

0220-05151-0469


T R A N S M I T T A L

TO The City Council	DATE 07-26-23	COUNCIL FILE NO. 17-0090-S15
------------------------	------------------	---------------------------------

FROM The Proposition HHH Administrative Oversight Committee	COUNCIL DISTRICT 15
--	------------------------

At its meeting on July 6, 2023, the Proposition HHH (Prop HHH) Administrative Oversight Committee (AOC) considered the attached Los Angeles Housing Department (LAHD) report relative to the issuance of the final loan commitments for two Prop HHH Housing Challenge projects, Safe Harbor I and Safe Harbor II, and to add these two projects to the Prop HHH Fiscal Year (FY) 2020-2021 Project Expenditure Plan (PEP). The AOC corrected the summary of the report for the total conditional financial commitments for five projects from \$23,713,427 to \$19,500,000. The report is hereby transmitted for Council consideration.

The Prop HHH AOC recommends that the City Council, subject to the approval of the Mayor, approve recommendations 1 – 4 in the attached report.


for Matthew W. Szabo
City Administrative Officer

Chair, Proposition HHH Administrative Oversight Committee

MSW:YC:MZ:02240004c

Attachment: COMMUNICATION FROM THE PROPOSITION HHH CITIZENS OVERSIGHT COMMITTEE RELATIVE TO THE ISSUANCE OF FINAL LOAN COMMITMENTS FOR PROPOSITION HHH HOUSING CHALLENGE PROJECTS AND AMENDMENTS TO THE PROPOSITION HHH FISCAL YEAR 2020-2021 PROJECT EXPENDITURE PLAN

CAO 649-d

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Attachment

Date: July 3, 2023

To: Proposition HHH Administrative Oversight Committee

From: Proposition HHH Citizens Oversight Committee

Subject: **COMMUNICATION FROM THE PROPOSITION HHH CITIZENS OVERSIGHT COMMITTEE RELATIVE TO THE ISSUANCE OF FINAL LOAN COMMITMENTS FOR PROPOSITION HHH HOUSING CHALLENGE PROJECTS AND AMENDMENTS TO THE PROPOSITION HHH FISCAL YEAR 2020-2021 PROJECT EXPENDITURE PLAN**

At its meeting on June 16, 2023, the Proposition HHH (Prop HHH) Citizens Oversight Committee (COC) considered the attached report from the Los Angeles Housing Department relative to the issuance of the final loan commitments and amendments to the Fiscal Year 2020-2021 Project Expenditure Plan for the Safe Harbor I (formerly known as Anaheim West /PSH 3) and Safe Harbor II (formerly known as Lagoon/PSH 5) projects. The Prop HHH COC voted to forward the report to the Prop HHH Administrative Oversight Committee for consideration.

MWS:YC:MZ:02230167c

Attachment

Ann Sewill, General Manager
Tricia Keane, Executive Officer

City of Los Angeles



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

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

Karen Bass, Mayor

INTER-DEPARTMENTAL MEMORANDUM

TO: PROPOSITION HHH CITIZENS OVERSIGHT COMMITTEE

FROM: ANN SEWILL, GENERAL MANAGER *Ann Sewill*

DATE: LOS ANGELES HOUSING DEPARTMENT, FORMERLY LOS ANGELES HOUSING + COMMUNITY INVESTMENT DEPARTMENT
JUNE 16, 2023

REGARDING: ISSUANCE OF FINAL LOAN COMMITMENT FOR HHH HOUSING CHALLENGE PROJECTS; AMENDMENT TO PROPOSITION HHH FY 2020-2021 PROJECT EXPENDITURE PLAN

SUMMARY

On May 9, 2019, the Mayor's Office and the Los Angeles Housing Department (LAHD), formerly the Los Angeles Housing + Community Investment Department (HCIDLA), issued the Proposition HHH Housing Challenge Request for Proposals (RFP). On June 6, 2021 (C.F. No. 17-0090), the City Council granted LAHD authority to issue HHH Permanent Supportive Housing Loan Program conditional financial commitments in a total amount not to exceed \$23,713,427 for five projects. Through this report, LAHD is requesting authority to issue a final letter of commitment for two Proposition HHH Innovative Housing Challenge (Housing Challenge) projects (see Table 1).

The Los Angeles Housing Department (LAHD) requests authorization to amend the Fiscal Year (FY) 2020-2021 Project Expenditure Plan (PEP), to include two projects from the HHH Housing Challenge. The two projects have a total HHH loan commitment of \$8,800,000 (Attachment A).

RECOMMENDATIONS

- I. The General Manager of LAHD respectfully requests that the Proposition HHH Citizens Oversight Committee (COC) recommend to the Proposition HHH Administrative Oversight Committee (AOC), for further consideration by the City Council and the Mayor, to address the following actions:

- A. AUTHORIZE LAHD to issue letters of financial commitment for two HHH Housing Challenge projects identified in Table 1. The recommended project is the result of the Housing Challenge RFP, and the final Housing Challenge HHH financial commitment will not exceed \$8,800,000, per the breakdown provided in Table 1;
- B. APPROVE the FY 2020-2021 PEP to be amended and increased as follows:
 - i. \$4,900,000 for Safe Harbor I (fka Anaheim West/PSH 3) (Attachment A)
 - ii. \$3,900,000 for Safe Harbor II (fka Lagoon/PSH 5) (Attachment A)
- C. AUTHORIZE the LAHD General Manager, or designee, to negotiate and execute loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Proposition HHH Project Expenditure Plan Fiscal Year 2020-2021 (Attachment A) with each of the borrowers on projects selected for funding, subject to the approval of the City Attorney as to form; and
- D. AUTHORIZE the disbursement of HHH funds to take place after the sponsors obtain enforceable commitments for all proposed funding, including, but not limited to, the full amount of funding and/or tax credits proposed.

