and the Project. All Plans shall be prepared at DEVELOPER's sole cost and expense, and DEVELOPER agrees to indemnify, defend and hold harmless the City of Los Angeles, its departments (HCIDLA), and its members, representatives, employees, officials, directors, attorneys, successors and assigns (collectively, "Representatives") from losses, liability, claims, causes of action, injury or expense, including without limitation, reasonable attorneys' fees and costs (collectively, "Loss and Liabilities") arising from or in any way related to the cost of preparation of such Plans.

### **13. Developer's Responsibilities**

Without limiting any other provision of this Agreement, during the period of negotiations hereunder, DEVELOPER, at its sole cost and expense, shall prepare and submit the following documents and perform the following acts all in furtherance of the negotiation process:

**A. Submissions.** HCIDLA and all agencies having regulatory jurisdiction will require planning and design approval for the Project. DEVELOPER shall meet with representatives of HCIDLA to review and come to a clear understanding of the planning and design criteria required by these agencies. DEVELOPER, within 180 days after execution of this Agreement (subject to receipt of all plans and studies requested by DEVELOPER of HCIDLA pursuant to Section 10), shall submit to HCIDLA the following:

- a) Evidence of control or acquisition plan of any properties not owned by HCIDLA but considered essential to the Project. Evidence shall be in the form of letters of intent from each of the owners stating commitment of land, economic terms and cost basis as well as a detailed action plan and schedule relating to the acquisition of the properties.
- b) Revised or updated Project design concept plan, including a site plan and sections as necessary to describe the proposed scope and schedule.
- c) Project development schedule including milestones for site control, financing commitments, design, environmental/entitlement, construction and completion.
- d) Financing plan/economic projection for the Project. The financing plan shall include a detailed statement of the overall estimated costs of construction and, to the extent it is then available: a) the source and availability of equity capital; and b) construction and long-term development financing. The economic projection shall estimate income to be derived from the Project, and operating costs and debt service shall include a pro forma statement of Project return adequate to enable HCIDLA to evaluate the economic

feasibility of the proposed development of the Project. Prior to expiration of the Negotiation Period, DEVELOPER shall update the financing plan to include the source and availability of equity capital, construction and long-term financing if not previously included in the plan.

e) Proposed term sheet for the Ground Lease (if applicable). The submission shall include without limitations

1. Term, including any options,
2. Rent amount,
3. Recognition of costs, if any, incurred by or for the benefit of any party to achieve design objectives or construction interfaces;
4. Description of any reciprocal access rights related to the common use areas; and
5. The general terms upon which DEVELOPER may enter into subleases.

**B. Cost Disclosure:** To support negotiation of the Ground Lease, the DEVELOPER agrees to disclose to HCIDLA all costs and revenue projections for the proposed Project, including the terms under which the DEVELOPER has been able to obtain control of any other adjacent properties to be included in the Project.

**C. Further Information:** HCIDLA reserve the right at any time to request from DEVELOPER additional or updated information including data, and commitments to ascertain the depth of the DEVELOPER's capacity and desire to lease and develop the Site expeditiously. HCIDLA will provide a reasonable time for DEVELOPER to submit to the respective agency such additional information.

#### **14. Effective Date**

The Agreement shall be deemed effective upon the date on which this Agreement is executed by all Parties, as evidenced by the date of the last signature on the signature pages hereto (the "Effective Date").

#### **15. Entire Agreement**

This Agreement represents the entire agreement of the Parties with respect to the matters set forth herein. This Agreement may not be amended except in writing signed by all the Parties hereunder.

#### **16. Covenant Against Discrimination**

DEVELOPER shall not discriminate against nor segregate any person, or group of persons on account of sex, race, color, age marital status, religion, handicaps, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Site, nor shall the DEVELOPER establish or permit any such practice or practices of discrimination or segregation in the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees of the Site.

#### **17. Notices**

All notices required or permitted hereunder shall be delivered in person, by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested to

such party at its address shown below, or to any other place designated in writing by such Party.

DEVELOPER: Name, Address, City, State, Zip  
Attention:  
HCIDLA: City of Los Angeles

\_\_\_\_\_

Any such notice shall be deemed received upon delivery, if delivered personally or by FAX or email, (1) the next business day after delivery by a courier, if delivered by courier, and three (3) days after deposit into the United States Mail, if delivered by registered or certified mail.

IN WITNESS WHEREOF, HCIDLA AND DEVELOPER have signed this Agreement as of the dates set forth below.

By: \_\_\_\_\_  
City of Los Angeles

By: \_\_\_\_\_  
Approved as to form:  
MICHAEL N. FEUER  
City Attorney

By: \_\_\_\_\_

DEVELOPER

By: \_\_\_\_\_

DEVELOPER



## REQUIRED FORMS

Forms A through I must be executed and included in response to the RFQ/P. A form must be submitted for each entity within the ownership structure, other than the limited partner, if any. Failure to provide all the forms, or all the information within each form, may lead to disqualification. All required forms are available on LABAVN. All forms should be printed and packaged with the rest of the submission as outlined in the Submission Requirements Section VII.

REQUIRED FORM
Form A: Proposer Workforce Information
Form B: N/A
Form C: Equal Benefits Compliance Form: (i) EBO Summary, (ii) Instructions for completing EBO forms, (iii) EBO Compliance Form, (iv) Application for Reasonable Measure, and (v) Application for Provisional Compliance.
Form D: Contractor Responsibility Questionnaire
Form E: Bidder Certification CEC Form 50
Form F: Bidder Contributions Form CEC 55
Form G: Slavery Disclosure Ordinance Form
Form H: N/A
Form I: List of Subcontractors
<b>The following forms will be required ONLY if your firm is selected for the Pre-Qualified List. DO NOT SUBMIT AT THIS TIME</b>
Form J: CA Iran Contracting Act of 2010 Affidavit
Form K: Living Wage Ordinance and Service Contractor Worker Retention
Form L: Living Wage Ordinance Exemption
Form M: Child Support Obligations
Form N(i): Credit Authorization Form- Business Credit Report Form
Form O(ii): Credit Authorization Form-HCIDLA Credit Authorization Form
Form P: Form Letter Regarding Davis-Bacon and State Prevailing Wage Requirements
Form Q: Certification Regarding Ineligibility, Suspension, and Debarment (Executive No. 12549)
Form R: Certification and Disclosure Regarding Pending Litigation
Form S: Certification and Disclosure Regarding Previous Bankruptcies
Form T: Certification and Disclosure Regarding Defaults and Disclosures
Form U: Certification and Disclosure Regarding Lobbying (not required for contracts under \$100,000).
Form V: Certificate Regarding Drug-Free Workplace Act Requirements, if applicable
<b>The following information and forms will ONLY be required with the execution of an exclusive negotiation agreement. DO NOT SUBMIT AT THIS TIME</b>
<b>Corporate Documents:</b> All Developers who are organized as a corporation or a limited liability company are required to submit a Secretary of State Corporate Number, a copy of its By-Laws, a current list of its Board of Directors, and a

Resolution of Executorial Authority with a Signature Specimen.
<b>Proof of IRS Number (W-9):</b> All Developers are required to complete and submit Proof of IRS Number (W-9) Form.
<b>City Business License Number:</b> All Developers are required to submit one copy of their current City of Los Angeles Business License, Tax Registration Certificate or Vendor Registration Number. To obtain a Business Tax Registration Certificate (BTRC) call the City Clerk's Office at (213) 473-5901 and pay the respective business taxes. The address is as follows: City of Los Angeles, City Hall, Room 101, Office of Finance, Tax and Permit Division, 201 North Main Street, Los Angeles, CA 90012.
<b>Insurance Certificates:</b> Developers may be required to maintain insurance at a level to be determined by the City's Risk Manager, with the City named as an additional insured. Developers who do not have the required insurance should include the cost of insurance in their bid. Developers will be required to provide insurance at the time of contract execution.
<b>Business Inclusion Program / MBE/WBE/OBE Outreach Forms:</b> The Developer shall comply with the City's Business Inclusion Program requirements, identify sub-contracting opportunities and outreach to Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Small Business Enterprises (SBE), Emerging Business Enterprises (EBE), Disabled Veteran Business Enterprises (DVBE), and Other Business Enterprises (OBE) sub-consultants. Developers with sub-contractors must perform outreach online 15 days prior to ENA execution contract signing date. Requirements must be completed on the Los Angeles Business Assistance Virtual Network (LABAVN), <a href="http://www.labavn.org">www.labavn.org</a> .

## **ADDITIONAL INFORMATION FOR SELECT FORMS:**

### **Form A – Workforce Information**

Developers shall submit with their submission a statement indicating their headquarters address, as well as the percentage of their workforce residing in the City of Los Angeles.

### **Form B – Not Applicable**

### **Form C – Equal Benefits Compliance Forms**

Developers are advised that any contract awarded pursuant to this submission shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO). Developers shall refer to **Form C** for further information regarding the requirements of the Ordinance.

All Developers shall complete and return, with their submission, the Equal Benefits Ordinance Compliance Form (three (3) pages) contained in Form C. The Application for Reasonable Measures Determination (one (1) page) and the Application for Provisional Compliance (two (2) pages) have been included in Form C but should be submitted only if applicable. Unless otherwise specified in this procurement package, Developers do not need to submit supporting documentation with their submissions. However, supporting documentation verifying that the benefits are provided equally shall be required of the Developer that is selected for award of a contract.

The EBO forms included with this RFQ/P are as follows:

- EBO Summary: Questions and Answers (4 pages)
- Instruction for Completing EBO forms (1 page)
- EBO Compliance Form (3 pages)
- Application for Reasonable Measures Determination (1 page)
- Application for Provisional Compliance (2 pages)

### **Form D - Contractor Responsibility Ordinance**

Every Request for Submission, Request for Bid, Request for Qualifications or other procurement process is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq. of Article 14, Chapter 1 of Division 10 of the Los Angeles Administrative Code, unless exempt pursuant to the provisions of the Ordinance.

This Ordinance requires that all Developers/Bidders complete and return, with their response, the responsibility questionnaire included in this RFQ/P as Form D. Failure to return the completed questionnaire may result in the Developer/Bidder being deemed non-responsive.

The Ordinance also requires that if a contract is awarded pursuant to this submission, that the Developer must update responses to the questionnaire, within thirty calendar

days, after any changes to the responses previously provided if such change would affect Developer's fitness and ability to continue performing the contract.

Pursuant to the Ordinance, by executing a contract with the City, the Developer pledges, under penalty of perjury, to comply with all applicable Federal, State and local laws in performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees. Further, the Ordinance, requires each contractor to: (1) notify the awarding authority within thirty calendar days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor is not in compliance with Section 10.40.3 (a) of the Ordinance; and (2) notify the awarding authority within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the contractor has violated Section 10.40.3 (a) of the Ordinance.

**Form E - Municipal Lobbying Ordinance CEC Form 50**

The Proposer shall submit the applicable Municipal Lobbying Ordinance Compliance Form – Bidder Certification CEC Form 50.

**Form F - Municipal Campaign Finance Ordinance CEC Form 55**

Bidders must submit a CEC Form 55 to the awarding authority at the time the response is submitted. Additional information regarding these restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or [ethics.lacity.org](http://ethics.lacity.org).

**Form G - Slavery Disclosure Ordinance**

Unless otherwise exempt, in accordance with the provisions of the Slavery Disclosure Ordinance, any contract awarded pursuant to this RFQ/P will be subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code.

**Form H – Not Applicable**

**Form I - Subcontractors**

If a Developer will have subcontractors in the project, a list of the subcontractors must also be submitted with the submission.

**Form J - Iran Contracting Act of 2010 Compliance Affidavit**

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting submissions for, entering into, or renewing contracts with the City of Los Angeles for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit" (Form J).

**Form K and L – Living Wage Ordinance / Service Contractor Worker Retention Ordinance**

Unless approved for an exemption, contractors under contracts primarily for the furnishing of services to or for the City and that involve an expenditure or receipt in excess of \$25,000 and a contract term of at least three (3) months, lessees and



licensees of City property, and certain recipients of City financial assistance, shall comply with the provisions of Los Angeles Administrative Code Sections 10.37 et seq., Living Wage Ordinance (LWO) and 10.36 et seq., Service Contractor Worker Retention Ordinance (SCWRO). Developers shall refer to Form K “Living Wage Ordinance and Service Contractor Worker Retention Ordinance” for further information regarding the requirements of the Ordinances.

Developers who believe that they meet the qualifications for one of the exemptions described in the LWO List of Statutory Exemptions shall apply for exemption from the Ordinance by submitting with their submission the Contractor Application for Non-Coverage or Exemption. The List of Statutory Exemptions and the Application for Non-Coverage or Exemption are included in the Form L.

The forms included with this RFQ/P are the LWO List of Statutory Exemptions and the LWO Application for Non-coverage or Exemption.

**Form M - Child Care Policy**

It is the policy of the City of Los Angeles to encourage businesses to adopt childcare policies and practices. Consistent with this policy, Developers shall complete and submit the “Child Care Policy Declaration Statement” with their contract (Form M). This is not required of sole proprietors.

**Form N and O - Credit Authorization Form**

Developers are required to submit a credit authorization form authorizing the City to conduct a credit check (Form N & Form O).

**Form P - Davis-Bacon and State Prevailing Wage Requirements**

All selected Developers must abide by applicable labor wages including the Federal Davis-Bacon and/or California’s Prevailing Wage and Equal Opportunity standards. Developers must submit Form P - Form Letter Regarding Davis-Bacon, which certifies that the Developer will comply with all applicable Davis-Bacon and/or Prevailing Wage Requirements.

