

LADF

LOS ANGELES DEVELOPMENT FUND

**Meeting of the
Governing Board of Directors of
The Los Angeles Development Fund
and
LADF Management, Inc.**

June 14, 2018

**MEETING of the
GOVERNING BOARD OF DIRECTORS of
THE LOS ANGELES DEVELOPMENT FUND and LADF MANAGEMENT, INC.
JUNE 14, 2018**

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 - LADF Pipeline Report

Tab 1

A G E N D A

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

**CITY HALL, ROOM 1050
200 N. SPRING STREET, LOS ANGELES, CA
Thursday, June 14, 2018 | 3:00pm – 4:30pm**

	AGENDA ITEM	PRESENTER	TAB
	Welcome and Call to Order	Rushmore Cervantes	
	Roll Call	Rushmore Cervantes	
1	Discussion Items		
	a. 2018 Application Update	Sandra Rahimi	
	b. LADF Pipeline Update	Sandra Rahimi	Tab 2
	c. Discuss Vice Chair position and possible nominees	Sandra Rahimi	
2	Action Items	Sandra Rahimi	
	a. Request for Authorization to issue a Letter of Interest to the Goodwill of Southern California project for providing up to \$10 Million of New Markets Tax Credit Allocation. LADF will have option to rescind the Letter of Interest if by September 21, 2018 a) the project has not provided commitment letters from all other financing sources and b) project has not made substantial progress on all other LADF readiness criteria.		
	b. Request for Authorization to extend Purchase Order contract with Christopher Chorebanian for Asset Management and Compliance Consulting Services as-needed through September 28, 2018 .		
	c. Request for Authorization to extend Purchase Order contract with Josephine Diaz for Accounting and Billing Consulting Services as-needed through September 28, 2018 .		
	d. Request for Authorization of LADF President to (1) setup online banking accounts with all bank accounts owned and/or managed by LADF and LADF Management, Inc. and (2) setup restricted online banking accounts for LADF staff and Ariel Ventures with limited services that include viewing bank statements online and submitting wire transfer requests that must be approved online by LADF's authorized signers for each bank account.		
	e. Request for Authorization to renew job search for an LADF Associate to assist with pipeline development, underwriting and closing.		
	f. Request for Authorization to amend bylaws of LADF and LADF Management, Inc. to add a board position for Vice Chairman that may act as Chairman in Chairman's absence.		
	Request for Future Agenda Items	Rushmore Cervantes	
	Next Meeting Date and Time of Governing Board	Rushmore Cervantes	
	• Thursday, July 12, 2018		
	Public Comment	Rushmore Cervantes	
	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