BACKGROUND

Housing Challenge RFP

On May 9, 2019, the Housing Challenge RFP was released and six proposals were selected. The proposal team for Safe Harbor I (fka Anaheim West/PSH 3) and Safe Harbor II (fka Lagoon/PSH 5), FlyawayHomes, received a Housing Challenge award (C.F. No. 17-0090-S4). The Safe Harbor I and Safe Harbor II projects have been underwritten by LAHD staff, and expect to close construction financing by the 1st quarter of FY 2023-2024. The projects' staff reports are provided in Attachment B.

Therefore, LAHD is requesting authority to issue a final financial letter of commitment for two projects, totaling \$8,800,000 in HHH funds, The proposed Housing Challenge projects represent a total of 90 units (88 supportive housing units and 2 managers' units).

TABLE 1: HHH Housing Challenge Projects Seeking Final Loan Commitment						
No.	Project Name	Total Units	Total HHH Funding Request	HHH Per Unit Cost	Total Development Cost (TDC)	TDC Per Unit Cost
1.	Safe Harbor I (fka Anaheim West/PSH 3)	50	\$4,900,000	\$100,000	\$27,171,500	\$543,430
2	Safe Harbor II (fka Lagoon/PSH 5)	40	\$3,900,000	\$100,000	\$22,475,727	\$561,893
		90	\$8,800,000	\$100,000	\$49,647,227	\$551,636

FY 2020-2021 PEP Amendment

To date, there are 106 projects in the HHH Permanent Supportive pipeline, 98 of which have been included in the four PEPs. To date, there are 15 projects in the Innovative Housing Challenge pipeline, 7 of which have been included in the four PEPs. The FY 2020-2021 PEP was approved by City Council on September 14, 2020, (C.F. No. 17-0090-S15) for a total funding of \$106,516,646. There have been nine subsequent amendments presented through the Citizens Oversight Committee with Council approval, adding \$241,648,467 for an additional 31 projects. There is a tenth amendment that has been presented to the Citizens Oversight Committee and is pending Council approval, adding an additional \$22,407,427 for a total of 33 projects. Moreover, there has been one Project Homekey 2.0 amendment presented through Council with approval for \$96,328,982 for an additional 13 projects (C.F. No. 21-0012). Currently, there are a total of 57 projects in the FY 2020-21 PEP, totaling \$444,494,096 in funding. Once the tenth amendment receives Council approval, there will be a total of 59 projects in the FY 2020-21 PEP, totaling \$466,901,523 in funding.

LAHD recommends that the FY 2020-2021 PEP be amended and increased by \$8,800,00 (Table 2 and Attachment A). This amount comprises the two projects described below. Staff reports for the two projects are provided in Attachment B.

1. PEP FY 2020-2021 – Amendment for Safe Harbor I (fka Anaheim West/PSH 3)

LAHD recommends that the FY 2020-2021 PEP be amended and increased by \$4,900,000. This project received a Housing Challenge award and is targeted to close construction financing by September 1, 2023 (C.F. No. 17-0090-S4). In order to close, the Project must be in a PEP.

2. PEP FY 2020-2021 – Amendment for Safe Harbor II (fka Lagoon/PSH 5)

LAHD recommends that the FY 2020-2021 PEP be amended and increased by \$3,900,000. This project received a Housing Challenge award and is targeted to close construction financing by September 1, 2023 (C.F. No. 17-0090-S4). In order to close, the Project must be in a PEP.

TABLE 2: FY 2020-2021 PEP Amendments					
PEP Fiscal Year	Number of Projects	Total HHH Funding Request	HHH Per Unit Cost	Total Development Cost (TDC)	TDC Per Unit Cost
2020-2021 PEP (FY20)	13	\$106,516,646	\$143,941	\$416,188,707	\$562,417
2020-2021 PEP (FY20) (First Amendment Increase)	4	\$37,590,000	\$141,849	\$156,061,671	\$588,912
2020-2021 PEP (FY20) (Second Amendment Increase)	5	\$26,335,000	\$86,628	\$202,502,949	\$666,128
2020-2021 PEP (FY20) (Third Amendment Increase)	2	\$13,757,200	\$89,332	\$101,938,662	\$661,939
2020-2021 PEP (FY20) (Fourth Amendment Increase)	5	\$30,786,602	\$111,546	\$170,725,756	\$618,572
2020-2021 PEP (FY20) (Fifth Amendment Increase)	6	\$54,615,556	\$114,980	\$275,899,093	\$580,840
2020-2021 PEP (FY20)	2	\$18,400,000	\$149,593	\$84,599,682	\$687,802

