

LADF

LOS ANGELES DEVELOPMENT FUND

**Special Meeting *of the*
Governing Board of Directors *and*
Advisory Board of Directors *of***

The Los Angeles Development Fund

and

LADF Management, Inc.

January 18, 2017

**SPECIAL MEETING of the
GOVERNING BOARD OF DIRECTORS and ADVISORY BOARD OF DIRECTORS of
THE LOS ANGELES DEVELOPMENT FUND and LADF MANAGEMENT, INC.**

JANUARY 18, 2017

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 - November 30, 2016 – Joint Board Meeting
 - December 20, 2016 – Joint Board Meeting
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 - LADF Intake Form (*for discussion*)
- 4** Materials regarding Discussion Item #3 / Action Item #1:
 - Proposal for Marketing Consulting Services
- 5** Materials regarding Action Item #2:
 - BOARD MEMO regarding engaging Manatt, Phelps & Phillips, LLP (“Manatt”) to represent LADF in the Anita May Rosenstein Campus transaction
- 6** Materials regarding Action Item #3:
 - BOARD MEMO regarding NMTC Conference Attendance in San Diego
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Tab 1

A G E N D A

SPECIAL MEETING of the GOVERNING BOARD OF DIRECTORS and ADVISORY BOARD OF DIRECTORS of THE LOS ANGELES DEVELOPMENT FUND and LADF MANAGEMENT, INC.

**CITY HALL, ROOM 1070
200 N. SPRING STREET, LOS ANGELES, CA
Wednesday, January 18, 2017 | 2:30pm – 4:00pm**

| | AGENDA ITEM | PRESENTER | TAB |
|---|---|--|-------------------------|
| 1 | Welcome and Call to Order | Rushmore Cervantes | |
| 2 | Roll Call | Rushmore Cervantes | |
| 3 | Approval of Minutes for Board Meeting(s) on: <ul style="list-style-type: none"> a. November 30, 2016 – Joint Board Special Meeting b. December 20, 2016 – Joint Board Special Meeting | Rushmore Cervantes | Tab 2 |
| 4 | Discussion Items <ul style="list-style-type: none"> a. LADF Pipeline Strategy b. LADF Intake Form c. LADF Marketing Update | Sandra Rahimi Sandra Rahimi Rushmore Cervantes/ Jan Perry | Tab 3 Tab 4 |
| 5 | Action Items <ul style="list-style-type: none"> a. Request for Authorization of the President of LADF to execute engagement letter and other related documents to engage Karen Brooks as marketing consultant b. Request for Authorization of LADF and LADF Management, Inc. to engage Manatt as LADF's transaction counsel for the Anita May Rosenstein Campus transaction c. Request for Approval of Sandra Rahimi to represent LADF at Novogradac's NMTC conference in San Diego on January 26 & 27, 2017 | Rushmore Cervantes/ Jan Perry Sandra Rahimi Sandra Rahimi | Tab 4 Tab 5 Tab 6 |
| 6 | Request for Future Agenda Items | Rushmore Cervantes | |
| 7 | Next Meeting Date and Time of Governing Board <ul style="list-style-type: none"> • TBD | Rushmore Cervantes | |
| 8 | Public Comment | Rushmore Cervantes | |
| 9 | Adjournment | Rushmore Cervantes | |

The LADF's Board Meetings are open to the public. Accommodations such as sign language interpretation and translation services can be provided upon 72 hours notice. Contact LADF @ (213) 922-9694.

PUBLIC COMMENT AT LADF BOARD MEETINGS – An opportunity for the public to address the Board will be provided at the conclusion of the agenda. Members of the public who wish to speak on any item are requested to identify themselves and indicate on which agenda item they wish to speak. The Board will provide an opportunity for the public to speak for a maximum of three (3) minutes, unless granted additional time at the discretion of the Board. Testimony shall be limited in content to matters which are listed on this Agenda and within the subject matter jurisdiction of the LADF. The Board may not take any action on matters discussed during the public testimony period that are not listed on the agenda.

Tab 2

LOS ANGELES DEVELOPMENT FUND

MINUTES OF THE SPECIAL MEETING OF THE GOVERNING BOARD AND ADVISORY BOARD OF LADF AND LADF MANAGEMENT, INC.
WEDNESDAY, NOVEMBER 30, 2016

LADF STAFF PRESENT:

- Sandra Rahimi
- Chris Chorebanian

1. WELCOME AND CALL TO ORDER – Los Angeles Development Fund (LADF) Director Cervantes called the meeting to order at **3:08 pm**.

2. ROLL CALL

The following Governing Board directors, representing a quorum were present at the meeting:

- Director Cervantes (Chairperson)
- Director Chavez
- Director Esparza
- Director Kalfayan
- Director Perry

The following Advisory Board directors, representing a quorum, were present at the meeting:

- Director Williams (Chairperson)
- Director Albert [*arrived at 3:12 pm*]
- Director Cade
- Director Espinoza
- Director Luna [*arrived at 3:12 pm*]
- Director Monge
- Director Volpert

3. APPROVAL OF MINUTES FOR BOARD MEETING(S) ON:

➤ **November 10, 2016 – Governing Board Meeting**

- Moved by Director Perry. Seconded by Director Kalfayan. Motion passed unanimously.