Developers who have a track record of trying to avoid the payment of Davis-Bacon or State Prevailing wages, or who have been referred to the Department of Labor, the Department of Housing and Urban Development, California Labor Commission or any other enforcement agency will be disqualified. Additionally, any project which does not submit construction costs at the applicable Davis-Bacon/Prevailing wage level will also be disqualified.

**Form U - Certification and Disclosure Regarding Lobbying**

This is not required for contracts under \$100,000. Developer shall also file a Disclosure Form at the end of each calendar quarter during which any event requiring disclosure occurs, or which materially affects the accuracy of the information contained in any previously filed Disclosure Form.

## **Exclusive Negotiation Agreement**

This AGREEMENT is made as of the Effective Date (defined in Section 14 below) by and between Venice Community Housing Corporation, a california non-profit public benefit corporation, Hollywood Community Housing Corporation, a california non-profit benefit corporation (DEVELOPER) and the Los Angeles Housing and Community Investment Department (HCIDLA).

### **RECITALS**

- A. The City of Los Angeles currently owns the property, commonly known as the Venice Dell Pacific Site, consisting of ten (10) parcels located near the intersection of North Venice Boulevard and Dell Avenue in the City of Los Angeles, as more particularly described on the legal description attached hereto as Exhibit "A" ("Site") consisting of parcels at: 1) 2100 South Pacific Avenue, Assessor Parcel Number: 4238-024-900, containing approximately 27,780 square feet; 2) 128 East Venice Boulevard, Assessor Parcel Number 4238-024-902, containing approximately 14,000 square feet; 3) 208 East Venice Boulevard, Assessor Parcel Number: 4238-024-903, containing approximately 6,300 square feet; 4) 216 East Venice Boulevard, Assessor Parcel Number 4238-024-905, containing approximately 6,300 square feet; 5) 302 East Venice Boulevard, Assessor Parcel Number 4238-024-906, containing approximately 3,100 square feet; 6) 319 East Venice Boulevard, Assessor Parcel Number 4238-024-907, containing approximately 47,800 square feet; 7) 200 East Venice Boulevard, Assessor Parcel Number 4238-024-908, containing approximately 3,200 square feet; 8) no known address, Assessor Parcel Number 4238-024-909, containing approximately 1,100 square feet; 9) 212 East Venice Boulevard, Assessor Parcel Number 4238-024-910, containing approximately 3,200 square feet; and 10) 125 East Venice Boulevard, Assessor Parcel Number 4238-024-911, containing approximately 2,700 square feet.
- B. In response to a Request for Qualifications and Proposals (RFQ/P) issued by the City Administrative Officer (CAO), the DEVELOPER has submitted qualifications for a development project ("Project") at this Site (DEVELOPER's Proposal).
- C. The qualifications submitted by DEVELOPER best support the type of affordable housing development conceptually envisioned by the City of Los Angeles.
- D. On December 14, 2016 the Los Angeles City Council approved (Council File: 16-0600-S145) the selection of the DEVELOPER for the purpose of creating, in conjunction with City and community stakeholders, a full development plan for the project leading to negotiating the terms of a Development and Disposition Agreement ("DDA") and/or ground lease ("Ground Lease") pertaining to the Site under a 720 day Exclusive Negotiation Agreement ("Agreement").
- E. Together, HCIDLA and the DEVELOPER (collectively referred to as "Parties", or if referred to in the singular form "Party") desire to negotiate exclusively for the development of the Project at the Site.

The Parties agree to negotiate exclusively and in good faith to enter into a DDA and/or a Ground Lease upon the following terms and conditions.

**1. Agreement to Negotiate Exclusively: Good Faith Negotiations**

HCIDLA agrees that, after competitive bidding and selection process outlined above, during the Negotiation Period (as defined in Section 2 below) and provided that DEVELOPER is not in default of its obligations under this Agreement (subject to reasonable notice and opportunity to cure such default), HCIDLA shall negotiate exclusively and in good faith with DEVELOPER, with respect to a DDA, property disposition such as a sale or Ground Lease to be entered into between HCIDLA and DEVELOPER concerning the rights and obligations of each respective Party concerning the development of the Site. During the negotiation period, HCIDLA shall not solicit or entertain offers or proposals from other third parties concerning the Site. DEVELOPER acknowledges, however, that HCIDLA may, from time to time, be contacted by other developers respecting the Site and that such contact is expressly permitted so long as HCIDLA does not initiate or further the contact and HCIDLA indicates to such other developers that HCIDLA has executed this Agreement with DEVELOPER and that HCIDLA is unable to: (1) discuss anything concerning the Project; (2) discuss anything concerning these negotiations; (3) entertain any other offer or proposals; or (4) negotiate with any other developer until this Agreement expires or is terminated, as provided in Section 2 below.

The Parties agree, in consideration of this Agreement, to negotiate in good faith with each other with respect to the terms and conditions as set forth in the RFQ and the proposed project to be included in the DDA, property disposition such as a sale or Ground Lease and to cooperate in the preparation thereof. The Parties shall provide each other with any information regarding the Site or Project that may be reasonably requested by any other Party.

**2. Period of Negotiation**

The Parties agree to negotiate in good faith for a period of 720 days from the Effective Date, as defined in Section 14 hereof (the "Negotiation Period"). If the Parties have not agreed upon the form of a draft DDA property disposition such as a sale or the Ground Lease to be delivered to The City Council and Mayor by such date, then this Agreement shall automatically terminate provided, however, that if prior to the expiration of the Negotiation Period, the Parties have not agreed upon the form of a draft DDA property disposition such as a sale or Ground Lease satisfactory to the Parties to be delivered to The City Council and Mayor, then the Parties may mutually agree to extend the term of this Agreement for an additional period of up to 90 days. If the Parties cannot agree upon such an extension, this Agreement shall automatically terminate.

The Negotiation Period may be extended only by written agreement between the Parties and HCIDLA shall have the right to thereafter develop or dispose of the Site as it shall determine appropriate in its sole and absolute discretion.

This Agreement may also be terminated if the Parties agree in writing that a successful consummation of the negotiations is impossible.

### **3. Test and Surveys**

During the Negotiation Period, DEVELOPER shall conduct such tests, surveys, and other analyses as the DEVELOPER deems necessary to determine the feasibility of designing, constructing, leasing and financing the Project and shall complete such tests, surveys, and other analyses promptly within the Negotiation Period. For these purposes, HCIDLA shall provide to DEVELOPER, its agents and/or representatives, the right to enter onto the Site and to conduct such tests, surveys, and other procedures ("Tests"). DEVELOPER shall take all necessary effort to ensure that such Tests shall not unreasonably alter the condition of the Site, or other HCIDLA activities on the Site. DEVELOPER shall indemnify and hold harmless the City of Los Angeles ("City"), and its departments (HCIDLA), its Boards, Officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including but not limited to, reasonable attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including DEVELOPER's and any contractor's and subcontractor's employees and agents, or damage or destruction of any property of any property of the Parties hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to any such entry on the Site by DEVELOPER, its agents or representatives, provided that such indemnity shall not relate to existing Site conditions that differ substantially from existing plans and drawings, and could not have been discovered by reasonable visual inspection or reasonable and typical non-intrusive tests prior to any intrusive testing. DEVELOPER shall present HCIDLA with evidence of a general liability insurance policy in an amount of at least \$1 million, naming the City of Los Angeles as an additional insured. The insurance policy shall cover all liability and property damage arising from DEVELOPER's employees' presence on the Site during Tests. Any destruction or alteration of site features or surfaces resulting from the tests shall be fully replaced at the full expense of the Developer within ten (10) business days.

### **4. Essential Terms**

A. **DDA.** DEVELOPER's rights and obligations shall be specifically set-forth in the DDA and shall include without limitation all of the following:

- 1) Project Description;
- 2) Scope of Development;
- 3) DEVELOPER Site Inspection rights;



- 4) The financial relationships between the parties
- 5) Method of land transfer and ownership rights over specific improvements that could include property disposition for sale or Ground Lease;
- 6) Scope and method of disposition for a sale or Ground Lease of property, depending on HCIDLA's preferred method of disposition;
- 7) Design and construction of the Project, including HCIDLA review, approval, and inspection rights, and DEVELOPER assurances;
- 8) Deposits and Costs Reimbursements;
- 9) Schedules of Performance, including effect of change;
- 10) Restrictions on Transfers;
- 11) Covenants to enter into property disposition such as sale or Ground Lease and other required agreements;
- 12) Escrow provisions, including title, deliveries to escrow, conditions to close of escrow and delivery of Site, parts thereof;
- 13) Insurance and Indemnity;
- 14) Defaults, remedies and termination;
- 15) Encumbrances and rights of lenders;
- 16) Agreement on all other matters necessary to reach a full comprehensive agreement; and
- 17) Restrictions on use of Site.

**B. Ground Lease.** The Ground Lease shall include, without limitation, provisions relating to all of the following:

- 1) Demise of the premises, including conditions, exceptions, representations and warranties;
- 2) Term, including options and extensions, if any;
- 3) Payment for Ground Lease based generally on the structure proposed in the original RFQ response, taxes and other charges (including appropriate security and bonds);
- 4) Restrictions on Transfers;
- 5) Encumbrances and rights of lenders;
- 6) Possessions, use, subleasing, operations, maintenance and compliance with laws;
- 7) Construction of improvements and operations, including HCIDLA inspection and approval rights, and environmental matters;
- 8) Insurance, indemnity, damage, destruction and eminent domain;
- 9) Default, cure, dispute, remedies;
- 10) Termination and surrender of Site; and
- 11) Administrative provisions.

**5. Development Goals for Site**

- a) Coordinate with HCIDLA on the development and property disposition such as a sale or Ground Leasing of the Site.
- b) Provide for rental housing opportunities to low income individuals, families and/or homeless.

- c) Ensure that all uses on the Site are consistent with the local jurisdiction's adopted land use plans.
- d) Create a development which increases mobility, economic development (including job creation), and meets other community needs.
- e) Design of a development that meets community needs and standards.

## **6. Topics for Negotiation**

In addition, or as supplement to the Essential Terms, as described in Section 4, the topics for negotiation (to the extent of, and as limited by the terms of the Proposal) shall include, among other things:

- a) Project assembly [e.g. re-subdivision of Site, maintaining current subdivision of Site, etc.];
- b) Structure of the transaction [include, e.g. structure of property disposition such as a sale, Ground Lease (or leases), exchanges, easements, as applicable];
- c) Method of calculating value and paying for property disposition such as a sale or Ground Lease based generally on the structure proposed in the original RFQ response;
- d) The terms of the proposed DDA, property disposition such as a sale or Ground Lease and other agreements as described in Section 4 above;
- e) Availability of the Site to the DEVELOPER;
- f) Proposed land uses and appropriate assurances regarding the continued use of the Project improvements for their original intent;
- g) Site layout and conceptual architectural and urban design plans;
- h) HCIDLA's requirements upon DEVELOPER to ensure long-term affordability of rental units;
- i) Permanent financing plan, including strategy as it relates to HCIDLA's Managed Pipeline;
- j) Aesthetic considerations;
- k) Quality and type of construction;
- l) DEVELOPER's responsibility to obtain environmental clearances, entitlements, and project financing;
- m) Terms of DEVELOPER's construction financing and HCIDLA's right to approve same; and
- n) Project schedule and any other considerations necessary to fully implement the proposed Project in a timely fashion.

## **7. Deposit**

Prior to and as a condition precedent to the execution of this Agreement by HCIDLA DEVELOPER shall submit to HCIDLA a good faith non-refundable site control fee ("SITE CONTROL FEE") in the amount of FIFTY THOUSAND DOLLARS (\$50,000) in the form of cash or certified check to subsidize holding costs.

## **8. Broker's Fees**

The Parties represent and warrant to each other that no broker or finder has been engaged, or is in any way connected with the transactions contemplated by this Agreement. In the event any claim for brokers' or finders' fees is made in connection with the transaction contemplated by this Agreement, the Party upon whose statement, representation or agreement the claim is made shall indemnify, hold harmless and defend the other Parties from and against such claims.

## **9. Assignment**

As a condition to any proposed assignment of this Agreement, DEVELOPER shall be required to make full disclosure to HCIDLA of the principals, officers, stockholders, partners, etc., and all other reasonable pertinent information concerning the assignee of DEVELOPER and its associates.

Except as to an assignment to an entity wholly controlled or wholly owned by DEVELOPER or a limited partnership in which DEVELOPER or an affiliate is a general partner, for which HCIDLA's consent is not required, no assignment by DEVELOPER of its rights and obligations hereunder shall be made without the express written consent of HCIDLA, which consent shall be given or withheld at the sole discretion of HCIDLA. Upon any permitted assignment by Developer of its rights and obligations hereunder, DEVELOPER and the permitted assignee shall execute a written assignment agreement and the succeeding entity shall be deemed DEVELOPER for all purposes under this Agreement. Notwithstanding anything which may be or appear to be herein to the contrary, no assignment hereof by DEVELOPER shall relieve DEVELOPER of its obligations under this Agreement unless specifically agreed to in writing by HCIDLA.

DEVELOPER shall along with any request for approval of any assignments hereof, deliver to HCIDLA the most recent financial statement and/or the financial statements of the assignee. HCIDLA understands and acknowledges the proprietary nature of said information and, to the extent permitted by law, agree not to disclose said information to any person or entity other than representatives of HCIDLA or their consultants, having a need to know.

HCIDLA shall not assess a fee for its approval or any assignment, except to the extent that it incurs direct third party expenses, consultant or legal fees related to approval of the assignment in which event the fee shall not exceed the total of the direct costs incurred by HCIDLA related to approval of the assignment.