(Sixth Amendment Increase)					
2020-2021 PEP (FY20) (Seventh Amendment Increase)	4	\$30,675,000	\$116,193	\$150,178,285	\$568,857
2020-2021 PEP (FY20) (PHK Amendment Increase)	13	\$96,328,982	\$83,619	\$452,413,029	\$392,719
2020-2021 PEP (FY20) (Eighth Amendment Increase)	2	\$21,200,000	\$137,662	\$98,119,434	\$637,139
2020-2021 PEP (FY20) (Ninth Amendment Increase)	1	\$8,289,109	\$102,335	\$47,981,184	\$592,360
2020-2021 PEP (FY20) (Tenth Amendment Increase)	2	\$22,407,427	\$112,037	\$138,137,925	\$690,690
2020-2021 PEP (FY20) (Current Amendment Increase)	2	\$8,800,000	\$100,000	\$49,647,227	\$551,636
TOTAL	61	\$475,701,522	\$110,680	\$1,963,515,019	\$456,844

To summarize the above, LAHD recommends that the FY 2020-2021 Project Expenditure Plan be amended to include two projects from the HHH Housing Challenge.

ATTACHMENTS:

Attachment A: Proposition HHH Project Expenditure Plan FY 2020-2021 Amendment

Attachment B: Project Staff Reports

Attachment A.

Proposition HHH Project Expenditure Plan FY 2020-21 Eleventh Amendment

No.	Project Name	Developer	Address	CD	Leverage Source	Total Units	PSH Units	Non-PSH units	Mgr Units	Total HHH Request	Population Served	Est. Date Applying to CDLAC	CDLAC Allocation Meeting	Est. Construction Loan Closing	Est. Construction Start Date	Est. Construction End Date
1	11010 Santa Monica	Weingart Center Association; Values Housing II, LLC	11010 W SANTA MONICA BLVD CA 90025	5	4%	51	50	0	1	\$ 7,000,000	HS, HV	9/24/2020 (Actual)	12/21/2020 (Actual)	6/18/2021 (Actual)	7/20/2021 (Actual)	2/10/2023 (Actual)
2	Amani Apartments (fka PICO)	Wakeland Housing and Development Corporation	4200 W PICO BLVD CA 90019	10	4%	54	53	0	1	\$ 11,410,000	HS, CH	1/17/2020 (Actual)	2/18/2020 (Actual)	11/5/2020 (Actual)	11/24/2020 (Actual)	10/17/2022 (Actual)
3	Bell Creek Apartments	Western Community Housing, Inc.; Meta Housing Corporation	6940 N OWENSMOUTH AVE CA 91303	3	4%	80	41	38	1	\$ 6,226,546	HF, H, F, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	11/17/2020 (Actual)	11/23/2020 (Actual)	9/23/2022 (Actual)
4	Chesterfield (fka 4719 Normandie)	Wakeland Housing and Development Corporation	4719 S NORMANDIE AVE CA 90037	8	4%	43	42	0	1	\$ 8,990,000	HS, CH	1/17/2020 (Actual)	2/18/2020 (Actual)	11/13/2020 (Actual)	11/30/2020 (Actual)	8/3/2022 (Actual)
5	Hope on Broadway	Hope Street Development Group, LLC; CHAPA Inc. (or affiliate)	5138 S BROADWAY CA 90037	9	4%	49	48	0	1	\$ 6,720,000	H, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	1/29/2021 (Actual)	3/4/2021 (Actual)	11/1/2022 (Actual)
6	Hope on Hyde Park	Hope Street Development Group, LLC; CHAPA Inc. (or affiliate)	6501 S CRENSHAW BLVD CA 90043	8	4%	98	97	0	1	\$ 9,280,000	H, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	1/29/2021 (Actual)	4/7/2021 (Actual)	9/29/2023
7	Silva Crossing (fka Link at Sylmar)	Sylmar II, LP; Meta Housing Corporation	12667 N SAN FERNANDO ROAD CA 91342	7	4%	56	55	0	1	\$ 10,900,000	H, I, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	10/16/2020 (Actual)	12/1/2020 (Actual)	10/11/2022 (Actual)