4. DISCUSSION ITEMS

➤ **DISCUSSION ITEM 1 – 2015-2016 NMTC ALLOCATION AWARD ANNOUNCED ON NOVEMBER 17, 2016**

- Sandra Rahimi provided a summary of the awards in general and the awards received by other CDEs actively investing in NMTC projects in Los Angeles. She also reiterated the timeline necessary for deployment of awards. She then summarized the business strategy and prioritizing matrix submitted in LADF's application for the 2015-16 round.
- Christopher Chorebanian presented the project questionnaire to be completed by the projects requesting allocation and used to prioritize investments.
- Governing and Advisory Board members provided feedback on the proposed project questionnaire.

➤ **DISCUSSION ITEM 2 – NMTC COALITION ANNUAL CONFERENCE IN WASHINGTON D.C. ON DECEMBER 14 & 15, 2016**

- Sandra Rahimi presented information regarding purpose of attending the Coalition conference and the costs associated with attendance. She mentioned that this would be the meeting at which her appointment to the Coalition Governing Board would be approved. Ms. Rahimi's acceptance of the appointment was approved by LADF Governing board at its November 10th meeting.

➤ **DISCUSSION ITEM 3 – 2017 LADF BUDGET**

- Sandra Rahimi noted a draft of the 2017 budget was included in the board package. She pointed out that there was also a handout separate from the board package that includes a table demonstrating how LADF's asset management fees will decline

over time. She noted that there are a few outstanding items, such as potential rent and marketing consultant fees, that staff is waiting on in order to finalize the budget for next year.

➤ **DISCUSSION ITEM 4 – LADF PIPELINE PROJECTS**

- Sandra Rahimi and Chris Chorebanian provided an update on the community benefits and timing of the various projects in LADF's pipeline. The Advisory Board provided input on the community benefits offered by each proposed investment.

5. ACTION ITEMS

➤ **ACTION ITEM 1 – REQUEST FOR AUTHORIZATION OF THE PRESIDENT OF LADF TO EXECUTE 2015-2016 NMTC ALLOCATION AGREEMENT AND RELATED DOCUMENTS**

- Moved by Director Esparza. Seconded by Director Perry. Motion passed unanimously.

➤ **ACTION ITEM 2 – REQUEST FOR AUTHORIZATION OF THE PRESIDENT OF LADF AND LADF MANAGEMENT, INC. TO EXECUTE DOCUMENTS RELATED TO FORMING UP TO SIX (6) NEW LIMITED LIABILITY CORPORATIONS IN THE STATE OF CALIFORNIA AND APPLYING FOR COMMUNITY DEVELOPMENT ENTITY CERTIFICATION FOR EACH OF THE ENTITIES WITH THE DEPT. OF TREASURY'S CDFI FUND**

- Moved by Director Esparza. Seconded by Director Perry. Motion passed unanimously.

➤ **ACTION ITEM 3 – REQUEST FOR APPROVAL OF TERM EXTENSIONS FOR THE FOLLOWING CLASS III MEMBERS OF THE LADF ADVISORY BOARD: A) NANCY VOLPERT B) YOLANDA ANGUIANO**

- Moved by Director Perry. Seconded by Director Kalfayan. Motion passed unanimously.

➤ **ACTION ITEM 4 – REQUEST FOR AUTHORIZATION OF THE PRESIDENT OF LADF AND LADF MANAGEMENT, INC. TO EXECUTE DOCUMENTS RELATED TO THE UNWIND OF THE YWCA URBAN CAMPUS DEVELOPMENT TRANSACTION**

- Moved by Director Esparza. Seconded by Director Perry. Motion passed unanimously.

6. REQUEST FOR FUTURE AGENDA ITEMS

- Marketing Strategy
- Deployment Strategy and Pipeline update

7. NEXT MEETING DATE AND TIME

- TBD

8. PUBLIC COMMENT

- None.

9. ADJOURNMENT

- Meeting was adjourned at 4:23 pm.

LOS ANGELES DEVELOPMENT FUND

MINUTES OF THE MEETING OF THE GOVERNING BOARD AND ADVISORY BOARD OF LADF AND LADF MANAGEMENT, INC.
TUESDAY, DECEMBER 20, 2016

LADF STAFF PRESENT:

- Sandra Rahimi
- Chris Chorebanian

1. WELCOME AND CALL TO ORDER – Los Angeles Development Fund (LADF) Director Cervantes called the meeting to order at **3:09 pm**.

2. ROLL CALL

The following Governing Board directors, representing a quorum, were present at the meeting:

- Director Cervantes (Chairperson)
- Director Chavez
- Director Esparza
- Director Kalfayan
- Director Perry

The following Advisory Board directors, representing a quorum, were present at the meeting:

- Director Williams (Chairperson)
- Director Cade [*left at 4:00 pm*]
- Director Espinoza
- Director Monge
- Director Thrash-Ntuk
- Director Volpert

3. DISCUSSION ITEMS

➤ **DISCUSSION ITEM 1 – REPORT ON NMTC COALITION ANNUAL CONFERENCE ATTENDANCE IN WASHINGTON D.C.**

- Sandra Rahimi reported the Coalition's analysis of the distribution of the 2015-6 awards. She also pointed out that the NMTC program is at risk with the new President's push for tax reform. Also Ms. Rahimi reported that the CDFI representatives announced that the 2017 application would not be revised so that the Fund still expect to issue the NOAA by the end of Spring 2017. Also Fund representatives announced that the 2018 would have revisions in the form of two new tables, one for pipeline details and one for fee details. They expect to release the revised 2018 application in early January for public comments.
- Ms. Rahimi also said that in January the Coalition plans to distribute a letter of support for people to sign on. This will be presented to Congress as they decide on tax reform.
- Various Advisory and Governing Board members discussed strategies for LADF and the NMTC program to increase visibility.