LADF

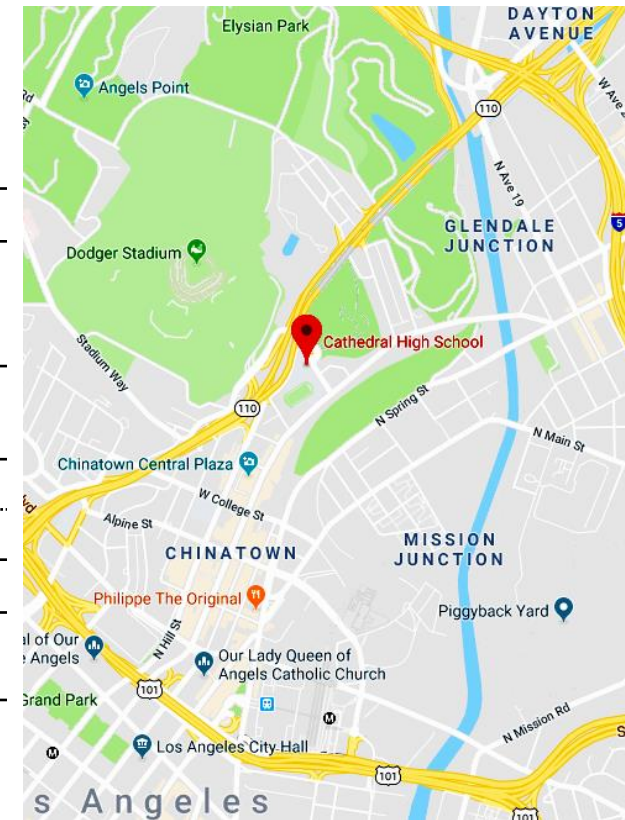
LOS ANGELES DEVELOPMENT FUND

PIPELINE PROFILES

LADF Board Meeting
June 14, 2018

CATHEDRAL HIGH PERFORMING ARTS CENTER

Developer:	Cathedral High School (CHS)								
Project Type:	Community Facility, New Construction								
Description:	<p>Project is a 30,000 SF state of the art Performing Arts Center and Theater. Project will include a “Makerspace” (space to design, prototype, and create manufactured works), a 350-seat theater, art and musical instruction rooms, audio and video engineering studio, theater arts instruction space, general classroom space, and theater related offices.</p> <p>CHS is an all boys’ high school located in one of the most economically & socially challenged neighborhoods in Los Angeles. The school has educated underserved and disadvantaged high school boys since 1925. CHS’ annual enrolment hovers around 700 students – 70% Latino and 10% African American, and 30% of the total are non-Catholic students. Additionally, 70% of its students qualify for the Federal Free/Reduced Lunch Programs.</p>								
Location:	1253 Bishops Road, Los Angeles, CA 90012 (CD 1)								
Census Tract Eligibility (2010):	<ul style="list-style-type: none"> ➤ 50.8% Poverty Rate (<i>greater than 20% and 30%</i>) ➤ 27.6% of Metro/State Median Income (<i>less than 80% and 60%</i>) ➤ Located in a State Enterprise Zone 								
Estimated TDC/ NMTA Allocation:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">TDC:</td> <td style="width: 30%; text-align: right;">\$ 19,930,000</td> <td style="width: 20%;">Total QEI:</td> <td style="width: 30%; text-align: right;">\$ 18,000,000</td> </tr> <tr> <td></td> <td></td> <td>LADF QEI:</td> <td style="text-align: right;">\$ 10,000,000</td> </tr> </table>	TDC:	\$ 19,930,000	Total QEI:	\$ 18,000,000			LADF QEI:	\$ 10,000,000
TDC:	\$ 19,930,000	Total QEI:	\$ 18,000,000						
		LADF QEI:	\$ 10,000,000						
Potential Sources of Funds:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Various Grants (<i>spent</i>):</td> <td style="width: 30%; text-align: right;">\$ 13,960,000</td> <td style="width: 40%; text-align: right;">Lev. Loan Eligible</td> </tr> <tr> <td>NMTA Equity (\$0.85 / NMTA):</td> <td style="text-align: right;">\$ 5,970,000</td> <td></td> </tr> </table>	Various Grants (<i>spent</i>):	\$ 13,960,000	Lev. Loan Eligible	NMTA Equity (\$0.85 / NMTA):	\$ 5,970,000			
Various Grants (<i>spent</i>):	\$ 13,960,000	Lev. Loan Eligible							
NMTA Equity (\$0.85 / NMTA):	\$ 5,970,000								
Projected Closing:	September 2017								
Current Status:	<ul style="list-style-type: none"> ➤ Project received permits and broke ground in mid-2017 ➤ Construction completion expected Dec. 2018 to Jan. 2019 								
Community Benefits/Impact:	<ul style="list-style-type: none"> ➤ Serve approximately 6,800 community members annually ➤ Facility, including “Makerspace”, will be open to the community at free or reduces rates ➤ Provide community members with access to enrichment, education, and workforce development programs 								