## **10. HCIDLA Obligations**

During the Term of this Agreement, HCIDLA shall deliver, within 15 days of receipt of written request thereof, any existing HCIDLA information, studies, reports, site and construction plans or other documents which DEVELOPER may reasonably request to facilitate the Project design without cost or expense to DEVELOPER. The Parties shall cooperate to ensure timely review and revision of any DEVELOPER documents or plans.

This Agreement is an agreement to enter into a period of exclusive negotiations according to the terms hereof. HCIDLA expressly reserves the right to decline to enter into a DDA property disposition such as a sale or a Ground Lease in the event the Parties fail to negotiate either agreement to the satisfaction of HCIDLA. Except as expressly provided in this Agreement, HCIDLA shall have no obligations or duties hereunder and no liability whatsoever in the event the Parties fail to timely execute a DDA as long as they negotiate exclusively in good faith and cooperate in the preparation of the DDA property disposition such as a sale or Ground Lease in accordance with Section 1 above.

Developer acknowledges and agrees that HCIDLA has not agreed to fund, subsidize or otherwise financially contribute in any manner toward the development of the Project other than those representations contained in the HCIDLA RFQ/P.

By its execution of this Agreement, HCIDLA is not committing to or agreeing to undertake: (i) disposition of land to DEVELOPER; or (ii) any other acts or activities requiring the subsequent independent exercise of discretion by HCIDLA, other than their good faith obligation to negotiate exclusively with DEVELOPER as provided herein.

The Parties recognize that one or more of the conditions to DEVELOPER's proposal set forth herein may fail to be met as a result of subsequent studies, reviews and proceedings invoking the exercise of discretion by HCIDLA or any public agency having regulatory jurisdiction.

DEVELOPER shall bear all costs incurred as a result of compliance with the California Environmental Quality Act and the National Environmental Policy Act relating to Developer's joint development of the Project; including, but not limited to, preparation of an environmental report or any other required studies or documents.

#### **11. Non-Liability of HCIDLA, Officials and Employees**

Without limiting the provisions set forth herein, no member, official, representative, director, attorney, or employee of HCIDLA shall be personally liable to DEVELOPER or any successor in interest, in the event of any default or breach by HCIDLA or any obligations under the terms of this Agreement, or of any amount which may become due to DEVELOPER or to its successor under the terms of this Agreement.

#### **12. Plans, Reports, Studies and Investigation**

Upon written request by HCIDLA, DEVELOPER shall provide the requesting agency, without cost or expense to that agency and without representation or warranty, copies of all plans, reports, studies, or investigations (collectively, "Plan") prepared by or on behalf of DEVELOPER which the DEVELOPER owns or has the copyrights to with respect to the Site and the Project. All Plans shall be prepared at DEVELOPER's sole cost and expense, and DEVELOPER agrees to indemnify, defend and hold harmless the City of Los Angeles, its departments (HCIDLA), and its members, representatives, employees,



officials, directors, attorneys, successors and assigns (collectively, "Representatives") from losses, liability, claims, causes of action, injury or expense, including without limitation, reasonable attorneys' fees and costs (collectively, "Loss and Liabilities") arising from or in any way related to the cost of preparation of such Plans. Unless both Parties execute a DDA, property disposition such as a sale, or a Ground Lease before the termination of the Agreement, both Parties agree that Plans provided to HCIDLA that have been prepared during the Term of the Agreement by or on behalf of DEVELOPER which the DEVELOPER owns or has the copyrights to with respect to the Site and the Project will be returned to Developer upon the termination of the Agreement

### **13. Developer's Responsibilities**

Without limiting any other provision of this Agreement, during the period of negotiations hereunder, DEVELOPER, at its sole cost and expense, shall prepare and submit the following documents and perform the following acts all in furtherance of the negotiation process:

**A. Submittals.** HCIDLA and all agencies having regulatory jurisdiction will require planning and design approval for the Project. DEVELOPER shall meet with representatives of HCIDLA to review and come to a clear understanding of the planning and design criteria required by these agencies.

DEVELOPER, within 360 days after execution of this Agreement (subject to receipt of all plans and studies requested by DEVELOPER of HCIDLA pursuant to Section 10), shall submit to HCIDLA the following:

- a) Evidence of control or acquisition plan of any properties not owned by HCIDLA but considered essential to the Project (if applicable). Evidence shall be in the form of letters of intent from each of the owners stating commitment of land, economic terms and cost basis as well as a detailed action plan and schedule relating to the acquisition of the properties.
- b) Revised or updated Project design concept plan, including a site plan and sections as necessary to describe the proposed scope and schedule.
- c) Project development schedule including milestones for site control, financing commitments, design, environmental/entitlement, construction and completion.
- d) Financing plan/economic projection for the Project. The financing plan shall include a detailed statement of the overall estimated costs of construction and, to the extent it is then available: a) the source and availability of equity capital; and b) construction and long-term development financing. The economic projection shall estimate income to be derived from the Project, and operating costs and debt service shall include a pro forma statement of Project return adequate to enable HCIDLA to evaluate the economic feasibility of the proposed development of the Project. Prior to expiration of the Negotiation Period, DEVELOPER shall update the financing plan to include the source and availability of equity capital, construction and long-term financing if not previously included in the plan.

- e) Proposed term sheet for the property disposition such as a sale or Ground Lease. The proposal shall include without limitations
1. Term, including any options,
  2. Rent amount based upon no less than fair-market value (base rent) additional rent based upon project performance and method of base rent adjustments (e.g. CPA adjustment periodic reappraisals, etc.);
  3. Recognition that HCIDLA will not subordinate their right to the base rent for the Site, but may subordinate the right to the additional Rent if required to do so;
  4. Recognition of costs, if any, incurred by or for the benefit of any party to achieve design objectives or construction interfaces;
  5. Description of any reciprocal access rights related to the common use areas; and
  6. The general terms upon which DEVELOPER may enter into subleases.

**B. Design Review:** HCIDLA and all agencies having regulatory jurisdiction will require planning and design approval for the Project. DEVELOPER shall meet with representatives of HCIDLA and City to review and come to clear understanding of the planning and design Criteria required by HCIDLA.

**C. Cost Disclosure:** To support negotiation of property disposition such as a sale or the Ground Lease, the DEVELOPER agrees to disclose to HCIDLA all costs and revenue projections for the proposed Project, including the terms under which the DEVELOPER has been able to obtain control of any other adjacent properties to be included in the Project.

**D. Further Information:** HCIDLA reserve the right at any time to request from DEVELOPER additional or updated information including data, and commitments to ascertain the depth of the DEVELOPER's capacity and desire to lease and develop the Site expeditiously. HCIDLA will provide a reasonable time for DEVELOPER to submit to the respective agency such additional information.

#### **14. Effective Date**

The Agreement shall be deemed effective upon the date on which this Agreement is executed by all Parties, as evidenced by the date of the last signature on the signature pages hereto (the "Effective Date").

#### **15. Entire Agreement**

This Agreement represents the entire agreement of the Parties with respect to the matters set forth herein. This Agreement may not be amended except in writing signed by all the Parties hereunder.

#### **16. Covenant Against Discrimination**

DEVELOPER shall not discriminate against nor segregate any person, or group of

persons on account of sex, race, color, age marital status, religion, handicaps, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Site, nor shall the DEVELOPER establish or permit any such practice or practices of discrimination or segregation in the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees of the Site.

## **17. Notices**

All notices required or permitted hereunder shall be delivered in person, by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested to such party at its address shown below, or to any other place designated in writing by such Party.

**DEVELOPER:**

Venice Community Housing Corporation  
720 Rose Avenue  
Venice, CA 90291  
Attention: Becky Dennison, Executive Director

Hollywood Community Housing Corporation  
5020 Santa Monica Boulevard  
Los Angeles, CA 90029  
Attention: Sarah Letts, Executive Director

**HCIDLA:**

City of Los Angeles Housing and Community Investment Department  
1200 W. 7th Street, 9th Floor  
Los Angeles, CA 90017  
Attention: Rushmore D. Cervantes, General Manager

Any such notice shall be deemed received upon delivery, if delivered personally or by FAX or email, (1) the next business day after delivery by a courier, if delivered by courier, and three (3) days after deposit into the United States Mail, if delivered by registered or certified mail.

Exclusive Negotiation Agreement  
Venice Dell Pacific Site

IN WITNESS WHEREOF, HCIDLA AND DEVELOPER have signed this Agreement as of the dates set forth below.

By: \_\_\_\_\_ Date: \_\_\_\_\_

HCIDLA  
City of Los Angeles Housing and Community Investment Department


By: \_\_\_\_\_ Date: \_\_\_\_\_

Approved as to form:

MICHAEL N. FEUER  
City Attorney

By:  Date: 1-11-17

DEVELOPER  
Venice Community Housing Corporation

By:  Date: Jan 11, 2017

DEVELOPER  
Hollywood Community Housing Corporation



## **EXHIBIT A**

### **LEGAL DESCRIPTION**

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

LOTS 1 THRU 7, INCLUSIVE, 36 THRU 42, INCLUSIVE IN BLOCK 9; LOTS 1 THRU 12, INCLUSIVE IN BLOCK 12; LOTS 1 AND 7 THRU 12, INCLUSIVE IN BLOCK 14, ALL OF THE SHORT LINE BEACH SUBDIVISION NO. 1 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2 PAGES 59 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF ALBERTA AVENUE, 40 FEET WIDE, AS DESCRIBED IN THE RESOLUTION TO VACATE NO. 85-21463, RECORDED MARCH 22, 1985, AS INSTRUMENT NO. 85-316811, OF OFFICIAL RECORDS, AS SHOWN ON MAP OF SAID SHORT LINE BEACH SUBDIVISION NO. 1, BOUNDED NORTHWESTERLY BY THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 5 FEET OF LOT 1 IN BLOCK 14 AND BOUNDED SOUTHEASTERLY BY THE SOUTHWESTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF LOT 12 IN BLOCK 14 OF SAID SHORT LINE BEACH SUBDIVISION NO. 1.

EXCEPT THEREFROM ALL MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER OCCURRING 500 FEET BENEATH THE SURFACE THEREOF, WITHOUT THE RIGHTS OF SURFACE ENTRY.

ALSO EXCEPT THEREFROM THE NORTHWESTERLY 5 FEET THEREOF OF SAID LOTS 1, 39 THRU 42 IN BLOCK 9; LOTS 1 THRU 6, IN BLOCK 12 AND LOT 1 IN BLOCK 14, ALL OF THE SAID SHORT LINE BEACH SUBDIVISION NO. 1

APN: 4238-024-900 and 4238-024-902 and 4238-024-903 and 4238-024-905 and 4238-024-906 and 4238-024-907 and 4238-024-908 and 4238-024-909 and 4238-024-910 and 4238-024-911

# **Exhibit 2**

Prepared For:	VCH & HCHC
Prepared By:	California Housing Partnership Corporation
Version:	1.02
Revised:	12/6/2021
Filename:	VCH HCHC Venice Dell v1.02 feasibility.xlsm

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SOURCES OF FUNDS - PERMANENT

	AMOUNT	TOTAL INTEREST COST	OID INTEREST RATE	AMORT (Yr)	COMMENTS	
Tax-Exempt Perm Loan	5,481,000	5.912%		20.0	Total Permanent Debt: 5,481,000	
LAHD - AHMP	6,300,000	3.000%	1.788%	55.0	Term - 20 (yrs.) Index - 10Y T - 1.630%	Spread - 285 bps
Accrued Deferred Interest - LAHD - AHI	96,771					Per Unit: 45,000
HCD - MHP/VHHP/AHSC	30,921,259	3.000%	1.903%	55.0		Per Unit: 220,866
GP Loan (IIG)	7,500,000	0.000%	0.000%	55.0		Per Unit: 53,571
GP Loan (FHLB AHP)	1,250,000	0.000%	0.000%	55.0		Per Unit: 8,929
LAHD Ground Lease Value	3,349,000	0.000%	0.000%	55.0		Per Unit: 23,921
Deferred Developer Fee	0	0.000%	0.000%			
Capital Contributions						
General Partner (Developer Fee)	800,000				Total LP capital includes release of bond collateral funded during construction	
GP Capital - Sponsor	100				Synd Costs	195,000
					Net Equity for TCAC	34,326,648
Limited Partners	34,521,648				Fed LIHTC: \$0.90	State LIHTC: \$0.80
TOTAL SOURCES		90,219,778				
Surplus/(Shortfall)		0				

PERMANENT LOAN INTEREST RATE	TRANCHE A	TRANCHE B	INVESTOR EQUITY STACK		OTHER ASSUMPTIONS	
Base Rate	4.480%	4.480%				
Cushion	1.250%	1.250%	LIHTC Equity (Federal+Stz	34,521,648	Current AFR:	1.90%
MIP	0.000%	0.000%	Historic Tax Credit	0	AFR Month:	Dec-21
GNMA/Servicing	0.000%	0.000%	Investment Tax Credit (Sol	0	AFR Cushion:	0.00%
Issuer	0.125%	0.125%	Subtotal LP Equity	34,521,648	Total U/W AFR:	1.90%
Trustee	0.057%	0.000%				
Rating	0.000%	0.000%	CA Certificated Credit Sale	0		
Remarketing	0.000%	0.000%	Total Investor Equity	34,521,648		
Rebate Analyst	0.000%	0.000%				
Total	5.912%	5.855%				