8	NoHo 5050	Decro Corporation; Daylight Community Development, LLC	5050 N BAKMAN AVE CA 91601	2	4%	40	32	7	1	\$ 3,833,200	DV, F, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/21/2021 (Actual)	12/1/2021 (Actual)	9/28/2023
9	Sherman Oaks Senior	Mercy Housing California	14536 W BURBANK BLVD VAN NUYS, CA 91411	4	4%	55	54	0	1	\$ 11,880,000	HS, M, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	5/12/2021 (Actual)	5/21/2021 (Actual)	6/1/2023
10	Sun King Apartments	MANY MANSIONS	12128 SHELDON ST Los Angeles, CA 91352	6	4%	26	25	0	1	\$ 5,500,000	HF, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	6/18/2021 (Actual)	7/22/2021 (Actual)	7/1/2023
11	VA Building 207	Thomas Safran & Associates Development, Inc.	11301 WILSHIRE BLVD #207 Los Angeles, CA 90025	11	4%	60	59	0	1	\$ 8,260,000	HS, CH	1/17/2020 (Actual)	4/14/2020 (Actual)	11/13/2020 (Actual)	11/30/2020 (Actual)	12/22/2022 (Actual)
12	West Terrace (fka Silver Star II)	A Community of Friends	6576 S WEST BLVD CA 90043	8	4%	64	56	7	1	\$ 6,404,900	HF, H, I, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	3/24/2021 (Actual)	4/5/2021 (Actual)	6/24/2023
13	Cadence (fka 11408 S. Central)	LINC Housing Corporation	11408 S CENTRAL AVE CA 90059	15	4%	64	63	0	1	\$ 10,112,000	H, CH	8/15/2019 (Actual)	10/16/2019 (Actual)	4/29/2020 (Actual)	5/15/2020 (Actual)	3/4/2022 (Actual)
14	First PEP 2 Amendment: Ambrose (fka 1615 Montana St.)	Domus	1615 W MONTANA ST CA 90026	13	9%	64	63	0	1	\$ 6,300,000	HS, CH	7/1/2020 (Actual)	10/14/2020 (Actual)	4/16/2021 (Actual)	5/19/2021 (Actual)	3/22/2023 (Actual)
15	First PEP 2 Amendment: 6th and San Julian	Mercy Housing	401 E 6TH ST CA 90014	14	4%	94	93	0	1	\$ 15,320,000	O, I, CH	9/24/2020 (Actual)	12/21/2020 (Actual)	7/30/2021 (Actual)	9/2/2021 (Actual)	6/30/2023
16	First PEP 2 Amendment: La Guadalupe (fka First and Boyle)	Many Mansions	100 S BOYLE AVE CA 90033	14	4%	44	43	0	1	\$ 9,460,000	HF, H, CH	9/24/2020 (Actual)	12/21/2020 (Actual)	10/27/2021 (Actual)	12/16/2021 (Actual)	3/20/2024
17	First PEP 2 Amendment: The Lake House fka Westlake Housing)	Community Development Partners	437 and 503 S WESTLAKE AVE CA 90057	1	4%	63	62	0	1	\$ 6,510,000	H, M, CH	9/24/2020 (Actual)	12/21/2020 (Actual)	6/9/2021 (Actual)	7/15/2021 (Actual)	9/28/2023
18	Second PEP 4 Amendment: The Wilcox (fka 4906-4926 Santa Monica)	Wakeland Housing and Development Corporation	4912 W SANTA MONICA BLVD CA 90029	13	4%	62	61	0	1	\$ 5,225,000	HS, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/21/2021 (Actual)	11/4/2021 (Actual)	11/4/2023
19	Second PEP 4 Amendment: The Quincy (fka 2652 Pico)	Wakeland Housing and Development Corporation	2652 W PICO BLVD CA 90006	1	4%	54	53	0	1	\$ 3,550,000	\$ 3,550,000	2/4/2021 (Actual)	4/28/2021 (Actual)	10/21/2021 (Actual)	11/4/2021 (Actual)	11/4/2023
20	Second PEP 4 Amendment: La Veranda	Abode Communities	2420 E CESAR E CHAVEZ AVE CA 90033	14	4%	77	38	38	1	\$ 9,120,000	HF, M, F, CH	6/11/2020 (Actual)	9/16/2020 (Actual)	7/1/2021 (Actual)	8/3/2021 (Actual)	8/1/2023
21	Second PEP 4 Amendment: Los Lirios Apartments	BRIDGE Housing Corporation	119 S SOTO ST CA 90033	14	9%	64	20	43	1	\$ 2,000,000	HF, H, F, CH	3/8/2021 (Actual)	6/16/2021 (Actual)	12/8/2021 (Actual)	12/22/2021 (Actual)	12/1/2023