HIGH TECH LOS ANGELES MIDDLE SCHOOL

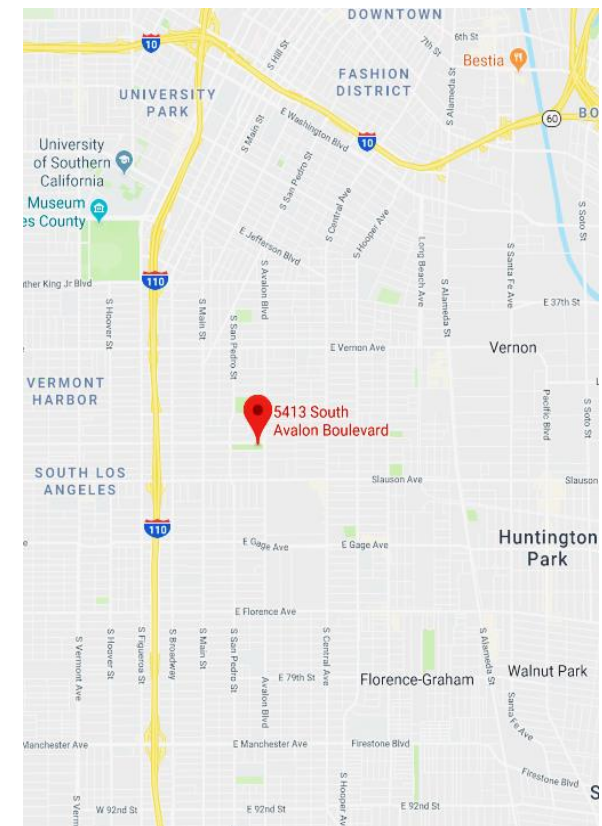
Developer:	Pacific Charter School Development		
Project Type:	Charter School, New Construction		
Description:	Project is a 27,500 SF charter school facility in the Van Nuys neighborhood of Los Angeles. Project will be built on an existing YMCA-owned parcel and be located adjacent to the Mid-Valley YMCA. This charter school will add 450 seats for 6 th , 7 th , and 8 th grade students. Project will also renovate and upgrade an existing on-site parking lot. In the 2016-17 school year, 93.6% of High Tech LA's students qualified for the free or subsidized lunch program.		
Location:	6862 Van Nuys Blvd., Van Nuys, CA 91405 (CD 6)		
Census Tract Eligibility (2010):	<ul style="list-style-type: none"> ➤ 27.8% Poverty Rate (<i>greater than 20%</i>) ➤ 52.1% of Metro/State Median Income (<i>less than 80% and 60%</i>) ➤ 1.54x National Avg. Unemployment (<i>greater than 1.5x</i>) 		
Estimated TDC/ NMTC Allocation:	TDC: \$ 11,000,000	Total QEI: \$ 11,000,000	LADF QEI: \$ 10,000,000
Potential Sources of Funds:	Leverage Loan (LISC):	\$ 5,850,000	Lev. Loan Eligible
	Grant (GPSN):	\$ 1,500,000	Lev. Loan Eligible
	NMTC Equity (\$0.85 / NMTC):	\$ 3,650,000	
Projected Closing:	Summer 2018		
Current Status:	<ul style="list-style-type: none"> ➤ RTI Permits expected in summer 2018 ➤ Project expected to complete in August 2019 		
Community Benefits/Impact:	<ul style="list-style-type: none"> ➤ Serve 450 6th through 8th grade students ➤ Sustainability: LEED Gold certification anticipated 		