SOURCES OF FUNDS - CONSTRUCTION

	AMOUNT	INTEREST RATE	TERM (Mos.)	COMMENTS
Tax-Exempt Construction Loan	45,120,000	3.750%	30	
Taxable Construction Loan	19,099,599	4.000%	30	
LAHD - AHMP	6,300,000	3.000%	30	
Accrued Deferred Interest - LAHD - AHI	96,771			
GP Loan (IIG)	7,500,000	0.000%	30	
GP Loan (FHLB AHP)	1,250,000	0.000%	30	
LAHD Ground Lease Value	3,349,000	0.000%	30	
Costs Deferred Until Conversion	2,326,061			See page 2 - right column
Deferred Developer Fee	0			
Capital Contributions				
General Partner (Developer Fee)	0			
GP Capital - Sponsor	100			
Limited Partners*	5,178,247			Total Equity During Const. 5,178,247 15.00%
TOTAL SOURCES	90,219,778			Syndication Costs 195,000
Surplus/(Shortfall)	(0)			Net Equity for TCAC 4,983,247
Sources Less Deferred To Conversion:	87,893,717			

CONSTRUCTION LOAN INTEREST RATE	CONSTRUCTION LOAN VALUATION	TAX-EXEMPT BOND DATA
Index Type: SOFR	Restricted NOI 690,983	50% Test (see Page 7): 55.00%
Current Index: 0.50%	OAR 4.50%	Issuer Inducement: TBD
Spread: 1.75%	FMV per NOI 15,355,182	CDLAC Allocation: TBD
Base Interest Rate (not including cushi	Agg. Credit Value @ 0.8999 34,521,648	Percent of CDLAC Allocation 0.00%
Cushion - Total 1.50%	Perm-Only Soft Debt 30,921,259	Const-only portion: 39,639,000
Interest Rate (All-In) 3.75%	Total Value 80,798,089	
	LTV: 85.00%	CDLAC Per-Unit Limit 75,151,000
	Max. Const. Loan Amount 68,678,376	CDLAC 55% Limit 45,120,000
	Commitment Amount TBD	50% Test Target 55.00%
		Target Limit 45,120,761

Uses of Funds

Version: 1.02

	TOTAL	Res Cost:	92.84%	COST ALLOCATIONS				LIHTC ELIGIBLE BASIS		OTHER BASIS & COST ALLOCATIONS				ITC Tax Credit Basis (Solar PV)		
		Res Sq Foot:	80.01%	Assuming 266 Election? No						Deferred to Completion or	Land/Basis for	Historic Rehab Tax Credit Basis				
		Per Unit	Total Residential	Total Non-Residential	Non-Depreciable	Residential	Non-Resid.			Expensed	Amortized	Constr./ Rehab	Acquisition		Perm Conv.	50% Test
ACQUISITION COSTS																
Total Purchase Price - Real Estate: 3,349,000																
Land - Venice Dell	3,349,000	23,921	3,109,366	239,634	3,349,000							0	0			
Legal - Acquisition	30,000	214	27,853	2,147	30,000	0	0			0		0	30,000			
Land Holding Costs	50,000	357	46,422	3,578	50,000					0		0	50,000			
Off-Site Improvements	319,125	2,279	319,125	0	0	0	319,125			0		0	319,125	319,125		
HARD COSTS																
Total Construction Contract: 60,523,565 excl BIP																
NEW CONSTRUCTION																
Demolition & Abatement	595,818	4,256	595,818	0	595,818	0	0			0		0	595,818	0		
Hard Costs-Unit Construction	42,739,973	305,286	42,739,973	0		42,739,973	0			42,739,973		0	42,739,973	42,739,973		
Personal Property in Construction Contract	2,271,825	16,227	2,271,825	0		2,271,825	0			2,271,825		0	2,271,825			
Site Improvements/Landscape	1,223,428	8,739	1,223,428	0		1,223,428	0			1,223,428		0	1,223,428			
Rough Grading	532,819	3,806	492,375	40,444	532,819							0	532,819			
GC - General Conditions	4,352,544	31,090	4,043,453	309,091		4,043,453	309,091			4,043,453		0	4,352,544	4,352,544		
GC - Overhead & Profit	2,418,081	17,272	2,246,364	171,717		2,246,364	171,717			2,246,364		0	2,418,081	2,418,081		
GC - Insurance	689,153	4,923	640,213	48,940		640,213	48,940			640,213		0	689,153	689,153		
GC - Bond Premium	689,153	4,923	640,213	48,940		640,213	48,940			640,213		0	689,153	689,153		
Construction - Other - Photo/Voltaic System	345,000	2,464	345,000	0		345,000	0			345,000		0	345,000		345,000	
Construction - Other - Site Utilities	1,052,750	7,520	952,750	100,000		952,750	100,000			952,750		0	1,052,750	1,052,750		
Construction - Other - BIP	1,294,656	9,248	0	1,294,656		0	1,294,656			0		0	1,294,656	1,294,656		
Construction - Commercial - Core & Shell	3,293,896	23,528	0	3,293,896		0	3,293,896			0		0	3,293,896	3,293,896		
Contingency - Owner's Construction	6,052,357	43,231	5,521,589	530,768		5,521,589	530,768			5,521,589		0	6,052,357	6,052,357		
SOFT COSTS																
Architecture - Design	3,902,207	27,873	3,622,989	279,218		3,622,989	279,218			3,622,989		0	3,902,207	3,902,207	22,244	
Design/Engineering	210,833	1,506	195,747	15,086		195,747	15,086			195,747		0	210,833	210,833	1,202	
Design/Engineering - LEED/CASp	150,000	1,071	139,267	10,733		139,267	10,733			139,267		0	150,000	150,000		
Phase I/II/Toxics Report	40,000	286	37,138	2,862		37,138	2,862			37,138		0	40,000	40,000		
Special Inspections/Testing	200,000	1,429	185,689	14,311		185,689	14,311			185,689		0	200,000	200,000		
CEQA	355,000	2,536	329,598	25,402		329,598	25,402			329,598		0	355,000	355,000		
Owner's Rep / Construction Supervision	182,000	1,300	168,977	13,023		168,977	13,023			168,977		0	182,000	182,000	1,037	
Local Development Impact Fees	408,928	2,921	379,668	29,260		379,668	29,260			379,668		0	408,928	408,928		
Local Permits/Fees	950,000	6,786	882,024	67,976		882,024	67,976			882,024		0	950,000	950,000		
Relocation - Permanent	400,000	2,857	371,378	28,622	400,000							0		0		
Insurance During Const	500,000	3,571	464,223	35,777		464,223	35,777			464,223		0	500,000	500,000	2,850	
Appraisal	12,000	86	11,141	859		11,141	859			11,141		0	12,000	12,000		
Market/Rent Comp Study	10,000	71	10,000	0					10,000			0	0	0		
Planning/Entitlements	450,000	3,214	417,801	32,199		417,801	32,199			417,801		0	450,000	450,000		
Soft Cost Contingency	343,459	2,453	318,883	24,576		318,883	24,576			318,883		0	343,459	343,459		
Prefdev. Loan Interest/Fees	533,000	3,807	494,862	38,138		494,862	38,138			494,862		0	533,000	533,000		
Construction Loan Interest	3,102,000	22,157	2,880,040	221,960		1,570,931	121,069		1,410,000	1,570,931		0	1,692,000	1,692,000	8,601	
Construction Loan Interest - Tail Interest - LAHD - AHMP	636,653	4,548	591,098	45,555		0	0		636,653	0		0	0	0	0	
Interest - LAHD - AHMP	249,084	1,779	249,084	0		152,313	0		96,771	152,313		0	152,313	152,313		
Title/Recording/Escrow - Construction	90,000	643	83,560	6,440		83,560	6,440			83,560		0	90,000	90,000		
Title/Recording/Escrow - Permanent	20,000	143	18,569	1,431					20,000			0				
Legal (Owner): Construction Closing	90,000	643	83,560	6,440		83,560	6,440			83,560		0	90,000	90,000		
Permanent Closing	25,000	179	23,211	1,789					25,000			0				
Organization of Ptnshp	25,000	179	25,000	0					25,000			0				
Syndication - LP	55,000	393	55,000	0	55,000							0				
Syndication Consulting	85,000	607	85,000	0	85,000							5,000				
Audit/Cost Certification	30,000	214	30,000	0					30,000			0				
TCAC Application/Res/Monitoring Fee	96,761	691	96,761	0						96,761		57,400				
Marketing	48,000	343	48,000	0					48,000			0				
Furnishings Not in Contract	297,500	2,125	297,500	0		297,500	0			297,500		0	297,500			
Start-up/Lease-up Expenses	50,000	357	50,000	0			50,000			0		0				
Capitalized Operating Reserve (3 mos.)	467,489	3,339	467,489	0	467,489							467,489				
Capitalized Transition Reserve-HCD	421,172	3,008	391,036	30,136	421,172							421,172				
Developer Fee	3,300,000	23,571	3,063,873	236,127		3,063,873	236,127			3,063,873	0	1,375,000	3,300,000	3,300,000	57,140	
COSTS OF ISSUANCE																
Bond Counsel	60,000	429	60,000	0		0	0		60,000	0		0	0	0		
Trustee Counsel	4,500	32	4,500	0		0	0		4,500	0		0	0	0		
Issuer Financial Advisor	35,000	250	35,000	0		0	0		35,000	0		0	0	0		
Issuer Application Fee + TEFRA Fee	60,018	429	60,018	0		0	0		60,018	0		0	0	0		
Issuer Fee - Upfront	157,549	1,125	157,549	0		0	0		157,549	0		0	0	0		
Issuer Fee - Annual During Const.	169,200	1,209	169,200	0		0	0		169,200	0		0	0	0		
Construction Lender Origination Fee	481,647	3,440	447,183	34,464		204,559	15,765		261,323	204,559		0	220,324	220,324		
Construction Lender Expenses	40,000	286	37,138	2,862		16,988	1,309		21,702	16,988		0	18,298	18,298		
Construction Lender Counsel	60,000	429	55,707	4,293		25,482	1,964		32,554	25,482		0	27,446	27,446		
Permanent Lender Expenses	10,000	71	9,284	716		0	0		10,000	0		0	0	0		
Permanent Lender Counsel	35,000	250	32,496	2,504		0	0		35,000	0		0	0	0		
Permanent Loan Origination Fee	41,108	294	38,166	2,941		0	0		41,108	0		0	0	0		
Trustee Fee During Construction	9,300	66	8,635	665		0	0		9,300	0		0	0	0		
CDLAC Fee	15,792	113	15,792	0		0	0		15,792	0		0	0	0		
CDIAC Fee	5,000	36	5,000	0		0	0		5,000	0		0	0	0		
Subtotal - Financing/Costs of Issuance	1,184,113	8,458	1,135,668	48,446	0	247,029	19,038	0	918,046	247,029	0	0	266,067	266,067	0	
TOTAL DEVELOPMENT COSTS																
	90,219,778	644,427	82,919,604	7,300,174	5,986,298	73,771,582	7,057,528	2,309,563	1,094,807	73,771,582	0	2,326,061	82,037,747	76,691,357	438,074	
TDC Per Unit	644,427		91.91%													
TDC Net of accrued interest:	90,123,007															
TDC TCAC	90,024,778		82,724,604													

Developer Fee Calculation

Version: 1.02

MAXIMUM DEVELOPER FEE CALCULATION

	CONST.	ACQ.	TOTAL
Fee per Base TCAC Formula	11,581,498	0	11,581,498
Percent of Total	100.00%	0.00%	100.00%
Max. Allowable Fee per TCAC (prorated)	11,581,498	0	11,581,498
Less: Development Consulting	0		0
Net Allowable	11,581,498	0	11,581,498
Less: Owner Reduction	0	0	0
Net Allowable	11,581,498	0	11,581,498
Maximum Base Developer Fee per TCAC			11,581,498
Maximum Developer Fee per HCD			N/A
Maximum Developer Fee per Local			N/A
Maximum Developer Fee per Owner			3,300,000
Maximum Developer Fee at Max Cash Fee			
Most Restrictive Maximum Developer Fee:			3,300,000
Maximum Cash Fee per TCAC (Lesser of Calc. or Reservation Amount)			3,300,000
Maximum Cash Fee per HCD			N/A
Maximum Cash Fee per LAHD			2,500,000
Maximum Cash Fee per Owner			N/A
Most Restrictive Maximum Cash Fee:			2,500,000

ACTUAL DEVELOPER FEE PAYMENT SCHEDULE

	Amount	% of Cash Fee	% of Total Fee
Construction Close	1,000,000	40.00%	30.30%
Completion	125,000	5.00%	3.79%
Conversion	1,225,000	49.00%	37.12%
Final LP Pay-in 1	150,000	6.00%	4.55%
Total: Cash Fee	2,500,000		
Plus: Deferred Developer Fee	0		0.00%
Plus: GP Capital	800,000		24.24%
Total Developer Fee	3,300,000		



Unit Mix & Rental Income

Version: 1.02

AVERAGE AFFORDABILITY FOR LIHTC UNITS (% of Median)	40.00%
9% TCAC INCOME TARGETING PTS:	50.00
RENT LIMITS AS OF YEAR:	2021

UTILITY ALLOWANCES	0BR	1BR	2BR	3BR	4BR	5BR
Venice Dell	30	40	52	-	-	-
	-	-	-	-	-	-

RESIDENTIAL INCOME

LIHTC - Tier 1 Venice Dell TCAC 30% AMI % of Units: 50.00%										Section 8 SUBSIDIZED					
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Number of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
0BR	42	375	30.0%		621	591	591	24,822	297,864	42	1,492	901	37,842	454,104	751,968
1BR	15	500	30.0%		665	625	625	9,375	112,500	15	1,724	1,099	16,485	197,820	310,320
2BR	11	800	30.0%		798	746	746	8,206	98,472	11	2,196	1,450	15,950	191,400	289,872
TOTAL	68							42,403	508,836	68			70,277	843,324	1,352,160

