

Elizabeth Alcantar, Mayor  
Jose R. Gonzalez, Vice Mayor  
Chris Garcia, Council Member  
Jack M. Guerrero, Council Member  
Blanca Lozoya, Council Member



**REMOTE TELECONFERENCE AND ELECTRONICALLY**

This meeting will be conducted telephonically and electronically pursuant to the State of California Executive Order No. 29-20.

**Teleconference Phone Number:**

1 (253) 215-8782

**Meeting ID:** 852 6034 8800

<https://us02web.zoom.us/j/85260348800>

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## **AGENDA**

**A SPECIAL MEETING  
OF THE CUDAHY CITY COUNCIL  
and JOINT MEETING of the  
CITY OF CUDAHY AS SUCCESSOR AGENCY and HOUSING SUCCESSOR AGENCY  
TO THE CUDAHY DEVELOPMENT COMMISSION  
Tuesday, July 14, 2020 – 6:30 P.M.**

Written materials distributed to the City Council within 24 hours of the City Council meeting shall be available on the City's website for public inspection at [www.cityofcudahy.com](http://www.cityofcudahy.com).

*In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting, you should contact the City Clerk's Office at (323) 773-5143 at least 24 hours in advance of the meeting.*

### **Rules of Decorum**

Under the Government Code, the City Council may regulate disruptive behavior that impedes the City Council Meeting.

Disruptive conduct may include, but is not limited to:

- Screaming or yelling during another audience member's public comments period;
- Profane language directed at individuals in the meeting room;
- Verbal altercations with other individuals in the meeting room; and
- Going beyond the allotted three-minute public comment period granted.

When a person's or group's conduct disrupts the meeting, the Mayor or presiding officer will request that the person or group stop the disruptive behavior, and WARN the person or group that they will be asked to leave the meeting room if the behavior continues.

If the person or group refuses to stop the disruptive behavior, the Mayor or presiding officer may order the person or group to leave the meeting room and may request that those persons be escorted from the meeting room. Any person who, without authority of law, willfully disturbs or breaks up a City Council meeting is guilty of a misdemeanor. (Pen. Code, § 403.)

1. CALL TO ORDER

2. ROLL CALL

Council / Agency Member Garcia  
Council / Agency Member Guerrero  
Council / Agency Member Lozoya  
Vice Mayor / Vice Chair Gonzalez  
Mayor / Chair Alcantar

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS

(Each member of the public may provide a public comment telephonically or electronically if he or she wishes to address the City Council. Members of the public are permitted to speak for three (3) minutes concerning items on the agenda and closed session items. As provided under Government Code Section 54954.3(a), public comments for this special meeting shall be limited to matters listed on this special meeting agenda only.)

(Any person who, without authority of law, willfully disturbs or breaks up a City Council meeting is guilty of a misdemeanor. (Pen. Code, § 403).)

5. BUSINESS SESSION

- A. February 24, 2020 Proposal of Prima Group, Inc. to acquire "Site 3" from the City of Cudahy as Successor Agency to the former Cudahy Community Development Commission (*page 7*)

*Presented by City Attorney's Office*

**Recommendation:** That the City Council acting in its capacity of the governing board of the Successor Agency to the former Cudahy Community Development Commission consider a potential response to an unsolicited development proposal received on Monday, February 24, 2020 from the Prima Group, Inc. for Successor Agency Site 3.

**RECESS TO CLOSED SESSION**

This is the time at which the City Council will meet in closed session to go over items of business on the closed session agenda. Once closed session is completed and the City Council returns from closed session into open session, members of the public may then rejoin the proceedings.