➤ **DISCUSSION ITEM 2 – LADF PIPELINE PROJECTS**

- Sandra Rahimi reminded the boards that July 20th is the threshold deadline for deploying at minimum 30% of the new award, which would be \$15 million in the case of LADF. She pointed out that this is the minimum to qualify and that ideally LADF would have several closed projects to discuss in the application, which is expected in late March. Because of these deployment needs, Ms. Rahimi recommend focusing on projects that can be expected to close by late March or early April.
- Ms. Rahimi and Chris Chorebanian provided updates regarding the readiness of the pipeline projects and an update on the level of interest and/or commitment by other CDEs for the various projects. Investment strategies regarding allocation sizes were discussed.
- Caroline Sim, NMTC Consultant for Impact at PIMA Industrial Campus Project, spoke on behalf of her client.
- Advisory Board members commented on the community benefits offered by the prospective investments.

4. ACTION ITEMS

- **ACTION ITEM 1 – REQUEST FOR AUTHORIZATION OF LADF STAFF TO ISSUE A LETTER OF INTEREST TO PROVIDE \$10 MILLION OF NEW MARKETS TAX CREDIT ALLOCATION TO ANITA MAY ROSENSTEIN CAMPUS PROJECT. LADF WILL HAVE OPTION TO RESCIND IF BY FEBRUARY 28, 2017 1) THE PROJECT HAS NOT PROVIDED COMMITMENT LETTERS FROM ALL OTHER FINANCING SOURCES AND 2) PROJECT HAS NOT MADE SUBSTANTIAL PROGRESS ON ALL OTHER LADF READINESS CRITERIA.**

- Moved by Director Perry. Seconded by Director Chavez.
- Roll Call: AYES: 4; NOS: 1 (Director Esparza); ABSENT: 0; ABSTAIN: 0; APPROVED.

- **ACTION ITEM 2 – REQUEST FOR AUTHORIZATION OF LADF STAFF TO DO ONE OF THE FOLLOWING: A) ISSUE LETTERS OF INTEREST TO PROVIDE \$6 MILLION OF NEW MARKETS TAX CREDIT ALLOCATION EACH TO I) ORTHOPAEDIC INSTITUTE FOR CHILDREN (OIC) AND II) IMPACT ATPIMA INDUSTRIAL CAMPUS PROJECTS; B) ISSUE LETTER OF INTEREST TO PROVIDE UP TO \$10 MILLION OF NEW MARKETS TAX CREDIT ALLOCATION TO ORTHOPAEDIC INSTITUTE FOR CHILDREN (OIC); OR C) ISSUE LETTER OF INTEREST TO PROVIDE UP TO \$10 MILLION OF NEW MARKETS TAX CREDIT ALLOCATION TO IMPACT AT PIMA INDUSTRIAL CAMPUS. IN ALL THREE SCENARIOS, LADF WILL HAVE OPTION TO RESCIND IF BY FEBRUARY 28, 2017 1) THE PROJECT(S) HAS/HAVE NOT PROVIDED COMMITMENT LETTERS FROM ALL OTHER FINANCING SOURCES AND 2) THE PROJECT(S) HAS/HAVE NOT MADE SUBSTANTIAL PROGRESS ON ALL OTHER LADF READINESS CRITERIA.**

- Moved by Director Perry. Seconded by Director Chavez.
- Roll Call: AYES: 4; NOS: 1 (Director Esparza); ABSENT: 0; ABSTAIN: 0; APPROVED.

- **ACTION ITEM 3 – REQUEST FOR AUTHORIZATION OF LADF STAFF TO ISSUE A LETTER OF INTEREST TO PROVIDE \$10 MILLION OF NEW MARKETS TAX CREDIT ALLOCATION TO BUDOKAN OF LOS ANGELES PROJECT. LADF WILL HAVE OPTION TO RESCIND IF BY APRIL 28, 2017 1) THE PROJECT HAS NOT PROVIDED COMMITMENT LETTERS FROM ALL OTHER FINANCING SOURCES AND 2) THE PROJECT HAS NOT MADE SUBSTANTIAL PROGRESS ON ALL OTHER LADF READINESS CRITERIA.**

- Moved by Director Perry. Seconded by Director Chavez.
- Roll Call: AYES: 4; NOS: 1 (Director Esparza); ABSENT: 0; ABSTAIN: 0; APPROVED.