Per AB 1197/AB 2162, HCD Low rents required on 100% of units

LIHTC - Tier 2 Venice Dell TCAC 50% AMI % of Units: 50.00%										NOT SUBSIDIZED					
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Number of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
0BR	47	375	40.6%		840	1,005	810	38,070	456,840	0	0	0	0	0	456,840
1BR	10	500	43.3%		960	1,068	920	9,200	110,400	0	0	0	0	0	110,400
2BR	11	800	40.6%		1,080	1,278	1,028	11,308	135,696	0	0	0	0	0	135,696
TOTAL	68							58,578	702,936	0			0	0	702,936

Staff Units - Site 1 Venice Dell									
Unit Type	Number	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent
2BR	4	800	0.0%		0	0	0	0	0
TOTAL	4							0	0

TOTAL RESIDENTIAL INCOME														
	Number	Total Monthly Net Rent	Total Annual Net Rent	Monthly Section 8 Income	Annual Section 8 Income								Grand Total Income	Total Floor Area
LIHTC	136	100,981	1,211,772	70,277	843,324								2,055,096	63,475
Non-LIHTC	0	0	0	0	0								0	0
Staff Units	4	0	0	0	0								0	3,200
TOTAL	140	100,981	1,211,772	70,277	843,324	0	0	0	0	0	0	0	2,055,096	66,675

MISCELLANEOUS INCOME			
	Per Unit Per Month	Monthly Total	Annual Total
Laundry / Vending	4.86	680	8,160
Other	0.00	0	0
Parking	0.00	0	0
TOTAL	4.86	680	8,160

SUBSIDIZED UNIT MIX SUMMARY					
Unit Type	Units With Section 8	Units Without Subsidy	Total Units		
0BR	42	47	89		
1BR	15	10	25		
2BR	11	15	26		
TOTAL	68	0	0	72	140

SCATTERED SITE UNIT MIX SUMMARY														
LIHTC					Non-LIHTC					STAFF UNITS				
Unit Type	Venice Dell				Venice Dell					Venice Dell				
0BR	89	0	0	0	0	0	0	0	0	0	0	0	0	0
1BR	25	0	0	0	0	0	0	0	0	0	0	0	0	0
2BR	22	0	0	0	0	0	0	0	0	4	0	0	0	0
TOTAL	136	0	0	0	0	0	0	0	0	4	0	0	0	0

TOTAL ALL TYPES					
Unit Type	Venice Dell				
0BR	89	0	0	0	0
1BR	25	0	0	0	0
2BR	26	0	0	0	0
TOTAL	140	0	0	0	0

Calculation of Tax Credits	Version:	1.02
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	FEDERAL			CALIFORNIA		
	ACQUISITION	CONST/ REHAB	TOTAL	ACQUISITION	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	73,771,582	73,771,582	0	0	0
Less:						
50% Energy Investment Tax Credit (Res. Portion)	0	0	0	0	0	0
Non-Eligible Grants	0	0	0	0	0	0
ELIGIBLE BASIS	0	73,771,582	73,771,582	0	0	0
Threshold Basis Limit			149,082,869			
TBL: Exclude GP Cap/DDF for 4%/State			0			
REQUESTED UNADJUSTED ELIGIBLE BASIS (For Tiebreaker)	0	73,771,582	73,771,582	0	0	0
HIGH COST ADJUSTMENT (Y or N)	Y	100.0%	130.0%	100.0%	100.0%	
	DDA 2021					
ADJUSTED ELIGIBLE BASIS	0	95,903,057	95,903,057	0	0	0
APPLICABLE FRACTION*	100.0%	100.0%		100.0%	100.0%	
QUALIFIED CREDIT BASIS	0	95,903,057	95,903,057	0	0	0
CREDIT RATE (TCAC UNDERWRITING)	Total State			13.00%	13.00%	
Annual Federal / Yr 1-3 State	4.00%	4.00%		4.00%	4.00%	
Yr 4 State				1.00%	1.00%	
MAX. POTENTIAL FEDERAL CREDIT (No Vol Basic Reduct/Actual Rate)						
Credit Rates	4.00%	4.00%				
Potential Credit	0	3,836,122	3,836,122			
Credit Rate Locked?						
YES						
Dec-21						
MAX. CREDIT AMOUNT PER TCAC UNDERWRITING						
Annual Federal / Yr 1 State	0	3,836,122	3,836,122	0	0	0
Yr 2 State				0	0	0
Yr 3 State				0	0	0
Yr 4 State				0	0	0
Total				0	0	0
REQUESTED TOTAL STATE CREDIT AMOUNT				N/A	N/A	N/A
ACTUAL TCAC CREDIT RESERVATION						
Annual Federal / Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above)						
Annual Federal / Total State	0	3,836,122	3,836,122			0
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			38,361,223			0

Base Year Income & Expense	Version:	1.02

<b>INCOME</b>		
Scheduled Gross Income - Residential		1,211,772
Total Gross Subsidy Income - Section 8		843,324
Misc. Income		8,160
Vacancy Loss - Residential	5.0%	(60,997)
Vacancy Loss - Section 8	5.0%	(42,166)
<b>EFFECTIVE GROSS INCOME</b>		<b>1,960,093</b>
<b>EXPENSES - RESIDENTIAL</b>		
<b>Administrative</b>		
Advertising	900	
Legal	9,000	
Accounting/Audit	25,000	
Security	0	
Other: Misc. Admin	42,760	
<b>Total Administrative</b>		<b>77,660</b>
<b>Management Fee</b>		<b>142,800</b>
<b>Utilities</b>		
Gas	47,000	
Electricity	63,000	
Water/Sewer	94,000	
<b>Total Utilities</b>		<b>204,000</b>
<b>Payroll/Payroll Taxes</b>		
On-Site Manager/Office Admin	170,000	
Maintenance Payroll	100,000	
Payroll Taxes/Benefits	58,800	
<b>Total Payroll/Payroll Taxes</b>		<b>328,800</b>
<b>Insurance</b>		<b>80,000</b>
<b>Maintenance</b>		
Painting	18,000	
Repairs	35,000	
Trash Removal	45,000	
Exterminating	10,500	
Grounds	26,250	
Elevator	13,600	
Misc Supplies, Contracts	48,000	
<b>Total Maintenance</b>		<b>196,350</b>
<b>Other</b>		
Special Assessments	0	
Misc. Tax/License/SCEP	13,500	
<b>Total Other</b>		<b>13,500</b>
<b>Resident Services</b>		
Tenant Services	140,000	
<b>Total Resident Services</b>		<b>140,000</b>
<b>Replacement Reserve</b>		<b>70,000</b>
<b>Real Estate Taxes</b>		<b>16,000</b>
<b>TOTAL EXPENSES - RESIDENTIAL</b>		<b>1,269,110</b>
Per Unit Per Annum (incl. Reserves)	9,065	
Per Unit Per Annum (w/o taxes/res/svc))	7,451	
TCAC Minimum (w/o taxes/res/svc)	4,700	
<b>TOTAL EXPENSES - COMMERCIAL</b>		<b>0</b>
<b>NET AVAILABLE INCOME</b>		
		690,983
Less: Mandatory Annual HCD Payment (Grossed Up for DSCR Factor)	1.15	(149,350)
Less: Ground Lease - Minimum Payment		(1)
<b>ADJUSTED NET AVAILABLE INCOME: TOTAL</b>		<b>541,633</b>
<b>ADJUSTED NET OF COMMERCIAL:</b>		<b>541,633</b>
<b>ADJUSTED NET AVAILABLE INCOME: NET OF OP SUBSIDY</b>		<b>(259,525)</b>
Debt Service Coverage Ratio		1.15
<b>AVAILABLE FOR DEBT SERVICE (NET OF OP SUBSIDY)</b>		<b>(225,674)</b>
<b>AVAILABLE FOR DEBT SERVICE (OP SUBSIDY OVERHANG)</b>		<b>696,659</b>
<b>NET AVAILABLE INCOME AFTER SENIOR DEBT SERVICE</b>		<b>70,648</b>
<b>NET AVAILABLE COMMERCIAL ONLY INCOME</b>		<b>0</b>

Mortgage Calculation/Bond Ratios

Version: 1.02

Tax-Exempt Perm Loan

Uses baseline year NOI; includes annual fees				
Financing Type: Tax-Exempt Perm Loan				
	Underwriting Constraint	Maximum Loan Amount		
Debt Service Coverage	1.15	5,481,115	Rate:	5.730%
Lender Commitment		NA	Term (mths):	240
			NOI for DS:	<u>541,633</u>
			Max PMT @ DSCR:	470,985
MAXIMUM MORTGAGE		5,481,115	Annual Fees:	<u>9,951</u>
			Annual DS Payment:	461,033

INTEREST RATE STACK	TRANCHE A
Base Rate	4.4800%
Cushion	1.2500%
MIP	0.0000%
GNMA/Servicing	0.0000%
Issuer	0.1250%
Trustee	0.0566%
Rating	0.0000%
Remarketing	0.0000%
Rebate Analyst	0.0000%
TOTAL	5.9116%
DCR	1.15

BOND / REHABILITATION RATIOS

Tax-Exempt Financing Ratio		CDLAC Allocation Limit		Effective Date Limits.	6/1/20
			Units	Per-Unit Limit	Total Limit
		Studio and SRO	89	522,000	46,458,000
		One BR	25	544,000	13,600,000
Series A Bonds	5,481,000	Two BR	26	580,500	15,093,000
Series B Bonds	0	Three BR	0	638,500	0
Short Term Bonds (Construction Loan Portior	<u>39,639,000</u>	Four BR or More	0	671,500	0
TOTAL TAX-EXEMPT FINANCING	45,120,000				
				TOTAL	75,151,000
TOTAL BASIS + LAND ALLOCATION	82,037,747			Potential Bond Size	45,120,000
				Over/(Under)	-30,031,000
Percent Tax-Exempt Financing	55.00%				

Lease-Up / Placed-in-Service Schedule

Version: 1.02

SCHEDULE

	Dates	Months to Milestone	Cumulative Months
Start of Construction	October 1, 2023	0	0
Completion	June 1, 2025	20	20
100% Occupancy	December 1, 2025	6	26
Conversion	April 1, 2026	4	30
Form(s) 8609	October 1, 2026	6	36

LIHTC SCHEDULE

SINGLE BUILDING / MULTIPLE BUILDINGS - GROUP A				
1st Tax Credit Year:		2025		
Total # Units:		140		
Month	Total QO by Month	Total Vacated by Month	Cumulative Occupancy	Cumulative Occupancy %
Jan-25	140	0	140	100.00%
Feb-25	0	0	140	100.00%
Mar-25	0	0	140	100.00%
Apr-25	0	0	140	100.00%
May-25	0	0	140	100.00%
Jun-25	0	0	140	100.00%
Jul-25	0	0	140	100.00%
Aug-25	0	0	140	100.00%
Sep-25	0	0	140	100.00%
Oct-25	0	0	140	100.00%
Nov-25	0	0	140	100.00%
Dec-25	0	0	140	100.00%
1st Year Occupancy: 2025				100.00%

MULTIPLE BUILDINGS - GROUP B

SINGLE BUILDING / MULTIPLE BUILDINGS - GROUP A				
1st Tax Credit Year:		2026		
Total # Units:		0		
Month	Total QO by Month	Total Vacated by Month	Cumulative Occupancy	Cumulative Occupancy %
Jan-26	0	0	0	0.00%
Feb-26	0	0	0	0.00%
Mar-26	0	0	0	0.00%
Apr-26	0	0	0	0.00%
May-26	0	0	0	0.00%
Jun-26	0	0	0	0.00%
Jul-26	0	0	0	0.00%
Aug-26	0	0	0	0.00%
Sep-26	0	0	0	0.00%
Oct-26	0	0	0	0.00%
Nov-26	0	0	0	0.00%
Dec-26	0	0	0	0.00%
1st Year Occupancy: 2026				0.00%

LIHTC SCHEDULE – 2/3 CREDITS

SINGLE BLDG / MULTIPLE BLDGS - GROUP A		
1st Tax Credit Year (2/3 Units):		2026
Month	No. Units	Percent
Jan-26	0	0.0%
Feb-26	0	0.0%
Mar-26	0	0.0%
Apr-26	0	0.0%
May-26	0	0.0%
Jun-26	0	0.0%
Jul-26	0	0.0%
Aug-26	0	0.0%
Sep-26	0	0.0%
Oct-26	0	0.0%
Nov-26	0	0.0%
Dec-26	0	0.0%
Total	0	0.0%
Total Avg % Qual. Occ.		0.0%

MULTIPLE BUILDINGS - GROUP B

SINGLE BLDG / MULTIPLE BLDGS - GROUP A		
1st Tax Credit Year (2/3 Units):		2027
Month	No. Units	Percent
Jan-27	0	0.0%
Feb-27	0	0.0%
Mar-27	0	0.0%
Apr-27	0	0.0%
May-27	0	0.0%
Jun-27	0	0.0%
Jul-27	0	0.0%
Aug-27	0	0.0%
Sep-27	0	0.0%
Oct-27	0	0.0%
Nov-27	0	0.0%
Dec-27	0	0.0%
Total	0	0.0%
Total Avg % Qual. Occ.		0.0%

OPERATIONS SCHEDULE

YEAR 1		
2025		
Completed Lease Up by Month		
Month	No. Units	Percent
Jan-25	140	100.0%
Feb-25	0	0.0%
Mar-25	0	0.0%
Apr-25	0	0.0%
May-25	0	0.0%
Jun-25	0	0.0%
Jul-25	0	0.0%
Aug-25	0	0.0%
Sep-25	0	0.0%
Oct-25	0	0.0%
Nov-25	0	0.0%
Dec-25	0	0.0%
Total	140	100.0%
Total % Operating in First Year		100.00%