**6. CLOSED SESSION**

- A. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiators**

Property Location:

Site No. 1 Elizabeth Street Residential  
Property 5256 Elizabeth Street APN: 6224-001-014  
5260 Elizabeth Street APN: 6224-001-015

Successor Agency Negotiator: Henry Garcia, Executive Director, Dave Gondek, Deputy City Attorney, Victor Ponto, City Attorney  
Negotiating parties: Chief Administrative Officer Under Negotiation: Price and Terms

- B. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiators**

Property Location:

Site No. 2 Atlantic Avenue/Santa Ana Street Commercial  
Property 4734 Santa Ana Street APN: 6224-018-008  
8110 South Atlantic Avenue APN: 6224-018-071  
8100 South Atlantic Avenue APN: 6224-018-068  
Santa Ana Street APN: 6224-018-070  
4720 Santa Ana Street APN: 6224-018-069

Successor Agency Negotiator: Henry Garcia, Executive Director, Dave Gondek, Deputy City Attorney, Victor Ponto, City Attorney  
Negotiating parties: Chief Administrative Officer Under Negotiation: Price and Terms

- C. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiators**

Property Location:

Site No. 3 Santa Ana Street Residential  
Property 4610 Santa Ana Street APN: 6224-019-014

Successor Agency Negotiator: Henry Garcia, Executive Director, Dave Gondek, Deputy City Attorney, Victor Ponto, City Attorney  
Negotiating parties: Chief Administrative Officer Under Negotiation: Price and Terms

- D. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiators**

Property Location:

Site No. 4 Atlantic Avenue/Cecilia Street Commercial  
Property 8135 South Atlantic Avenue APN: 6224-022-001  
4629 Cecilia Street APN: 6224-022-004  
8201 South Atlantic Avenue APN: 6224-022-002  
8221 South Atlantic Avenue APN: 6224-022-012  
4633 Cecilia Street APN: 6224-022-003

Successor Agency Negotiator: Henry Garcia, Executive Director, Dave Gondek, Deputy City Attorney, Victor Ponto, City Attorney  
Negotiating parties: Chief Administrative Officer Under Negotiation: Price and Terms

E. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiators

Property Location:

Site No. 5 Atlantic Avenue/Patata Street Commercial  
Property 4819 Patata Street APN: 6224-034-014  
8420 South Atlantic Avenue APN: 6224-034-032 APN: 6224-034-040  
Patata Street APN: 6224-034-041

Successor Agency Negotiator: Henry Garcia, Executive Director, Dave Gondek, Deputy City Attorney, Victor Ponto, City Attorney  
Negotiating parties: Chief Administrative Officer Under Negotiation: Price and Terms

F. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiators

Property Location:

Site No. 6 Atlantic Avenue/Clara Street Commercial  
Property 4613 Clara Street APN: 6226-022-002  
7660 South Atlantic Avenue APN: 6226-022-008  
7630 South Atlantic Avenue APN: 6226-022-019 APN: 6226-022-020  
7638 South Atlantic Avenue APN: 6226-022-023  
7644 South Atlantic Avenue APN: 6226-022-022  
No address APN: 6226-022-021 APN: 6226-022-024

Successor Agency Negotiator: Henry Garcia, Executive Director, Dave Gondek, Deputy City Attorney, Victor Ponto, City Attorney  
Negotiating parties: Chief Administrative Officer Under Negotiation: Price and Terms

G. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator

Properties:

- 8100 Atlantic Ave., 4720 Santa Ana St., 8110 Atlantic Ave., 4734 Santa Ana St. (APN 6224-018-068, 069, 070, 071, 008)
- 8135 Atlantic Ave., 4629 Cecilia St., 8201 S. Atlantic, 4633 Cecilia St., 8221 S. Atlantic Ave. (APN 6224-022-001, 004, 002, 003, 012)
- 4819 Patata, 8420 S. Atlantic Ave. (APN 6224-034-014, 032, 040, 041)

- 4613/4615 Clara St., 7630 Atlantic Blvd., 7660 Atlantic Blvd., 7638 Atlantic Blvd., 7644 Atlantic Blvd. (APN 6226-022-002, 019, 020, 008, 021, 022, 023, 024)
- 4610 Santa Ana St. (APN 6224-019-014)

City Negotiators: Interim City Manager, Henry Garcia and City Attorney  
Attorney Negotiating Parties: Cudahy LF, LLC  
Under Negotiation: Price and terms of payment

**RECONVENE TO OPEN SESSION**

**7. CLOSED SESSION ANNOUNCEMENT**

**8. ADJOURNMENT**

I, Richard Iglesias, hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City's website not less than 24 hours prior to the meeting. A copy of said Agenda is on file in the City Clerk's Office.