- **ACTION ITEM 4 – REQUEST FOR AUTHORIZATION OF LADF STAFF TO ISSUE A LETTER OF INTEREST TO PROVIDE \$10 MILLION OF NEW MARKETS TAX CREDIT ALLOCATION TO JORDAN DOWNS RETAIL CENTER PROJECT. LADF WILL HAVE OPTION TO RESCIND IF BY APRIL 28, 2017 1) THE PROJECT HAS NOT PROVIDED COMMITMENT LETTERS FROM ALL OTHER FINANCING SOURCES AND 2) THE PROJECT HAS NOT MADE SUBSTANTIAL PROGRESS ON ALL OTHER LADF READINESS CRITERIA.**

- Moved by Director Perry. Seconded by Director Chavez.
- Roll Call: AYES: 4; NOS: 1 (Director Esparza); ABSENT: 0; ABSTAIN: 0; APPROVED.

5. REQUEST FOR FUTURE AGENDA ITEMS

- Update on proposed investments.
- LADF Intake form
- Presentation from the public relations specialist

6. NEXT MEETING DATE AND TIME

- **Thursday, January 12, 2017 – 3:00 PM to 4:30 PM [Regularly Scheduled]**

7. PUBLIC COMMENT

- No additional requests for public comment.

8. ADJOURNMENT

- Meeting was adjourned at **4:16 pm**.

Tab 3

LADF

LOS ANGELES DEVELOPMENT FUND

New Markets Tax Credit - Intake Form

Note: This questionnaire relates only to the eligibility of the transaction for the NMTC program. It is not a commitment to lend or an indication of terms.

Project Name:

The Los Angeles Development Fund ("LADF") is a CDE committed to using its NMTC allocation for projects within the City of Los Angeles that have significant community impact.

The first step to any NMTC transaction is to determine if the project is located in a qualified census tract. Please contact LADF with the project address (Number, Street, City, State, and Zip Code) to determine if it is in a qualified census tract. Please note that even if the project is in a qualified census tract, it may not ultimately qualify for the program or meet our community impact requirements.

If the project is located in a qualified census tract, the next step is to complete the questionnaire form below, to the best of your knowledge, and submit it to the LADF for initial review. The LADF is happy to help you complete this form, especially Section I. A screening form must be completed before a project is seriously considered for NMTC financing because documentation of the projected community/economic impacts is a critical regulatory component of this U.S. Treasury program. The LADF must fully understand the expected community impacts prior to moving forward.

This NMTC screening form is for discussion purposes only, does not constitute a commitment by LADF to extend or arrange credit or to provide any other products or services and does not obligate LADF to respond or act in any way. By signing below and submitting this NMTC screening form to LADF, you attest that the information that you provided herein is, to the best of your knowledge, true, accurate and complete. Further, you agree to: (a) permit LADF and its affiliates (at their sole option) (1) to include the project in any application(s) to the CDFI Fund, a branch of the U.S. Treasury, for New Market Tax Credit authority or other communications to the CDFI Fund with respect to such application(s) and (2) to share this information with LADF's and its affiliates' directors, employees, officers, auditors, consultants, agents and counsel and with other NMTC third parties to assist in identification of additional allocation for the project.

By: _____

Date: _____

Part I: General Information

Contact for Follow Up Information:

Name:

Phone Number:

E-Mail Address:

Project Sponsor Overview

Project Description

Nature of project for which financing is being requested: Real Estate
 Business
 Other

Dollar amount of financing being requested:

Project Timeline:

Borrowing Entity:

Please provide a description of the project in the space below. (You may attach additional information as necessary.) If applicable, please describe the use of the real estate (office, retail, industrial, housing, community facility and the projected tenant mix.)

THIS SECTION EXPANDS:

Project Location

Street:

City:

State:

Zip Code:

Additional Project Location Information

| | Yes | No |
|---|--------------------------|--------------------------|
| Is the borrower an SBA certified business, and will the project be located in an SBA designated HUB Zone? | <input type="checkbox"/> | <input type="checkbox"/> |
| Will the project be located in a federally designated Brownfield Redevelopment Area? | <input type="checkbox"/> | <input type="checkbox"/> |
| Is the project associated with a HOPE VI redevelopment plan? | <input type="checkbox"/> | <input type="checkbox"/> |
| Is the project associated with an enterprise zone program or similar programs targeted towards economically distressed areas? | <input type="checkbox"/> | <input type="checkbox"/> |

Relationship Information

Relationships with NMTC Parties

1. Is the borrower currently engaged in conversation with other allocatees or investors?

2. Has the borrower engaged the services of an NMTC consultant, accountant, or attorney?

Part II: Borrowing Entity Qualification

1. Are any of the following business conducted by the borrower or at the subject real estate?

Please place an "X" in the appropriate boxes. Please mark an answer for each business type.

| | Yes | No |
|---|-----|----|
| Message parlor | | |
| Hot tub facility | | |
| Suntan facility | | |
| Country club | | |
| Racetrack or other facility used for gambling | | |
| Store whose principal purpose is the sale of alcoholic beverages for consumption off premises | | |
| Development or holding of intangibles for sale | | |
| Private or commercial golf course | | |

Note: If you answered "Yes" to any of the above business activities, the project is NOT eligible for NMTC financing.

2. Do any revenues of the borrowing entity come from residential rental property (apartments or live/work units)?

| Yes | No |
|-----|----|
| | |

If yes, estimate the percentage for each building from the borrower's pro-forma or underwritten revenues:

| |
|--|
| |
| |

If yes, what percentage of each building's units will be affordable:

Note: Revenues from residential rental real estate must be 80% or less of each building's total revenues to qualify for NMTC.

Note: If residential rental real estate is included, at least 20% of units must be affordable to qualify for NMTC.