22	Second PEP 4 Amendment: McDaniel House (fka South Harvard)	Daylight Community Development	1049 1/2 S HARVARD BLVD Los Angeles, CA 90006	10	4%	47	46	0	1	\$	6,440,000	HS, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/29/2021 (Actual)	12/16/2021 (Actual)	9/1/2023
23	Third PEP 4 Amendment: Thatcher Yard Housing	Thomas Safran & Associates Development, Inc.	3233 S THATCHER AVE CA 90292	11	4%	98	49	48	1	\$	11,660,000	HF, HS, F, S, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	11/4/2021 (Actual)	11/29/2021 (Actual)	11/29/2023
24	Third PEP 4 Amendment: Washington Arts Collective	Meta Housing Corporation	4615 W WASHINGTON BLVD CA 90016	10	4%	56	20	35	1	\$	2,097,200	HF, F, CH	2/4/2021 (Actual)	4/28/2021 (Actual)	10/25/2021 (Actual)	11/10/2021 (Actual)	8/31/2023
25	Fourth PEP 4 Amendment: The Iris (fka Barry Apartments)	Affirmed Housing Group, Inc.	2454 S BARRY AVE CA 90064	11	4%	61	34	26	1	\$	6,918,400	H, F, I, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/2/2022 (Actual)	2/10/2022 (Actual)	3/7/2024
26	Fourth PEP 4 Amendment: Central Apartments	Highridge Costa Development Company	2106 S CENTRAL AVE CA 90011	9	4%	57	56	0	1	\$	7,840,000	H, HV, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/24/2022 (Actual)	7/19/2022 (Actual)	7/26/2024
27	Fourth PEP 4 Amendment: Lorena Plaza	A Community of Friends	3401 E 1ST ST CA 90063	14	9%	49	32	16	1	\$	2,903,202	HF, H, F, CH	3/8/2021 (Actual)	6/16/2021 (Actual)	11/30/2021 (Actual)	12/08/2021 (Actual)	3/11/2024
28	Fourth PEP 4 Amendment: Lumina (fka Topanga Apartments)	Affirmed Housing Group, Inc.	10243 N TOPANGA CANYON BLVD CA 91311	12	4%	55	54	0	1	\$	7,560,000	H, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	12/16/2021 (Actual)	1/3/2022 (Actual)	12/31/2023
29	Fourth PEP 4 Amendment: My Angel (fka The Angel)	Los Angeles Family Housing	8547 N SEPULVEDA BLVD CA 91343	6	4%	54	53	0	1	\$	5,565,000	H, HV, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/16/2022 (Actual)	3/2/2022 (Actual)	3/7/2024
30	Fifth PEP 4 Amendment: Avalon 1355	Brilliant Corners	1355 N. AVALON BLVD LOS ANGELES, CA 90006	15	4%	54	53	0	1	\$	7,000,000	H, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/9/2022 (Actual)	2/10/2022 (Actual)	2/9/2024
31	Fifth PEP 4 Amendment: Beacon Landing (fka Beacon PSH)	Abode/Mercy/LA Family Housing	319 N. BEACON STREET LOS ANGELES, CA 90731	15	4%	89	88	0	1	\$	8,555,556	H, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/4/2022 (Actual)	3/16/2022 (Actual)	6/30/2023
32	Fifth PEP 4 Amendment: The Journey (FKA Lincoln Apartments)	Venice Community Housing Corporation	2467 S LINCOLN BLVD LOS ANGELES, CA 90291	11	4%	40	39	0	1	\$	5,460,000	Y, O, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/25/2022 (Actual)	3/14/2022 (Actual)	9/29/2023
33	Fifth PEP 4 Amendment: Rousseau (fka Enlightenment Plaza - Phase I)	Flexible PSH Solutions	316 N JUANITA AVE LOS ANGELES, CA 90004	13	4%	105	103	0	2	\$	9,600,000	H, HV, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/10/2022 (Actual)	5/25/2022 (Actual)	3/5/2024
34	Fifth PEP 4 Amendment: Santa Monica & Vermont Apartments Phase I	LTSC (Little Tokyo Service Center) Community Development Corporation	4718 W SANTA MONICA BLVD LOS ANGELES, CA 90029	13	4%	94	47	46	1	\$	12,000,000	M, O, F, I, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/23/2022 (Actual)	3/1/2022 (Actual)	2/7/2024
35	Fifth PEP 4 Amendment: Santa Monica & Vermont Apartments Phase II	LTSC (Little Tokyo Service Center) Community Development Corporation	4718 W SANTA MONICA BLVD LOS ANGELES, CA 90029	13	4%	93	47	45	1	\$	12,000,000	M, O, F, I, CH	5/25/2021 (Actual)	8/11/2021 (Actual)	2/23/2022 (Actual)	3/1/2022 (Actual)	2/7/2024
36	Sixth PEP 4 Amendment: 4507 Main St	EAH Inc.	4507 MAIN ST LOS ANGELES, CA 90037	9	9%	61	31	29	1	\$	6,000,000	H, I, CH	7/1/2021 (Actual)	10/20/2021 (Actual)	4/29/2022 (Actual)	5/12/2022 (Actual)	12/1/2023
37	Sixth PEP 4 Amendment: Vermont Manchester Senior (fka Vermont/Manchester)	BRIDGE Housing Corporation; Coalition for Responsible Community Development	8400 S VERMONT AVE LOS ANGELES, CA 90044	8	4%	62	60	0	2	\$	12,400,000	HF, HS, F, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/3/2022 (Actual)	6/17/2022 (Actual)	5/29/2024
38	Seventh PEP 4 Amendment: Whittier HHH (fka Whittier PSH)	Mercy Housing	3554 WHITTIER BLVD LOS ANGELES, CA 90023	14	4%	64	63	0	1	\$	6,125,000	H, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/16/2022 (Actual)	7/13/2022 (Actual)	10/1/2023
39	Seventh PEP 4 Amendment: Oak Apartments (fka 2745-2759 Francis Ave)	Koreatown Youth and Community Center	2745 W FRANCIS AVE LOS ANGELES, CA 90005	1	4%	64	63	0	1	\$	6,610,000	HS, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/24/2022 (Actual)	7/25/2022 (Actual)	7/6/2024
40	Seventh PEP 4 Amendment: The Banning (fka 841 N Banning)	Century Affordable Development, Inc.	841 N BANNING BLVD WILMINGTON, CA 90744	15	4%	64	63	0	1	\$	8,000,000	H, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/2/2022 (Actual)	6/17/2022 (Actual)	7/8/2024