YEAR 2 (cumulative)

2026		
Month	No. Units	Percent
Jan-26	140	100.0%
Feb-26	0	0.0%
Mar-26	0	0.0%
Apr-26	0	0.0%
May-26	0	0.0%
Jun-26	0	0.0%
Jul-26	0	0.0%
Aug-26	0	0.0%
Sep-26	0	0.0%
Oct-26	0	0.0%
Nov-26	0	0.0%
Dec-26	0	0.0%
Total	140	100.0%
Total % Operating in 2nd Year		100.00%

PIS SCHEDULE FOR ACQ BASIS DEPRECIATION

YEAR 1		Bldg. PIS by Month	2025
Mid-Month Convention			
Month	No. Units		
Jan-25	140	Dep.	Percent
Feb-25	140		4.2%
Mar-25	140		8.3%
Apr-25	140		8.3%
May-25	140		8.3%
Jun-25	140		8.3%
Jul-25	140		8.3%
Aug-25	140		8.3%
Sep-25	140		8.3%
Oct-25	140		8.3%
Nov-25	140		8.3%
Dec-25	140		8.3%
TOTAL	140		95.8%
Total Avg % PIS Y1			95.8%
YEAR 2 (cumulative)			
Jan-26	140		8.3%
Feb-26	140		8.3%
Mar-26	140		8.3%
Apr-26	140		8.3%
May-26	140		8.3%
Jun-26	140		8.3%
Jul-26	140		8.3%
Aug-26	140		8.3%
Sep-26	140		8.3%
Oct-26	140		8.3%
Nov-26	140		8.3%
Dec-26	140		8.3%
TOTAL	140		100.0%
Total Avg % PIS Y2			100.0%

PIS SCHEDULE FOR REHAB/NC BASIS DEPRECIATION

YEAR 1		Mid-Month Convention		2025	
			Bldg. PIS by Month		
	Month	Building No.	No. Units	Percent	
	Jan-25	1	140	4.2%	
	Feb-25	0	140	8.3%	
	Mar-25	0	140	8.3%	
	Apr-25	0	140	8.3%	
	May-25	0	140	8.3%	
	Jun-25	0	140	8.3%	
	Jul-25	0	140	8.3%	
	Aug-25	0	140	8.3%	
	Sep-25	0	140	8.3%	
	Oct-25	0	140	8.3%	
	Nov-25	0	140	8.3%	
	Dec-25	0	140	8.3%	
	TOTAL		140	95.8%	
Total Avg % PIS Y1				95.8%	
YEAR 2 (cumulative)					
	Jan-26	0	140	8.3%	
	Feb-26	0	140	8.3%	
	Mar-26	0	140	8.3%	
	Apr-26	0	140	8.3%	
	May-26	0	140	8.3%	
	Jun-26	0	140	8.3%	
	Jul-26	0	140	8.3%	
	Aug-26	0	140	8.3%	
	Sep-26	0	140	8.3%	
	Oct-26	0	140	8.3%	
	Nov-26	0	140	8.3%	
	Dec-26	0	140	8.3%	
	TOTAL		140	100.0%	
Total Avg % PIS Y2				100.0%	

PIS SCHEDULE FOR SITEWORK/PERS. PROP. DEPRECIATION

YEAR 1		Mid-Year Convention		2025	
		Bldg. PIS by Month			
Month	Building No.	No. Units	Percent		
Jan-25	1	140	0.0%		
Feb-25	0	0	0.0%		
Mar-25	0	0	0.0%		
Apr-25	0	0	0.0%		
May-25	0	0	0.0%		
Jun-25	0	0	0.0%		
Jul-25	0	0	8.3%		
Aug-25	0	0	8.3%		
Sep-25	0	0	8.3%		
Oct-25	0	0	8.3%		
Nov-25	0	0	8.3%		
Dec-25	0	0	8.3%		
TOTAL		140	50.0%		
Total Avg % PIS Y1			50.0%		
YEAR 2 (non-cumulative)					
Jan-26	0	0	8.3%		
Feb-26	0	0	8.3%		
Mar-26	0	0	8.3%		
Apr-26	0	0	8.3%		
May-26	0	0	8.3%		
Jun-26	0	0	8.3%		
Jul-26	0	0	8.3%		
Aug-26	0	0	8.3%		
Sep-26	0	0	8.3%		
Oct-26	0	0	8.3%		
Nov-26	0	0	8.3%		
Dec-26	0	0	8.3%		
TOTAL		0	100.0%		
Total Avg % PIS Y2			100.0%		



TCAC Calculations & Scoring

Version: 1.02

THRESHOLD BASIS LIMIT

County: Los Angeles			TCAC Project #:		
9% or 4% credits: 4%			CDLAC Project #:		
Year: 2021					
Base Limits for Geographic Region			Threshold Basis Limit for This Project		
Unit Type	9%	4%	Unit Type	# Units	Per Unit Basis Limit Total
0 BR	327,289	327,289	0 BR	89	327,289 29,128,721
1 BR	377,361	377,361	1 BR	25	377,361 9,434,025
2 BR	455,200	455,200	2 BR	26	455,200 11,835,200
				140	50,397,946
<b>Energy/Resource Efficiency Boosts</b>			<b>Additional Basis Adjustments</b>		
Renewables (50% tot./90% area)	0%		Boost for Prevailing Wage	20.0%	
Renewables (75% CA/90% area)	0%		Boost for Project Labor Agreement	5.0%	
Title 24 + 15%	0%		Boost for Parking beneath Units	10.0%	
Post-rehab improvement > 80%	0%		Boost for Childcare	0.0%	
Greywater landscaping	0%		Boost for 100% Special Needs	0.0%	
Community gardens > 60 s.f.	0%		Boost for elevator service	10.0%	
Natural flooring kitchens	0%		Boost for Type I construction	0.0%	
Natural flooring common area	0%		Boost for Type III construction	0.0%	
EPA Indoor Air Plus Program met	0%		<b>Subtotal Boost</b>	<b>45.0%</b>	22,679,076
			Boost for Energy / Resource Efficiency	0.0%	0
			Toxic/Seismic Abatement Costs	0.0%	0
			Local Development Impact Fees		408,928
			High Opportunity Area	0%	0
			BONDS: Boost for units ≤ 50% AML (excl. CA credit project)	1.0%	25,198,973
			BONDS: Boost for units ≤ 35% AML (excl. CA credit project)	2.0%	50,397,946
			<b>Total Threshold Basis Limit</b>		<b>149,082,869</b>
			Potential Eligible Basis		73,771,582
			Eligible Basis Surplus/(Deficit)		75,311,286



15-Year Cash Flow

Version: 1.02

<b>Assumptions</b>																				
Rent Increase: Residential Tenant Rent:	2.00%	Rent Increase - Section 8	2.00%			Perm Loan - % Debt Svc Yr -1	0.0%													
Rent Increase: Commercial Rents	2.00%					Perm Loan - % Debt Svc Yr 0	0.0%													
Expenses Increase:	3.00%					Perm Loan - % Debt Svc Yr 1	0.0%													
Reserve Increase:	0.00%					Perm Loan - % Debt Svc Yr 2	75.0%													
						Perm Loan - % Debt Svc Yr 3	100.0%													
<b>Credit Period Year:</b>		<b>(1)</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>
		<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>	<b>2039</b>	<b>2040</b>	<b>2041</b>
<u>Residual Receipts Loans</u>	Total %	<div>50.00%</div>																		
LAHD - AHMP	13.11%	0	0	0	17,750	4,645	4,781	4,896	4,987	5,053	5,093	5,106	5,090	5,044	4,966	4,855	4,710	4,528	4,307	4,047
HCD - MHP/VHHP/AHSC	64.33%	0	0	0	87,119	22,796	23,468	24,030	24,476	24,801	24,999	25,062	24,984	24,757	24,376	23,831	23,116	22,222	21,141	19,863
GP Loan (IIG)	15.60%	0	0	0	21,131	5,529	5,692	5,828	5,937	6,016	6,063	6,079	6,060	6,005	5,912	5,780	5,607	5,390	5,128	4,818
GP Loan (FHLB AHP)	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LAHD Ground Lease Value	6.97%	0	0	0	9,436	2,469	2,542	2,603	2,651	2,686	2,708	2,714	2,706	2,681	2,640	2,581	2,504	2,407	2,290	2,151
General Partner	90.00%	0	0	621,884	121,891	31,895	32,835	33,621	34,246	34,701	34,977	35,065	34,956	34,639	34,105	33,344	32,343	31,092	29,579	27,791
Limited Partner	10.00%	0	0	69,098	13,543	3,544	3,648	3,736	3,805	3,856	3,886	3,896	3,884	3,849	3,789	3,705	3,594	3,455	3,287	3,088

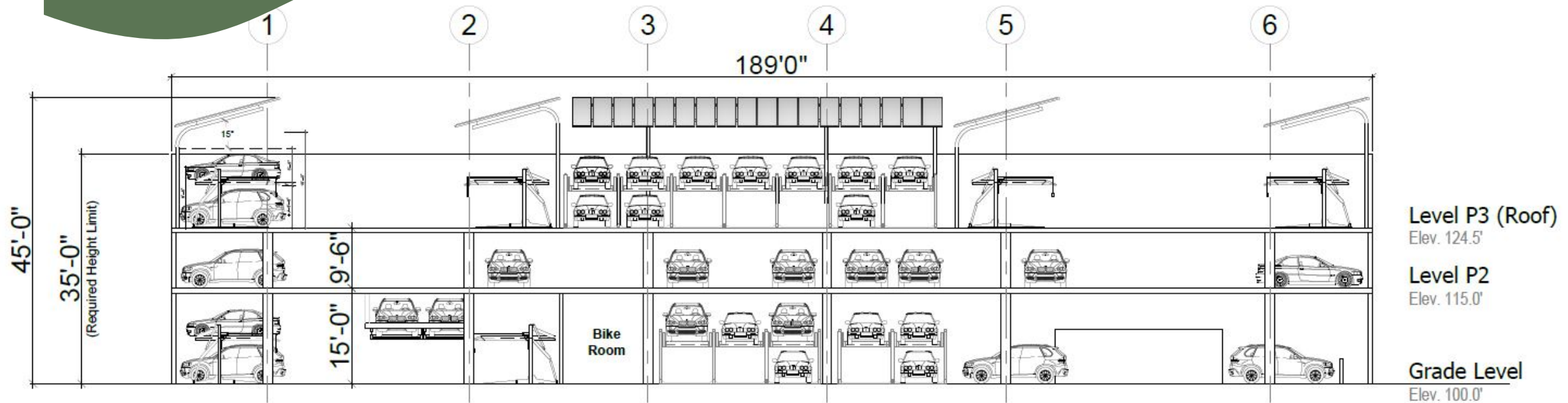
Full First Year Cash Flow																
1.02																
REVENUE	MULTIPLIER	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Gross Rent	1.020	1,211,772	1,236,007	1,260,728	1,285,942	1,311,661	1,337,894	1,364,652	1,391,945	1,419,784	1,448,180	1,477,143	1,506,686	1,536,820	1,567,556	1,598,907
Less Vacancy	5.00%	(60,589)	(61,800)	(63,036)	(64,297)	(65,583)	(66,895)	(68,233)	(69,597)	(70,989)	(72,409)	(73,857)	(75,334)	(76,841)	(78,378)	(79,945)
Rental Subsidy	1.020	843,324	860,190	877,394	894,942	912,841	931,098	949,720	968,714	988,088	1,007,850	1,028,007	1,048,567	1,069,539	1,090,930	1,112,748
Less Vacancy	5.00%	(42,166)	(43,010)	(43,870)	(44,747)	(45,642)	(46,555)	(47,486)	(48,436)	(49,404)	(50,393)	(51,400)	(52,428)	(53,477)	(54,546)	(55,637)
Miscellaneous Income	1.020	8,160	8,323	8,490	8,659	8,833	9,009	9,189	9,373	9,561	9,752	9,947	10,146	10,349	10,556	10,767
Less Vacancy	5.00%	(408)	(416)	(424)	(433)	(442)	(450)	(459)	(469)	(478)	(488)	(497)	(507)	(517)	(528)	(538)
Total Revenue		1,960,093	1,999,295	2,039,281	2,080,067	2,121,668	2,164,101	2,207,383	2,251,531	2,296,562	2,342,493	2,389,343	2,437,130	2,485,872	2,535,590	2,586,301
EXPENSES																
Operating Expenses:	1.030															
Administrative		77,660	79,990	82,389	84,861	87,407	90,029	92,730	95,512	98,377	101,329	104,369	107,500	110,725	114,046	117,468
Management		142,800	147,084	151,497	156,041	160,723	165,544	170,511	175,626	180,895	186,322	191,911	197,669	203,599	209,707	215,998
Utilities		204,000	210,120	216,424	222,916	229,604	236,492	243,587	250,894	258,421	266,174	274,159	282,384	290,855	299,581	308,568
Payroll & Payroll Taxes		328,800	338,664	348,824	359,289	370,067	381,169	392,604	404,383	416,514	429,009	441,880	455,136	468,790	482,854	497,340
Insurance		80,000	82,400	84,872	87,418	90,041	92,742	95,524	98,390	101,342	104,382	107,513	110,739	114,061	117,483	121,007
Maintenance		196,350	202,241	208,308	214,557	220,994	227,623	234,452	241,486	248,730	256,192	263,878	271,794	279,948	288,347	296,997
Other		13,500	13,905	14,322	14,752	15,194	15,650	16,120	16,603	17,101	17,614	18,143	18,687	19,248	19,825	20,420
Total Operating Expenses		1,043,110	1,074,403	1,106,635	1,139,834	1,174,029	1,209,250	1,245,528	1,282,894	1,321,381	1,361,022	1,401,853	1,443,908	1,487,225	1,531,842	1,577,797
Tenant Internet Expense*	1.030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Amenities	1.030	140,000	144,200	148,526	152,982	157,571	162,298	167,167	172,182	177,348	182,668	188,148	193,793	199,607	205,595	211,763
Replacement Reserve		70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Real Estate Taxes	1.020	16,000	16,320	16,646	16,979	17,319	17,665	18,019	18,379	18,747	19,121	19,504	19,894	20,292	20,698	21,112
Ground Lease - Minimum Payment	1.000	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total Expenses		1,269,111	1,304,924	1,341,809	1,379,797	1,418,921	1,459,215	1,500,715	1,543,456	1,587,476	1,632,813	1,679,506	1,727,596	1,777,125	1,828,136	1,880,673
Cash Flow Prior to Debt Service		690,982	694,371	697,472	700,270	702,747	704,886	706,668	708,075	709,086	709,680	709,837	709,534	708,747	707,454	705,629
MUST PAY DEBT SERVICE																
Mandatory Annual HCD Payment		129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869	129,869
TOTAL PERMANENT LOAN DEBT SERVICE		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL SERIES A DEBT SERVICE		461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024	461,024
ISSUER & TRUSTEE FEES		9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827	9,827
TOTAL DEBT SERVICE		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service		600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720	600,720
Cash Flow After Debt Service		90,262	93,651	96,752	99,550	102,028	104,167	105,949	107,355	108,366	108,960	109,117	108,814	108,028	106,734	104,909