Part III: Identification of Financing Sources

Total Project Cost:

| |
|--|
| |
|--|

Amount of NMTC Financing Being Requested (from Part I above)

| |
|--|
| |
|--|

Please provide an estimated project budget (i.e. Sources & Uses of funds)*

| Source | | Amount | | Use | | Amount | |
|--------|--|--------|--|-----|--|--------|--|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

*please balance the sources and uses totals to match and identify any financing gap

Please describe the status and timing for each of the sources of funds listed above.

| |
|--|
| |
|--|

Project Need for NMTC Financing

NMTC program guidance includes a provision that projects financed would not otherwise occur without the benefit of the NMTC financing subsidy. Please detail the following.

1. How is the NMTC subsidy essential to the project's success? (Detail how the project would not move forward or could not provide the degree of services/community impacts without the benefits of the credits)

| |
|--|
| |
|--|

2. What value will the tax credits bring to the project? (Include specifics for increased community impacts, project enhancements or improved credit underwriting)

Part IV: Description of Community Impacts

A major component of the NMTC Program is to provide financing that will generate significant impacts to benefit Low-Income Communities and low-income persons. Please address the following questions and provide any supplemental information that would be helpful in evaluating the community impact of the project.

1. Demonstrated Support of Local Community (You may attach additional materials as necessary such as community letters of support.)

2. Developer's Historical Track Record - What is the developer's involvement in this or similar communities? (Please explain.)

3. Contribution to Long Term Development of Community (Please indicate how this project contributes to other community and regional development initiatives.)

4. Is this project likely to catalyze additional investment in the community? (Please explain.)

5. Environmental Soundness - Does the project create environmentally sustainable outcomes through green building concepts, location near mass transit, adaptive reuse of existing building or materials, etc.? Will the building be LEED certified? Is this project likely to catalyze additional investment in the

6a. Job Creation/Retention (Please populate chart below.)

of Permanent Jobs Likely to be Created by this Project
 # of Permanent Jobs Likely to be Retained Due to this Project
 # of Construction Jobs Likely to be Created by this Project

| | Full Time | | | Part Time | | |
|---|-----------|-----------------|----------------|-----------|-----------------|----------------|
| | Total | Local Residents | Low-Mod Income | Total | Local Residents | Low-Mod Income |
| # of Permanent Jobs Likely to be Created by this Project | | | | | | |
| # of Permanent Jobs Likely to be Retained Due to this Project | | | | | | |
| # of Construction Jobs Likely to be Created by this Project | | | | | | |

6b. What percentage of jobs will be quality jobs offering Los Angeles Living Wages, benefits and advancement opportunities? (please explain)

6c. What percentage of jobs will target local, low-income or otherwise disadvantaged workers? Will job training opportunities be offered? (please explain)

7a. Will the project provide vital **commercial** goods and/or services to residents of the low-income community (grocery store, pharmacy, banking or other financial service provider, sit-down restaurant, etc.)? (Please explain.)

7b. Please specify if the project will create a grocery store or other means of providing **access to healthy foods** for the community where access is low. Please also specify if the project will be located in a USDA-defined food desert.

8a. Will the project provide vital **community** goods and/or services to residents of the low-income community (healthcare / FQHC in a medically-underserved community, social service, educational service, cultural venue, etc.)? (Please explain.)

8b. Is this a new program(s) or an expansion of an existing program(s)? How many additional individuals will be served by the program(s) and what percentage of those served is anticipated to represent low-income persons (patients served, daycare slots, etc.)? (Please explain.)

8. Does the project provide space for locally owned, minority or women-owned businesses or non-profit tenants? Is there an explicit set-aside for such tenants? If so, will such tenants receive reduced rents or other subsidies as a result of NMTC financing? (Please explain.)

Part V: Addendum (to be completed by LADF)

Addendum A: Project Location - Distressed Criteria

Please place an "X" in the appropriate boxes to indicate whether the project meets any of the following

Must have at least 1 of the following from Section A:

| | | Yes | No |
|----------|---|-----|----|
| A | Census tract with poverty rate greater than 30% | | |
| | Census tract with median family income 60% or less of area median income | | |
| | Census tract with unemployment rate at least 1.5 times the national average | | |
| | Non-metropolitan census tract | | |
| | Projects serving qualified Targeted Populations | | |

OR Must have at least 2 of the following from Sections B:

| | | | |
|--|--|--|--|
| B | <i>One of the following:</i> | | |
| | Census tract poverty rate greater than 25% | | |
| | Census tract with median family 70% or less of area median income | | |
| | Census tract with unemployment rate at least 1.25 times the national average | | |
| | SBA designated HUB Zone (to the extent QLICI will support HUB Zone certified businesses) | | |
| | Federally designated Brownfield Redevelopment Area | | |
| | Encompassed by HOPE VI redevelopment plan | | |
| | Federally designated as Indian Reservations, Off-Reservation Trust Lands or Alaskan Native Village Statistical Areas, or Hawaiian Home Lands | | |
| | Designated as distressed by Appalachian Regional Commission or Delta Regional Authority | | |
| | Colonias designated area by HUD | | |
| | Federally designated medically underserved areas (to the extent QLICI will support health related services in the area) | | |
| | Federally designated Promise Zones, Impacted Coal Counties, base realignment and closure areas, State enterprise zone programs, or other similar state/local programs targeted towards particularly economically distressed communities | | |
| | Counties for which FEMA has (a) issued a "major disaster declaration" and (b) determined that the county is eligible for both "individual and public assistance;" provided that the initial project investment was made within 36 months of the disaster declaration | | |
| A Food Desert, which must either be determined by 1) the USDA's Food Desert Locator Tool or 2) a methodology used by another governmental or philanthropic healthy food initiative (to the extent QLICI will increase access to healthy food). | | | |