41	Seventh PEP 4 Amendment: Voltaire Villas (fka Montesquieu Manor/Enlightenment Plaza-Phase II)	Flexible PSH Solutions; The Pacific Companies	316 N JUANITA AVE LOS ANGELES, CA 90004	13	4%	72	71	0	1	\$	9,940,000	H, CH	9/9/2021 (Actual)	12/8/2021 (Actual)	6/30/2022 (Actual)	8/12/2022 (Actual)	7/6/2024	
42	Eighth PEP 4 Amendment: Ambrosia	Domus Development, LLC	823 W MANCHESTER AVE LOS ANGELES, CA 90044	8	4%	90	80	9	1	\$	11,200,000	H, I, CH	8/9/2022 (Actual)	11/30/2022 (Actual)	5/30/2023	6/30/2023	12/31/2024	
43	Eighth PEP 4 Amendment: Villa Vanowen (fka Confianza)	Century Affordable Development, Inc.	14142 W VANOWEN ST VAN NUYS, CA 91405	2	4%	64	63	0	1	\$	10,000,000	H, CH	8/9/2022 (Actual)	11/30/2022 (Actual)	6/1/2023	6/30/2023	10/31/2024	
44	PHK PEP 4 Amendment: 7639 Van Nuys	Linc-Van Nuys Apts, LP	7639 Van Nuys	6	N/A	36	34	0	1	\$	2,772,000	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
45	PHK PEP 4 Amendment: 1654 Florence	Linc-Florence Apts, LP	1654 W Florence	8	N/A	128	126	0	2	\$	7,009,120	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
46	PHK PEP 4 Amendment: Temple/Alvarado	Alvarado & Temple, LLC	2812 Temple / 916 Alvarado	13	N/A	69	67	0	2	\$	11,457,300	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
47	PHK PEP 4 Amendment: 6531 Sepulveda	6531 Sepulveda LP	6531 S Sepulveda	11	N/A	99	97	0	2	\$	15,245,538	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
48	PHK PEP 4 Amendment: 18602 Vermont	CRCD Vermont LP	18602 S Vermont	15	N/A	136	134	0	2	\$	4,969,012	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
49	PHK PEP 4 Amendment: 20205 Ventura	Volunteers of America of Los Angeles	20205 Ventura	3	N/A	146	144	0	2	\$	5,525,465	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
50	PHK PEP 4 Amendment: 19325 Londelius	Volunteers of America of Los Angeles	19325 Londelius	12	N/A	117	115	0	2	\$	14,368,535	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
51	PHK PEP 4 Amendment: 2010 Highland	Highland PSH, LLC	2010 Highland	4	N/A	62	61	0	1	\$	8,320,000	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
52	PHK PEP 4 Amendment: 21121 Vanowen	Vanowen CP PSH, LLC	21121 Vanowen	3	N/A	101	99	0	2	\$	20,132,519	H,CH,at Risk H	N/A	N/A	9/30/2023	6/15/2023	7/12/2023	
53	PHK PEP 4 Amendment: 5050 Pico	HACLA	5050 Pico	10	N/A	79	78	0	1	\$	143,394	H,CH,at Risk H	N/A	N/A	TBT	TBT	TBT	
54	PHK PEP 4 Amendment: 10150 Hillhaven	HACLA	10150 Hillhaven	7	N/A	34	33	0	1	\$	1,125,000	H,CH,at Risk H	N/A	N/A	TBT	TBT	TBT	
55	PHK PEP 4 Amendment: 740 Alvarado	HACLA	740 Alvarado	1	N/A	80	79	0	1	\$	636,099	H,CH,at Risk H	N/A	N/A	TBT	TBT	TBT	
56	PHK PEP 4 Amendment: 1044 Soto	HACLA	1044 Soto	10	N/A	85	84	0	1	\$	4,625,000	H,CH,at Risk H	N/A	N/A	TBT	TBT	TBT	
57	Ninth PEP 4 Amendment: Western Landing	Abode/Mercy/LA Family Housing	25820-25896 S WESTERN AVE CA 90710	15	4%	81	80	0	1	\$	8,289,109	H, CH	8/9/2022 (Actual)	11/30/2022 (Actual)	5/25/2023	6/30/2023	1/31/2025	
58	Tenth PEP 4 Amendment: Grandview Apartments	Abode Communities	714 S GRAND VIEW ST CA 90057	1	4%	100	54	45	1	\$	12,000,000	HF, H, F, CH	2/7/2023 (Actual)	5/10/2023 (Actual)	11/10/2023	12/10/2023	12/10/2025	
59	Tenth PEP 4 Amendment: 21300 Devonshire	LA Family Housing Corporation	21300 W DEVONSHIRE ST CA 91311	15	4%	100	99	0	1	\$	10,407,427	HF, CH	2/7/2023 (Actual)	5/10/2023 (Actual)	11/10/2023	11/30/2023	11/28/2025	
60	Current PEP 4 Amendment: Safe Harbor I (fka Anaheim West/PSH 3)	Holos Communities; FlyawayHomes	828 W ANAHEIM ST CA 90744	15	N/A	50	49	0	1	\$	4,900,000	HF, CH	N/A	N/A	9/1/2023	12/1/2023	6/30/2025	
61	Current PEP 4 Amendment: Safe Harbor II (fka Lagoon/PSH 5)	Holos Communities; FlyawayHomes	728 N LAGOON AVE CA 90744	15	N/A	40	39	0	1	\$	3,900,000	HF, CH	N/A	N/A	9/1/2023	12/1/2023	6/30/2025	
TOTAL						4298	3795	432	70	\$	475,701,522							
Average						70	62	7	1	\$	110,680							