# **Exhibit 3**



# Updated Parking Capacity and Building Section

Parking Capacity by Level		
Level		Capacity
Grade Level		70
Level P2		51
Level P3 (Roof)		131
Total (% Compact)		252 (8%)
EV Spaces (% of Total)		101 (40%) 8 self park; 93 mechanical lift-capable
Total Mechanical Lifts		96



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**Reese Davidson Public Parking Structure**  
**Parking Capacity & Area Summary**  
Venice, CA

May 4, 2021

**Grade plus 2 Supported Levels**

BUILDING SIZE = 188'-6" x 111'-6" (approx.)

PARKING LEVEL	PARKING CAPACITIES												AREA (SF)		EFFICIENCY
	Std.	Comp.	EV <sup>1</sup>	Res. Boat Launch	Mech. Std.	Mech. Std. EV	Mech. Comp.	Mech. Susp.	Tand.	AS <sup>2</sup>	VA <sup>2</sup>	TOTALS	SLAB ON GRADE	SUPPORTED SLAB	SF/SPACE
Grade	2	1	23	2	5	23	0	0	7	5	2	70	21,020		300.29
P2	22	1	8	0	0	0	0	0	20	0	0	51		21,020	412.16
P3 (roof)	32	9	8	0	39	8	9	12	14	0	0	131		19,500	148.85
Totals =	56	11	39	2	44	31	9	12	41	5	2	<b>252</b> <sup>3</sup>	21,020	40,520	

Total Mech. Lifts = 53 (Std. & Comp.)  
Total EV Mech. Lifts = 31 (Std.)  
Total Susp. Lifts = 12  
Total Mechanical = **96**

Gross Floor Area (SF) = 21,020  
61,540

Total EV Spaces<sup>4</sup> = **101** 40% (30% req'd. per LADBS)

Gross Floor Area (SF) = 61,540  
Design Efficiency =  $61,540 \div 252 = 244.21$   
Design Efficiency w/out Lifts =  $61,540 \div 156 = 394.49$   
% Compacts of Total = **8%**

1. Includes lower mechanical spaces and tandem at Grade Level
2. Includes EV Accessible and Boat Launch Accessible
3. The final parking capacity may be reduced slightly for changes in infrastructure or design modifications and requirements as design is developed.
4. EV Spaces include self-park EV spaces on Level P2 and all mechanical lift spaces which are EV capable.

**General Notes:**

- Areas are approximate and should be verified before reuse.

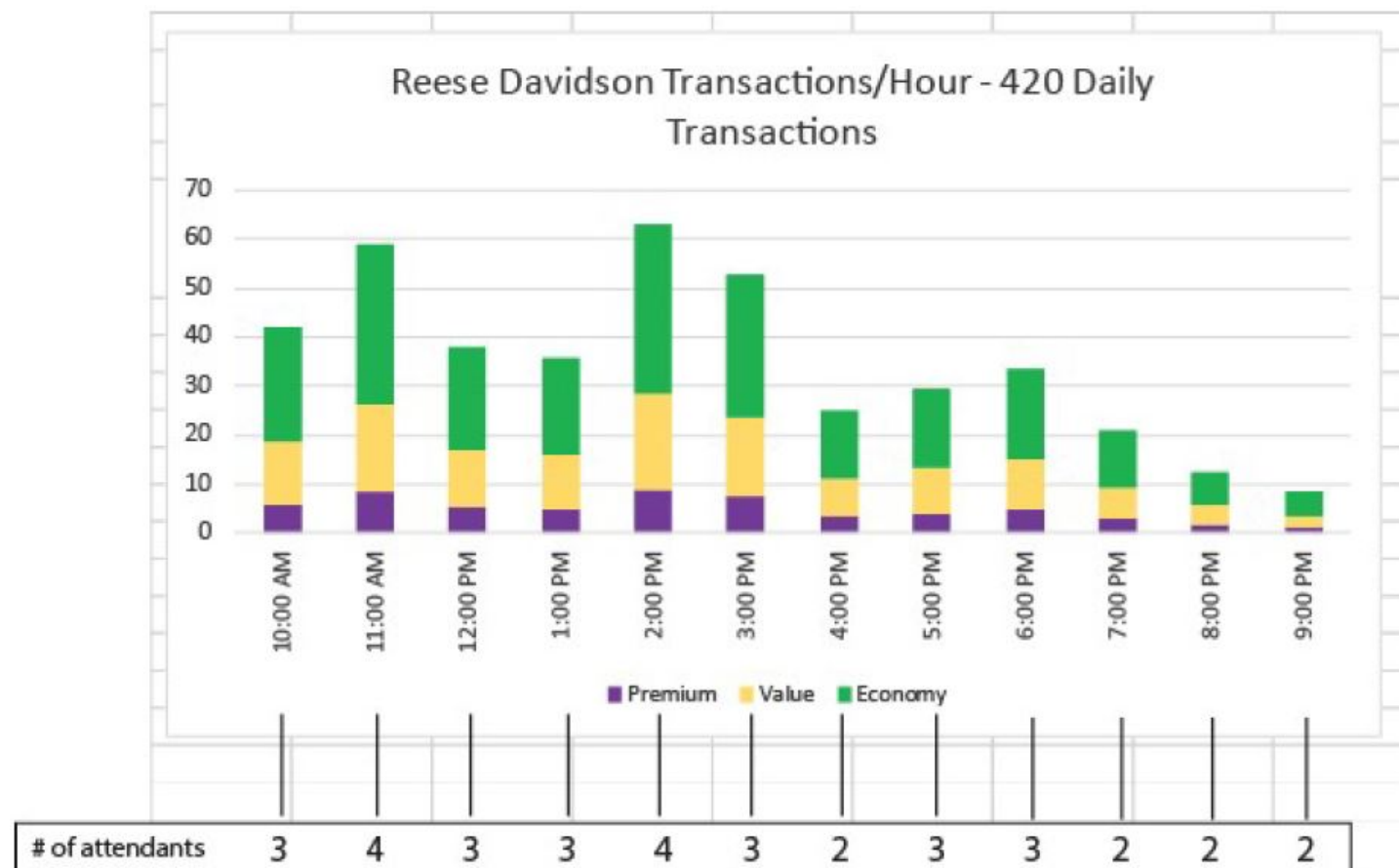
- Spaces available without lift or tandem (1 attendant) = 127  
- Of those, 11 compact, 34 EV, 5 ADA, 2 boat launch  
- Meets 2 times the current usage on weekdays (midday and PM)

# Staffing

on high volume  
weekends and  
holidays

## Assumptions

- One (1) attendant processes one (1) (lifted) vehicle in three (3) minutes
- Three (3) attendants then can process twenty (20) vehicles ea. per hour, or sixty (60) total
- Economy vehicles arrive at a rate of one (1) vehicle every two minutes
- Transactions at the 2pm peak (in green) total thirty-five (35) inbound vehicles
- In each hour of '# of attendants' line: one (1) employee will be a parking ambassador/manager (example at 2pm peak, four (4) employees are anticipated with one (1) being a parking ambassador/manager and three (3) being parking attendants)
- Outbound vehicles requiring an attendant (those in lift spaces) are taken into account
- Assumes no self-parking in any of the lift areas



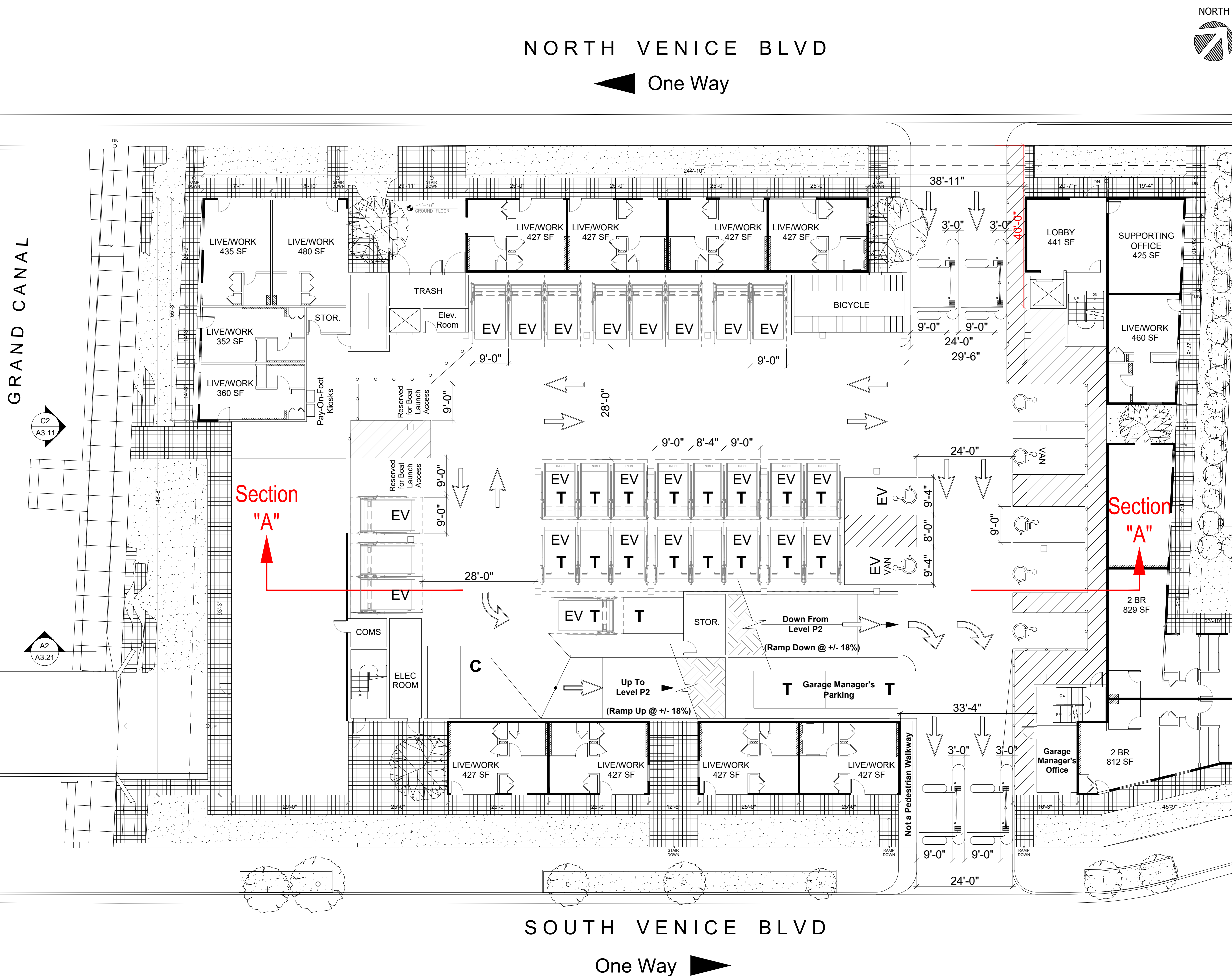
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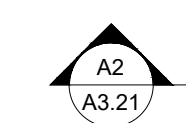
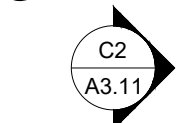
NORTH VENICE BLVD



SOUTH VENICE BLVD



GRAND CANAL



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Revisions

Project Title:  
**Reese Davidson Parking Structure**  
Venice Beach, CA

Sheet Title:  
**Grade Level**

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Checked: D.V.  
Job No.: -  
Paper Size: 18" x 24"  
Sheet No.: **P1**  
(1 of 4)