Tab 4



karen brooks

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karenxbrooks@gmail.com

November 4, 2016

Rushmore Cervantes
Los Angeles Housing and Community Investment Department
1200 West 7th Street, 1st Floor
Los Angeles, CA 90017

RE: First Pass SOCIAL MEDIA PROPOSAL Los Angeles Development Fund

Dear Rushmore,

Thank you for the opportunity to discuss your social media outreach and to give you a brief preliminary budget for creating a new and formidable social media presence for the LADF.

As you probably know more than two-thirds of the country uses social networks. Social media is the way to spread content, ideas and promote your brand to those you want to engage. Over three quarters of small businesses attract people they want to serve through social media. It provides a wonderful opportunity for you to be on the radar of those you wish to serve and also of those who make decisions about serving you.

Utilizing social media channels enables a better way to tell your story - engage and connect - strengthen your relationship with supporters and build your online community - and as the internet is a living and evolving organism your social media should be too.

Beyond that is legitimizing your brand which opens the gates to customer acquisition. It establishes your presence and allows anyone interested to learn about you, follow you for informational or practical reasons and seriously consider what you have to offer and how it fits into their scenario.

A professional, confidence inducing website establishes who the LADF is, what it does, why it is important or of interest and how believable it is. It identifies its authority. It creates an image and speaks volumes about the LADF experience and whether it can lead others to successful outcomes.

It is a given that potential clients check your social media pages to learn more about you.

Although good website content once established may change on a less frequent timeframe, social media pages must be updated constantly with new posts, commentary and links.

Well curated social media channels also engage influencers who help to spread the word and become part of your content marketing distribution system. It is a PR tool to reach out to journalists and thought leaders who cover the space as well as end users (developers, etc.).

A website establishes that a brand exists, but social media pages establish that the brand is active. Besides increasing brand awareness and establishing the legitimacy of the brand there is also a critical need for good social media otherwise there is vulnerability when social media marketing isn't up to expectations.

The following budget is informal in the sense that It is a condensation of a proposal. The first part, of 120 days, is the creation and launch timetable. The social media channels will launch quite quickly, the website may take 90+ days to launch. The second component is what happens after the first 120 days when all of the channels and website are active and will be functioning as a part of the whole on a daily basis.



Initial budget for first 120 days Scope of Work includes but is not limited to

- Create a comprehensive strategy for social media marketing and all channels (LADF website and three social media channels; Facebook, Twitter, LinkedIn) that states the business goals and objectives that your social media will mirror.
- Create a project definition for the website which includes;
Business and website goals, features and specifications, content creation and sourcing, scope definition and then move on to research and planning, image and graphic creation, developing, launching, maintenance.
- During this time we will also launch Facebook, LinkedIn and relaunch Twitter:
Included in this is content creation, image research and curation, custom graphics for use on all your social media channels, audience and list building, social media monitoring, consumer interaction, social media engagement, social selling, lead generation

\$32,500

Monthly Maintenance includes but is not limited to

AFTER the initial launch period of 120 days, the monthly maintenance includes; ongoing strategy assessment, website maintenance, content creation and development for social media channels, posting on three channels, list building, dealing with consumer interaction, image research and curation, custom graphics for use on all your social media channels, social media monitoring, social media engagement, lead generation

\$3000 to \$4500 per month

I look forward to talking with you more about this proposal and the possibilities. My best regards,

Karen Brooks

Tab 5

MEMORANDUM

TO: LADF Board of Directors
FROM: Sandra Rahimi, Secretary
DATE: January 18, 2017
SUBJECT: Engage Manatt, Phelps & Phillips, LLP ("Manatt") to represent LADF in the Anita May Rosenstein Campus transaction

RECOMMENDATION

That the Los Angeles Development Fund (LADF) Governing Board of Directors authorize Staff to engage Neil Faden at Manatt, Phelps & Phillips, LLP to represent LADF in the Anita May Rosenstein Campus transaction

BACKGROUND AND SUMMARY

On December 20, 2016 the LADF Governing Board authorized Staff to issue a Letter of Interest ("LOI") to provide \$10 million New Markets Tax Credits ("NMTC") to finance construction of the Anita May Rosenstein Campus in Hollywood, CA ("Project"). Development costs for the Project total approximately \$74.7 million, of which \$43 million to \$50 million will be leveraged through the NMTC structure. New Markets Community Capital, LLC ("TELACU"), Genesis LA CDE LLC ("Genesis"), and Low Income Investment Fund ("LIIF") have issued LOIs for allocation totaling the additional \$33 million in NMTC allocation.

In an effort to increase economies of scale, thereby providing a greater subsidy to the Project, TELACU, Genesis, and LIIF have decided to engage Neil Faden at Manatt as their shared legal counsel on the transaction.