LACMA Wetlands Park Building

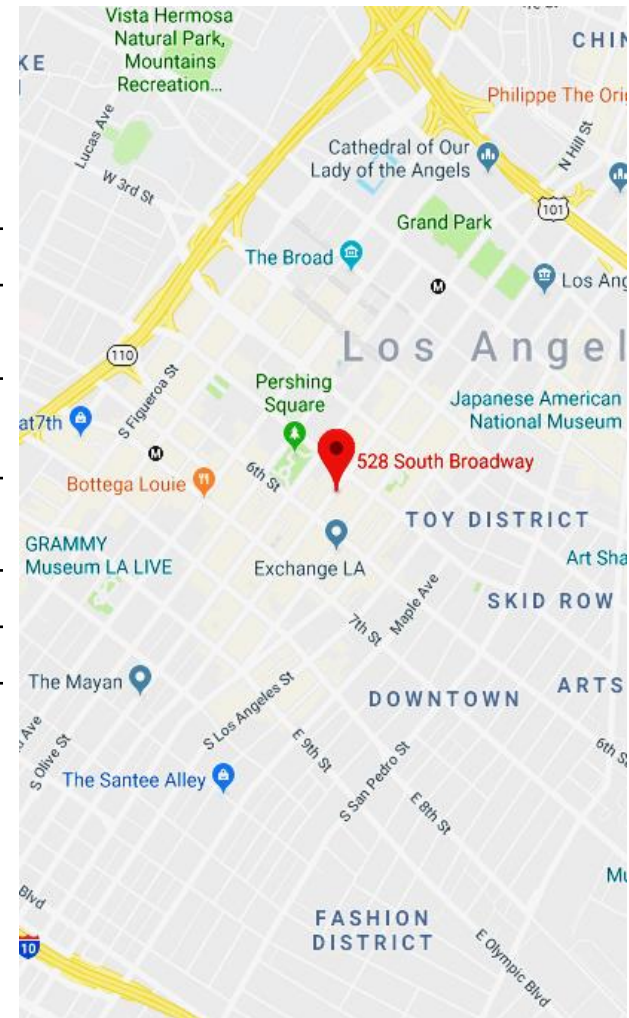
Developer:	Museum Associates dba Los Angeles County Museum of Art									
Project Type:	Museum, Rehabilitation									
Description:	Project is a 72,850 SF museum located in South Los Angeles Wetlands Park. The facility is across the street from the newly renovated Maya Angelou High School. This branch will operate public art programming in association with neighboring schools to provide access to art education and programming for over 9,500 students within walking distance, providing a cultural resource in an underserved neighborhood. The museum will use the building for art-related and educational public programs and museum related purposes, including the storage of a portion of LACMA's collection.									
Location:	5413 S Avalon Blvd., Los Angeles, CA 90011 (CD 9)									
Census Tract Eligibility (2010):	<ul style="list-style-type: none"> ➤ 34.2% Poverty Rate (greater than 20% and 30%) ➤ 49.3% of Metro/State Median Income (less than 80% and 60%) ➤ 1.56x National Avg. Unemployment (greater than 1.5x) 									
Estimated TDC/ NMTC Allocation:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">TDC:</td> <td style="width: 20%;">\$ 31,600,000</td> <td style="width: 20%;">Total QEI:</td> <td style="width: 20%;">\$ 30,000,000</td> </tr> <tr> <td></td> <td></td> <td>LADF QEI:</td> <td>\$ 10,000,000</td> </tr> </table>	TDC:	\$ 31,600,000	Total QEI:	\$ 30,000,000			LADF QEI:	\$ 10,000,000	
TDC:	\$ 31,600,000	Total QEI:	\$ 30,000,000							
		LADF QEI:	\$ 10,000,000							
Potential Sources of Funds:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Sponsor Equity:</td> <td style="width: 20%;">\$ 15,900,000</td> <td style="width: 20%;">Lev. Loan Eligible</td> </tr> <tr> <td>Historic Tax Credit Equity:</td> <td>\$ 6,000,000</td> <td>Lev. Loan Eligible</td> </tr> <tr> <td>NMTC Equity (\$0.83 / NMTC):</td> <td>\$ 9,700,000</td> <td></td> </tr> </table>	Sponsor Equity:	\$ 15,900,000	Lev. Loan Eligible	Historic Tax Credit Equity:	\$ 6,000,000	Lev. Loan Eligible	NMTC Equity (\$0.83 / NMTC):	\$ 9,700,000	
Sponsor Equity:	\$ 15,900,000	Lev. Loan Eligible								
Historic Tax Credit Equity:	\$ 6,000,000	Lev. Loan Eligible								
NMTC Equity (\$0.83 / NMTC):	\$ 9,700,000									
Projected Closing:	March 2019									
Current Status:	<ul style="list-style-type: none"> ➤ 35-year rent-free lease with the City of LA signed in February 2018 ➤ Construction start in Mar-2019 and completion in Dec-2019 									
Community Benefits/Impact:	<ul style="list-style-type: none"> ➤ Program model designed for 9,500 students within walking distance to visit the site multiple times ➤ High School Internship Program each year focused on learning about the Museum's collection and art history, strategies for facilitating conversations about art, and public speaking ➤ Adult training to serve as teaching assistants for public art programs 									