Notes:

All figures are HHH relevant unless specifically noted otherwise, and are subject to change until loan closing.

Bold dates denote actuals.

Proposition HHH PSH Loan Program funds are available for homeless units (PSH) as well as low-income (affordable) units.

Legend for Populations Served

F = Non-homeless Families

S = Non-homeless Seniors

I = Non-homeless Individuals

D = Non-homeless disabled

V = Non-homeless Veterans

H = Homeless Individuals

CH = Chronically Homeless

HF = Homeless Families

HV = Homeless Veterans

HS = Homeless Senior

Y = Homeless Youth

HD = Homeless Disabled

M = Homeless Mental Illness

O = Other Homeless

IHA = Homeless individuals with HIV/AIDS

DV = Homeless survivors of domestic violence & sex trafficking

ATTACHMENT B. Project Staff Reports

STAFF REPORT

June 16, 2023

**Safe Harbor I
(fka West Anaheim/PSH 3)
828 W. Anaheim Street
Los Angeles, CA 90744**

**New Construction
Council District 15**

PROJECT DESCRIPTION

Safe Harbor I (fka West Anaheim/PSH 3) is a new-construction, modular 49-unit permanent supportive housing development for families experiencing homelessness and/or chronic homelessness, and one manager's unit. The project is located on one parcel of land totaling approximately 0.45 acres at 828 W. Anaheim Street, at the southeast corner of Gulf Avenue and Anaheim Street in the Wilmington neighborhood of Los Angeles.

The new development will replace a single-story vacant commercial building with one five-story residential building totaling approximately 30,455 square feet in size. The building will include six five-story towers of prefabricated wood modules arranged into double-loaded corridors, which will be connected by exterior walkways. The towers will be set at angles to each other to add visual interest to the building. The development will feature contemporary architecture and include 50 two-bedroom, two-bathrooms units, 4,000 square feet of community space, which includes a 671 square feet community room and a large courtyard, three laundry rooms, offices for supportive services and property management, and three (3) parking spaces to accommodate supportive services staff, plus one (1) accessible parking. All forty-nine (49) special needs units will be subsidized by project-based Section 8 vouchers, and receive specific, targeted services on-site provided by The People of Concern in order to help residents stabilize and thrive in permanently affordable, supportive housing.

Safe Harbor I is one of five projects being developed as part of the Flyaway Shared Housing Strategy, a collaboration between Flyaway Homes, Holos Communities (formerly Clifford Beers Housing), and The People of Concern. This housing strategy was awarded up to \$19,500,000 by LAHD's Prop HHH Housing Challenge RFP to develop between 4-5 permanent supportive modular housing projects that would result in the construction of approximately 195 supportive housing units. It is expected that these projects will be developed faster and more efficiently through standardized site selection, replicable unit design, streamlined entitlements, and the use of offsite modular construction.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Holos Communities (Holos) is the applicant and lead developer with Flyaway Homes serving as the co-developer of the proposed development. The ownership structure is a limited partnership (828 Anaheim PSH 5 LP) that includes Holos Communities as managing member of Anaheim PSH 5 LLC

with Flyaway Homes and The People of Concern as non-managing members of the LLC. The LLC is the general partner of 828 Anaheim PSH 5 LP, which will be the borrower. At closing, the Limited Partnership will operate and own the project. The long term ownership structure will consist of the following:

1. Anaheim PSH 5 LLC, as Managing General Partner (0.01%)
2. TBD, as Initial Limited Partner (99.99 %)

PROJECT FINANCE SUMMARY

Safe Harbor I is a non-tax credit project. The borrower has secured a construction loan from KeyBank Real Estate Capital in the amount of \$22,338,296. This bank loan will convert to a permanent loan in an amount of \$9,017,500 when the project is completed and operating. Moreover, the project was awarded \$13,800,000 from HCD-MHP, and is proposing to utilize \$4,900,000 from the \$19,500,000 that was awarded from LAHD’s Proposition HHH Housing Challenge program.

CONSTRUCTION FUNDING SOURCES

Construction	Total Sources	Per Unit	% Total
KeyBank Real Estate Capital	\$22,338,296	\$446,766	81%
LAHD - HHH	\$4,900,000	\$98,000	17%
Costs Deferred until Conversion	\$479,204	\$9,584	2%
General Partner (Deferred Developer fee)	\$0	\$0	0%
Total	\$27,171,500	\$554,350	100%

PERMANENT FUNDING SOURCES

Permanent	Total Sources	Per Unit	% Total
Key Bank Real Estate Capital	\$9,017,500	\$180,350	33%
HCD – MHP *	\$13,800,000	\$276,000	50%
LAHD HHH Loan	\$4,900,000	\$98,000	17%
Total	\$27,717,500	\$554,350	100%

* State of California – Multifamily Housing Program(“MHP”)

USES OF FUNDS

Uses of Funds	Total Uses	Cost/Unit	% Total
Acquisition Costs	\$1,418,460	\$28,369	5%
Construction Costs	\$16,665,817	\$333,316	60%
Soft Costs	\$3,457,085	\$69,142	13%
Financing Costs	\$4,176,137	\$83,523	15%
Developer Fee	\$2,000,000	\$40,000	7%
Total	\$27,717,500	\$554,350	100%

AFFORDABILITY STRUCTURE

Unit Type	30% AMI Units	Manager Unit	Total Units	HHH Units
2 Bedroom	49	1	50	49
Total	49	1	50	49

FUNDING RECOMMENDATION

The recommended HHH loan in the amount of \$4,900,000 represents \$98,000 per LAHD restricted unit, or approximately 17% of the total development cost.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in December 2023 and anticipated to be completed by June 2025.