In an effort to keep transactional costs low, increase efficiency in closing, and provide the maximum benefit to a low-income community project, LADF Staff request authorization to engage Manatt for this transaction.

POLICY EXCEPTION

At its April 9, 2015 meeting, the LADF Governing Board selected the following five (5) law firms to provide transactional legal services to the LADF for a five-year period, with no extensions options:

Bergman & Allderdice (Beth Bergman and Michael Allderdice), Buchalter Nemer (Sarah C. Perez), Butler Snow LLP (A. Ann Hered and Thane Hodson), Kutak Rock LLC (John A. Henry, Jr.), and Nixon Peabody LLP (Sonia Nayak).

LADF's policy is to engage attorneys only from the pre-approved list; therefore engaging Manatt represents an exception to that policy.

RISKS AND MITIGANTS

Manatt, established in 1965, is a national law firm with over 450 employees. They have offices in Los Angeles, Costa Mesa, Palo Alto, San Francisco, Sacramento, Washington, D.C., New York and Albany. Manatt has been involved with the NMTC program since the program's inception in 2000. Their attorneys have represented clients acting all areas of the program – Investors, QALICBs and CDEs.

Neil Faden, the Manatt attorney who would represent LADF and the other CDEs in the AMR transaction, has been with Manatt since 1996. He focuses on finance matters related to the New Markets Tax Credit program and closed his first NMTC transaction in 2004. His practice includes the representation of community development entities, investors, lenders and borrowers.

ATTACHMENTS

None.

Tab 6

MEMORANDUM

TO: LADF Board of Directors
FROM: Sandra Rahimi, LADF Secretary
DATE: January 18, 2017
SUBJECT: Novogradac & Co.'s NMTC Conference in San Diego on January 26 & 27, 2017

RECOMMENDATION

That the Los Angeles Development Fund (LADF) Governing Board of Directors authorizes Sandra Rahimi to represent LADF at Novogradac's NMTC conference in San Diego on January 26 & 27, 2017. Cost for the conference would be paid from LADF's marketing budget.

SUMMARY AND BACKGROUND

Novogradac & Co. is one of the two largest CPA firms in the NMTC industry. Its conferences are well attended by all categories of industry experts and staff attendance will provide invaluable marketing opportunities for the LADF. The conferences are attended by developers, investors, CDFI Fund staff and other NMTC allocatee partners. The conferences also provide up-to-date information on the status of the NMTC program and industry best practices. They are also a great opportunity to hear about projects and build relationships with the potential partners active in the NMTC world. LADF has developed a presence at these industry conferences, where LADF representatives often attend several meetings to voice City support of projects located in Los Angeles. This industry exposure resulted in a very strong LADF pipeline for the most recent 2015-16 NMTC application round.

Cost

The main conference is officially scheduled for January 26th and 27th, inclusive; many networking events are scheduled for January 25th, the evening before the main conference's official commencement, so Ms. Rahimi would require two nights of hotel (25th and 26th) and two days of travel (25th and 27th). She would attend the conference and networking events on behalf of LADF. The total cost for the San Diego conference is currently estimated at \$786, calculated as follows:

| Description | Cost (\$) |
|---|---------------|
| Conference Fee | \$ 0 |
| Mileage ¹ (135 miles each way @ 53.5 cents/mi) | \$ 145 |
| Hotel (<i>approx. \$195+tax per night</i>) ² | \$ 439 |
| Parking (\$42 per day) | \$ 84 |
| <i>Per diem</i> ³ | \$ 118 |
| TOTAL | \$ 786 |

DISCUSSION

At the conference, QALICBs and consultants will be discussing projects looking for allocation from the most recent round. The conference will expose LADF to additional City of Los Angeles projects beyond its current pipeline both for existing allocation and in anticipation of the next application to be released

¹ Based on IRS Standard Mileage Rates (rev 12/13/2016) for business miles driven

² Discounted conference hotel rate is \$269 plus tax per night. Ms. Rahimi is staying at a hotel 10 minutes from conference hotel at further discount.

³ Based on U.S. General Services Administration per diem amounts (Jan-2017) for meals and incidental expenses in San Diego, CA (excluding breakfast for both conference days and lunch on the day of the full conference)

in late Spring 2017. These projects will provide alternatives if the projects in LADF's pipeline stall and build a future pipeline in the event LADF is awarded additional NMTC.

Additionally, investors, QALICBs and consultants have requested that LADF staff assist in promoting projects in the City of Los Angeles, such as Jordan Downs. Such promotion by a local CDE is especially important for sourcing allocation from national CDEs that are not necessarily aware of the needs of our communities. LADF, as a CDE controlled by the City of Los Angeles, adds additional value in these efforts. This conference, which has attendance drawn nationwide, is an important venue for this work.

ATTACHMENTS

Novogradac NMTC Conference San Diego – Agenda

Conference Agenda

THU., JAN. 26

8-9 A.M. Registration and Breakfast

9-9:15 A.M. Welcome



OWEN GRAY
Novogradac &
Company LLP

9:15-10:30 A.M. Washington Report

With President Trump and the Republican Congress taking office, community development professionals are facing new challenges and opportunities in 2017. Hear the latest on potential comprehensive tax reform and what might happen during the 115th Congress.