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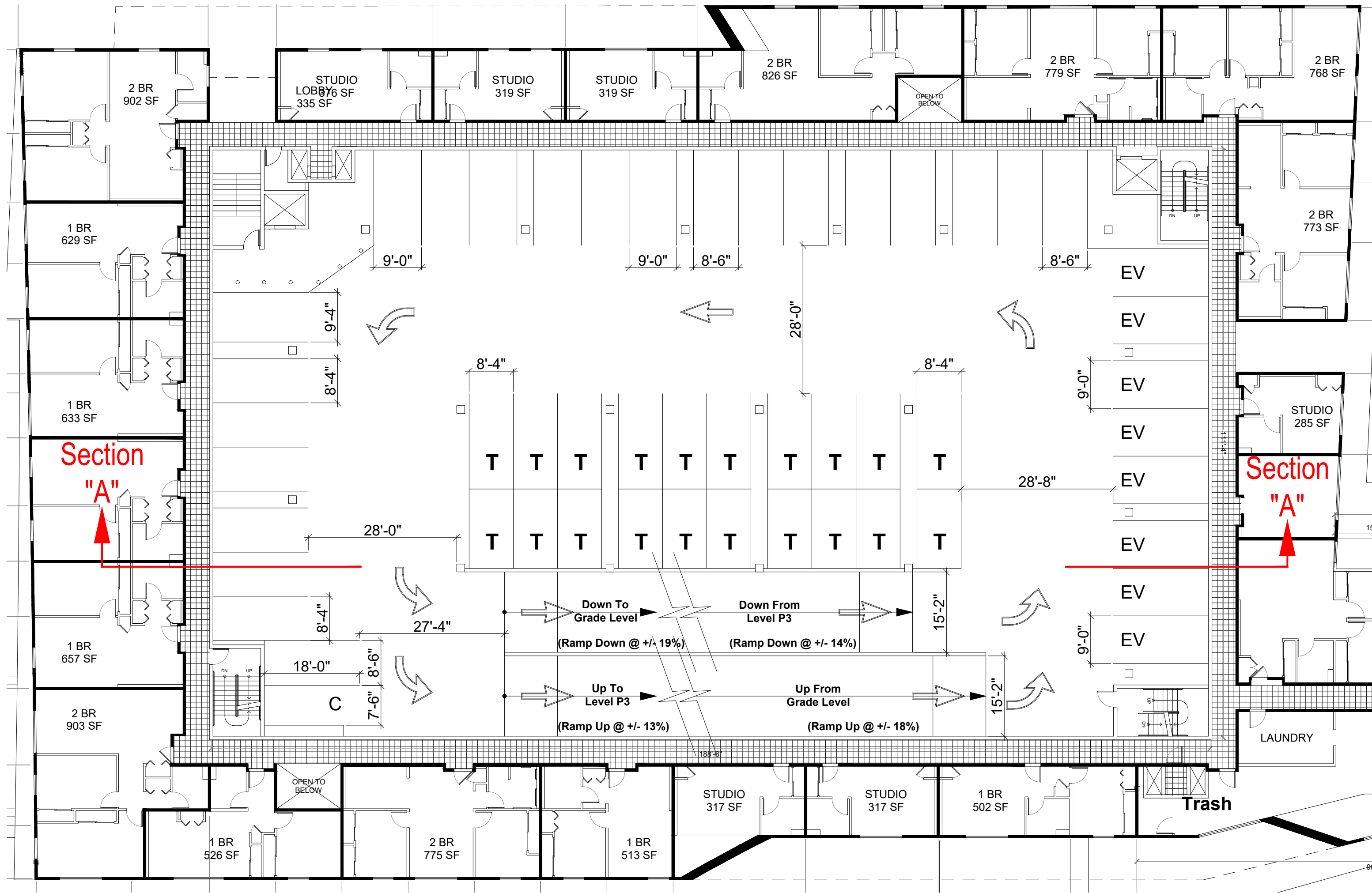
Revisions

Project Title:  
**Reese Davidson Parking Structure**  
Venice Beach, CA

Sheet Title:  
**Level P2**

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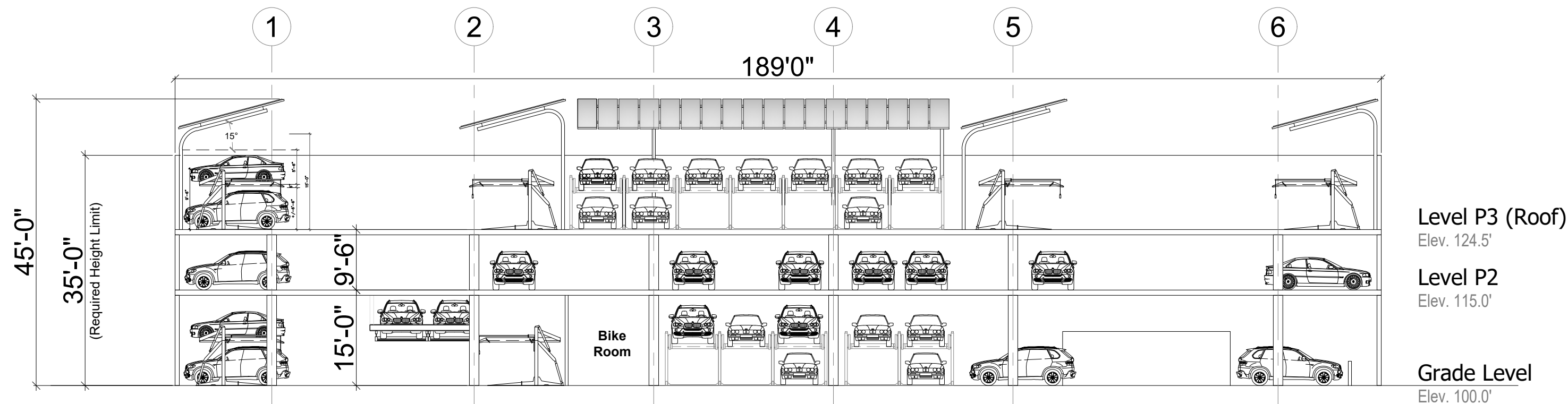
Project Title:  
**Reese Davidson Parking Structure**  
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Sheet Title:  
**Level P3 (Roof)**

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**P3**  
(3 of 4)

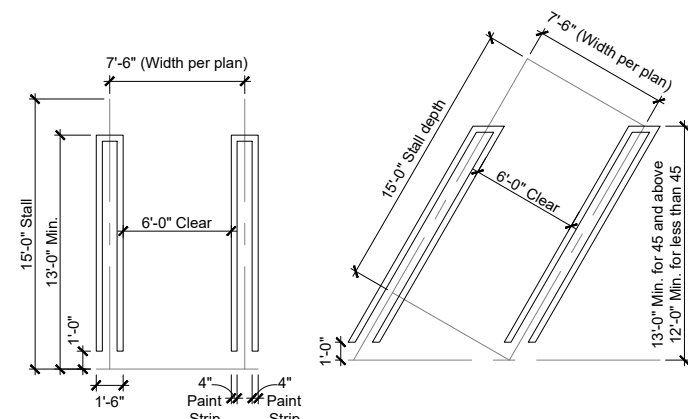


## Section "A"-"A"

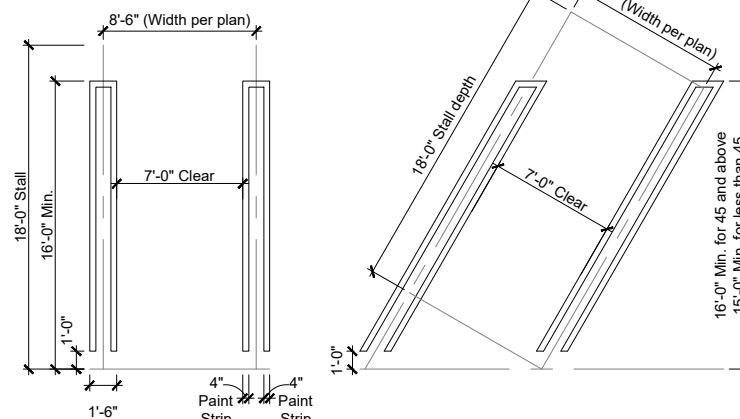
Scale: 1" = 16'

### LADBS Striping Details

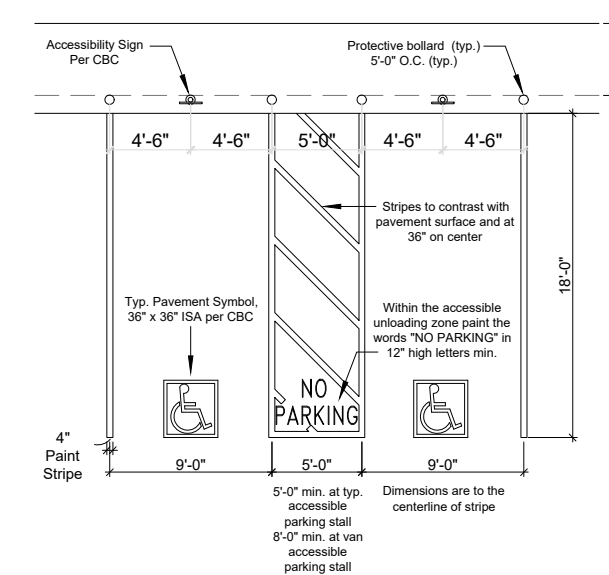
#### Compact Parking Stalls



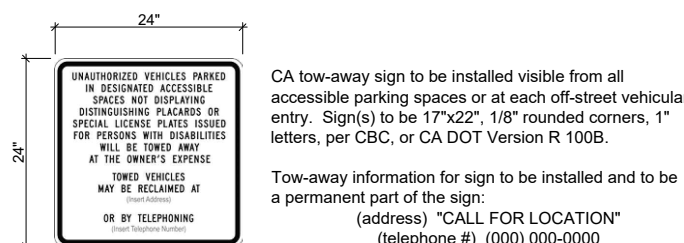
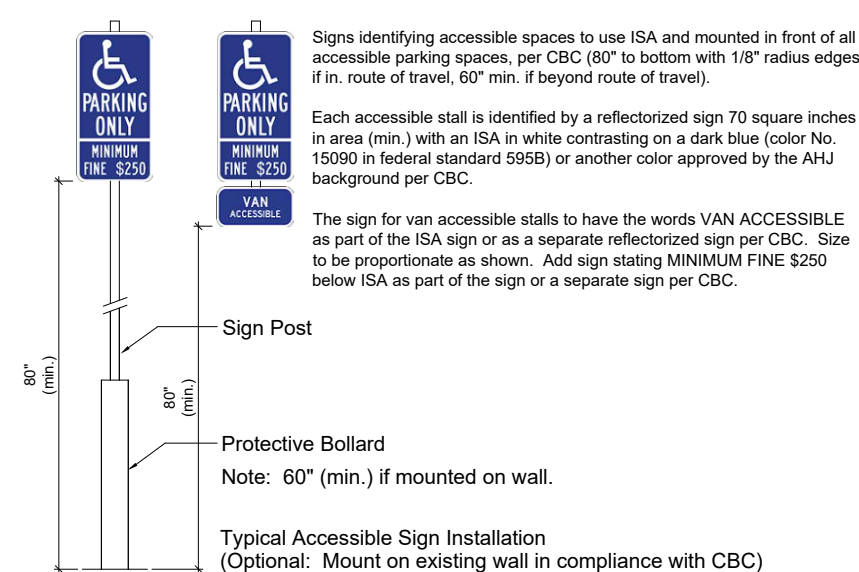
#### Standard Parking Stalls



### CBC Required Accessible Parking



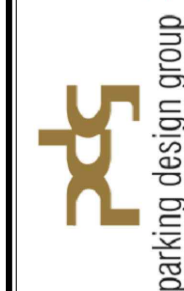
### CBC Required Accessible Signage (not to scale)



#### Notes:

- Signs identifying accessible spaces to use ISA and be either post or wall mounted immediately adjacent or directly in front of the stall per CBC
- Each accessible stall is identified by a reflectorized sign 70 square inches in area minimum with an ISA in white contrasting on a dark blue (color No. 15090 in federal standard 595B) or another color approved by the AHJ background per CBC
- All signs and the ISA to be mounted 60" minimum above grade to the bottom of the sign and 80" above grade to the bottom of the sign where the sign is on a circulation path per CBC
- Post-mounted signage below 80" above grade can overhang the post 12" maximum and requires  $\frac{1}{8}$ " minimum radius corners per CBC
- The sign for van accessible stalls to have the words Van Accessible as part of the ISA sign as a separate reflectorized sign per CBC
- Add sign stating Minimum Fine \$250 below the ISA as part of the sign or a separate sign per CBC
- A CA Tow-Away sign is located at each vehicular entry or visible and adjacent to each accessible stall per CBC
- Parking signs and signs for means of egress are required to be accessible in parking facilities as well as signs provided for pedestrians but not signs solely for operation of vehicles per CBC
- Assigned residential parking in multi-family housing built, operated, or sponsored by a public agency does not require accessible parking to have identification
- Signs have a white border and other specific requirements under CA DOT jurisdiction only
- The words *Parking Only* are required to be placed below the ISA on wall and post-mounted signs for projects under CA DOT jurisdiction only

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#### Revisions

Revisions

## Reese Davidson Parking Structure Venice Beach, CA

## Section and Details

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# Additional Thoughts

Potential for  
tiered pricing

- Pricing plan example, in a facility with ten premium spaces, a customer selects “Premium” and if all ten of the Premium spaces are occupied, that customer will instead be sold the best available “Value” space in the tier. The following day or other time period, the system will add another space to the Premium Tier, or leave the tier sized at ten spaces but increase the tier price to meet demand in real-time
- The economy tier (80% of patrons), intended to be priced to stay in line with, or slightly below, prevailing parking rates in the area
- Applying a 25% discount is proposed to those transactions involving patrons required to leave their keys (i.e., lifted and tandem spaces)

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## Sample technology

- Parking facility entry devices will be configured to offer four options: Premium (purple), Value (amber), Economy (green), and ADA (blue)
- Assigned space will be conveyed to patron visually and audibly at the entry device
- Patron will locate space via static and dynamic signage
- Each space identified with a light sensor/fixture of corresponding color above the selected space



signage at street



entry screen 1



entry screen 2



entry screen 3

Draft



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