Prepared by: Los Angeles Housing Department

**STAFF REPORT
June 16, 2023**

**Safe Harbor II
(fka Lagoon/PSH 5)**

**728 N. Lagoon Avenue
Los Angeles, CA 90744
New Construction
Council District 15**

PROJECT DESCRIPTION

Safe Harbor II (fka Lagoon/PSH 5) is a new-construction, modular 39-unit permanent supportive housing development for families experiencing homelessness and/or chronic homelessness, and one manager's unit. The project is located on one parcel of land totaling approximately 0.42 acres at 728 N. Lagoon Avenue, at the northeast corner of Lagoon Avenue and Anaheim Street in the Wilmington neighborhood of Los Angeles.

The new development will replace a single-story vacant commercial building with one four-story residential building totaling approximately 25,883 square feet in size. The building will include six towers of prefabricated wood modules arranged into double-loaded corridors, which will be connected by exterior walkways. The towers will be set at angles to each other to add visual interest to the building. The development will feature contemporary architecture and include 40 two-bedroom, two-bathrooms units, 3,733 square feet of community space, including an 820 square feet community room and three courtyards, three laundry rooms, offices for supportive services and property management, and three (3) parking spaces to accommodate supportive services staff, plus one (1) accessible parking. Thirty-four (34) of the thirty-nine (39) resident units will be subsidized by project-based Section 8 vouchers. All units will receive specific, targeted services on-site provided by The People of Concern in order to help residents stabilize and thrive in permanently affordable, supportive housing.

Safe Harbor II is one of five projects being developed as part of the Flyaway Shared Housing Strategy, a collaboration between Flyaway Homes, Holos Communities (formerly Clifford Beers Housing), and The People of Concern. This housing strategy was awarded up to \$19,500,000 by LAHD's Prop HHH Housing Challenge RFP to develop between 4-5 permanent supportive modular housing projects that will result in the construction of approximately 195 supportive housing units. It is expected that these projects will be developed faster and more efficiently through standardized site selection, replicable unit design, streamlined entitlements, and the use of offsite modular construction.

BORROWER AND PROPOSED OWNERSHIP STRUCTURE

Holos Communities (Holos) is the applicant and lead developer with Flyaway Homes serving as the co-developer of the proposed development. The ownership structure is a limited partnership (728 Lagoon PSH 3 LP), that includes Holos Communities as the managing member of 728 Lagoon PSH 3

LLC with Flyaway Homes and The People of Concern as non-managing members of the LLC. The LLC is the general partner of Lagoon PSH 3 LP, which will be the borrower. At closing, the Limited Partnership will operate and own the project. The long term ownership structure will consist of the following:

1. 728 Lagoon PSH 3 LLC, as Managing General Partner (0.01%)
2. TBD, as Initial Limited Partner (99.99 %)

PROJECT FINANCE SUMMARY

Safe Harbor II is a non-tax credit project. The borrower has secured a construction loan from KeyBank Real Estate Capital in the amount of \$17,988,819. This bank loan will convert to a permanent loan in an amount of \$6,529,517 when the project is completed and operating. Moreover, the project was awarded \$11,362,419 from HCD’s Multifamily Housing Program (MHP), and is proposing to utilize \$3,900,000 from the \$19,500,000 that was awarded from LAHD’s Proposition HHH Housing Challenge program.

CONSTRUCTION FUNDING SOURCES

Construction	Total Sources	Per Unit	% Total
KeyBank Real Estate Capital	\$17,988,819	\$449,720	80%
LAHD - HHH	\$3,900,000	\$97,500	17%
Costs Deferred until Conversion	\$329,793	\$8,245	2%
General Partner (Deferred Developer fee)	\$257,115	\$6,428	1%
Total	\$22,475,727	\$561,893	100%

PERMANENT FUNDING SOURCES

Permanent	Total Sources	Per Unit	% Total
Key Bank Real Estate Capital	\$6,529,517	\$163,238	29%
HCD – MHP *	\$11,362,419	\$284,060	51%
LAHD HHH Loan	\$3,900,000	\$97,500	17%
Construction Loan	\$419,476	\$10,487	2%
General Partner (Deferred Developer Fee)	\$264,315	\$6,608	1%
Total	\$22,475,727	\$561,893	100%

* State of California – Multifamily Housing Program(“MHP”)

USES OF FUNDS

Uses of Funds	Total Uses	Cost/Unit	% Total
Acquisition Costs	\$1,240,899	\$31,022	5%
Construction Costs	\$13,634,955	\$340,874	61%
Soft Costs	\$3,046,982	\$76,175	13%
Financing Costs	\$3,052,890	\$76,322	14%
Developer Fee	\$1,500,000	\$37,500	7%
Total	\$22,475,727	\$561,893	100%

AFFORDABILITY STRUCTURE

Unit Type	30% AMI Units	Manager Unit	Total Units	HHH Units
2 Bedroom	39	1	40	39
Total	39	1	40	39

FUNDING RECOMMENDATION

The recommended HHH loan in the amount of \$3,900,000 represents \$100,000 per LAHD restricted unit, or approximately 17% of the total development cost.

CONSTRUCTION TIMELINE

Construction is currently estimated to start in December 2023 and anticipated to be completed by June 2025.

Prepared by: Los Angeles Housing Department