**MICHAEL
NOVOGRADAC**
Novogradac &
Company LLP



**MERRILL
HOOPENGARDNER**
National Trust
Community
Investment Corp.



BOB RAPOZA
Rapoza
Associates



**JEFFREY
MCMULLEN**
Akin Gump
Strauss Hauer &
Feld LLP

10:30-10:45 A.M. Break

10:45 A.M.-NOON 2017 Investor Outlook

The recent \$7 billion NMTC allocation provides an unprecedented situation for investors. Hear about opportunities, challenges and strategies for those who invest in community development.



NICOLO PINOLI
Novogradac &
Company LLP



TRACY BURTON
Wells Fargo



**JOHN
CHAMBERLAIN**
Capital One



JOHN PANNO
Bank of America



RYANNE SHUEY
PNC



**KEVIN
GOLDSMITH**
Chase

NOON-1:30 P.M. Taste of San Diego Luncheon

1:45-2:30 P.M. CDFI Fund Q&A

Bob Ibanez of the CDFI Fund provides information, whether it's about how CDEs were chosen in the most recent NMTC round, timing of the 2017 NOAA and application, compliance or future plans for the organization that oversees the NMTC program. Get your questions answered.



BRAD ELPHICK
Novogradac &
Company LLP



BOB IBANEZ
CDFI Fund

2:30-2:45 P.M. Break

Conference Agenda

THU., JAN. 26

BREAKOUT I:

2:45-3:45 P.M.

Investing in Underserved Areas

The CDFI Fund emphasizes the use of NMTCs to serve underserved areas and this panel looks at the most effective ways to do so. Find out what strategies work best while meeting the most important community development needs.



OWEN GRAY
Novogradac &
Company LLP



JAY HARRISON
Clearinghouse
CDFI



**MELISSA
MCDONALD**
Raza
Development
Fund



GINA NISBETH
Citi Community
Capital



JENNIFER NOVAK
Community
Reinvestment
Fund Inc.

3:45-4 P.M.
Break

4-5 P.M.

Targeted Populations

Targeted populations are crucial in the NMTC program and provide their own set of obstacles. Hear best practices to find, invest in and assist targeted populations, whether they are owned by or serve low-income persons.



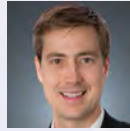
JOHN SCIARRETTI
Novogradac &
Company LLP



**MARY BETH
HUBNER**
Holland & Knight



DAVID LUTZ
Stinson Leonard
Street



**CHRISTOPHER
PIERCE**
Lathrop & Gage
LLP



LUIS RODRIGUEZ
Goldfarb &
Lipman



Conference Agenda

THU., JAN. 26

BREAKOUT II:

2:45-3:45 P.M.

Operating Businesses

More than 70 percent of the recent \$7 billion NMTC allocation went to operating businesses, according to the NMTC Program Award Book. This is the fifth consecutive round where that sector received more allocation than real estate activities. Hear what the CDFI Fund's emphasis means to the present and future—and what you should be doing in response.



MATT MEEKER
Novogradac &
Company LLP



CAROL MIHALIC
Kutak Rock



LAURA BARON
Strategic
Development
Solutions



KERMIT BILLUPS
Greenline
Ventures



AMY TRANCKINO
Sheppard
Mullin Richter &
Hampton LLP

3:45-4 P.M.

Break

4-5 P.M.

Marketing your Project to a CDE

Before your project lands NMTC financing, it first needs the interest of a community development entity (CDE). Learn what CDEs are interested in and how to close the deal with a partner to make sure you get the NMTC investment.



TOM BOCCIA
Novogradac &
Company LLP



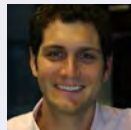
CRAIG DALE
Capital Peak
Partners



**MARGARET
DOUGLASS**
First NBC Bank



**CHIMEKA
GLADNEY**
Enterprise
Community
Investment Inc.



DAN KLAFF
Applegate &
Thorne-Thomsen

5-6:30 P.M.

Sunset Reception



Conference Agenda

FRI., JAN. 27

8-9 A.M.

Registration and Networking Breakfast

9-10:15 A.M.

Adjusting to Recent Changes from CDFI Fund

The 2015 NMTC Compliance and Monitoring FAQ provided significant changes dealing with the use of QLICI proceeds, the monetization of assets and whether a leverage loan is includable in the qualified equity investment amount. But it also left some questions about what those modifications specifically mean. Hear how these changes and their interpretations may affect your development or investment.



WARREN SEBRA
Novogradac & Company LLP



ELIZABETH FELDMER
Husch Blackwell



JEREMY SCHIRRA
Squire Patton Boggs



JONATHAN KADEN
Dentons



SONIA NAYAK
Nixon Peabody LLP

10:15-10:30 A.M.

Break

10:30-11:45 A.M.

Small QLICs

The NMTC program isn't just for huge developments—some qualified active low-income community businesses need smaller investments, which can lead to challenges. Learn how QALICBs and CDEs deal with smaller investment amounts, despite significant issues with fees and other administrative costs.



BRYAN HUNG
Novogradac & Company LLP



TRACEY GUNN LOWELL
U.S. Bancorp Community Development Corporation



STEVEN PETSOS
LISC's New Markets Support Company



BRYNN SANDERS
Advantage Capital Partners



DARRYL JACOBS
Ginsberg Jacobs