LACMA



FUSION MULTIPLEX

Developer:	Fusion Multiplex, LLC		
Project Type:	Retail / Entertainment, Rehabilitation		
Description:	Project includes 90,000 SF total across 3 old theatres that will be redeveloped and consolidated into one building, which will server as the first mixed media venue in Downtown Los Angeles and the first of its kind to feature all genre of film, alternative content, e-sports, and even “live” programming, such as stand-up comedy and intimate musical sets. The projects aligns with the “Bringing Back Broadway” ten-year plan to reactivate the Broadway theatre district.		
Location:	528 S Broadway, Los Angeles, CA 90013 (CD 14)		
Census Tract Eligibility (2010):	<ul style="list-style-type: none"> ➤ 42.8% Poverty Rate (<i>greater than 20% and 30%</i>) ➤ 27.0% of Metro/State Median Income (<i>less than 80% and 60%</i>) 		
Estimated TDC/ NMTA Allocation:	TDC:	\$ TBD	Total QEI: \$ TBD LADF QEI: \$ TBD
Potential Sources of Funds:	TBD	\$ TBD	Lev. Loan Eligible
Projected Closing:	TBD		
Current Status:	➤ Design development is ongoing		
Community Benefits/Impact:	<ul style="list-style-type: none"> ➤ Job Creation: 195 Permanent – TBD Construction ➤ Intend to engage the USO Pathfinder Program to attract qualified service men and women who are transitioning back into civilian life ➤ Intend to develop a Vocational Hiring Program in conjunction with the Union Rescue Mission (URM), and other Skid Row entities with qualified program graduates ➤ Professional Internship or Mentorship Program in conjunction with new LAUSD/USC Film Lecture Series and Extension Courses offered ➤ Free shuttle services from The Angelus Plaza (TAP) Senior Center to Fusion Multiplex 		



1801 FLOWER

Developer:	Project 1801 Flower, LLC		
Project Type:	Homeless Housing, Rehabilitation		
Description:	Project is a redevelopment of an existing building into a homeless shelter with ancillary homeless services. Project is centrally located in downtown Los Angeles, nearly adjacent to the Bob Hope Patriotic Hall & VA hospital and is an ideal location for programs providing support for homeless veterans. The Sponsor has had discussions with VA officials regarding the intent to house homeless veterans at this location.		
Location:	1801 S Flower Street, Los Angeles, CA 90015 (CD 9)		
Census Tract Eligibility (2010):	<ul style="list-style-type: none"> ➤ 33.5% Poverty Rate (<i>greater than 20% and 30%</i>) ➤ 36.0% of Metro/State Median Income (<i>less than 80% and 60%</i>) 		
Estimated TDC/ NMTC Allocation:	TDC: \$ 11,400,000	Total QEI: \$ 11,000,000	LADF QEI: \$ TBD
Potential Sources of Funds:	HHH Funding / TBD Sources:	\$ 7,400,000	Lev. Loan Eligible
	NMTC Equity (\$0.85 / NMTC):	\$ 3,600,000	
	Sponsor Equity (direct source):	\$ 400,000	
Projected Closing:	September 2018		
Current Status:	<ul style="list-style-type: none"> ➤ Sponsor under contract to acquire property ➤ Sponsor to obtain commitments for HHH funding and LAHSA for program revenues 		
Community Benefits/Impact:	➤ Provide shelter and services for greater than 125 people in need		



GOODWILL OF SOUTHERN CA. OFFICE

Developer:	Goodwill of Southern California ("GSC")		
Project Type:	Office / Mixed-Use, Rehabilitation		
Description:	<p>Project includes the adaptive reuse of the 138,000 SF GSC office building. Project will adapt office space for people with ADA impediments, create 30,000 SF of low-cost working space for partner non-profits, expand job training capacity by 50%, create a digital learning academy, establish a new homeless services center, and create a 2MW solar installation.</p> <p>Creation of a new Goodwill Café will train 300 people per annum and prepare them for careers in food service. Project will make food services available to the local community for the first time.</p> <p>New construction of an 800 car parking garage and a new 15,000 SF Goodwill retail store. GSC will employ individuals with special needs at this location.</p>		
Location:	342 N San Fernando Rd, Los Angeles, CA 90031 (CD 1)		
Census Tract Eligibility (2010):	<ul style="list-style-type: none"> ➤ 43.7% Poverty Rate (greater than 20% and 30%) ➤ 37.7% of Metro/State Median Income (less than 80% and 60%) ➤ 1.58x National Avg. Unemployment (greater than 1.5x) 		
Estimated TDC/ NMTC Allocation:	TDC:	\$ 39,000,000	Total QEI: \$ 39,000,000 LADF QEI: \$ TBD
Potential Sources of Funds:	Taxable bond financing:	\$ 26,000,000	Lev. Loan Eligible
	NMTC Equity (\$0.85 / NMTC):	\$ 13,000,000	
Projected Closing:	TBD		
Current Status:	➤ Design development is ongoing		
Community Benefits/Impact:	<ul style="list-style-type: none"> ➤ Job Creation: 100 Permanent – TBD Construction ➤ 30,000 SF of new low cost space for non profits ➤ Expansion of space accessible to trainees with disabilities ➤ 50% expansion of existing GSC job training capacity 		