Dated this 10<sup>th</sup> day of July 2020

  
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Richard Iglesias  
Assistant City Clerk

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## Item Number 5A

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### STAFF REPORT

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**Date:** July 14, 2020

**To:** Honorable Mayor/Chair and City Council/Successor Agency Members

**From:** Henry Garcia, Interim City Manager/Executive Director  
By: City Attorney's Office

**Subject:** **February 24, 2020 Proposal of Prima Group, Inc. to acquire "Site 3" from the City of Cudahy as Successor Agency to the former Cudahy Community Development Commission**

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#### **RECOMMENDATION**

That the City Council acting in its capacity of the governing board of the Successor Agency to the former Cudahy Community Development Commission consider a potential response to an unsolicited development proposal received on Monday, February 24, 2020 from the Prima Group, Inc. for Successor Agency Site 3.

#### **BACKGROUND**

The City of Cudahy as Successor Agency to the former Cudahy Community Development Commission (the "Successor Agency") has received a proposal dated February 24, 2020 (the "Proposal") from the Prima Group, Inc., a California non-profit public benefit corporation (herein "Prima") for the acquisition by Prima of "Site 3" from the Successor Agency.

"Site 3" is an approximately 1.34-acre assembly of lands situated at 4610 Santa Ana Street, Cudahy (herein "Site 3"). Site 3 is vacant land. Site 3 is owned by the Successor Agency and is subject to disposition by the Successor Agency under the Cudahy Long Range Property Management Plan and applicable redevelopment dissolution law.

The City of Cudahy has no property ownership interest in Site 3, and the City Council of the City

of Cudahy is not required to take any action with respect to the approval of the Proposal by the City of Cudahy, or with respect to any of the financial terms as relate to potential disposition of Site 3 by the Successor Agency to Prima under the terms of the Proposal.

## **THE PROPOSAL**

Under its Proposal, Prima seeks to acquire Site 3 from the Successor Agency for a purchase price of Two Million Dollars (\$2.0M). The current day Successor Agency appraisal for Site 3, dated April 9 2020, indicates a market value of \$4,220,000 under the assumptions included in the appraisal report. The purchase price payable to the Successor Agency of \$2.0M for Site 3, proposed by Prima reflects the "mixed-use" development concept for Site 3 described in the Proposal. Such mixed-use development concept includes an affordable rental housing component reserved for occupancy by senior citizen households (persons who are 62 years of age or older). At page 8 of the Proposal, a mixed-use development project concept (the "Site 3 Project") is generally described which includes the following elements:

- (i) 138 rental units of affordable rental housing reserved for occupancy by senior citizens;
- (ii) 20,000 square foot of on-site community healthcare clinic and wellness related uses to serve the healthcare needs of residents in the proposed project and the surrounding community; and
- (iii) up to 1,000 square foot of office and meeting room space reserved for occupancy and use by non-profit community organizations.

The purchase of Site 3 by Prima under its Proposal is subject to and conditioned upon Prima and its affiliates, including National Community Renaissance of California, obtaining development entitlement approvals from the City of Cudahy (as distinct from the Successor Agency) as the local planning jurisdiction for the Site 3 Project. The purchase of Site 3 by Prima under its Proposal is also subject to the completion of the assembly by Prima of an overall development project construction and permanent financing package for the Site 3 Project. At the present time, it is anticipated that the overall financing package for the Site 3 Project may include an affordable rental housing tax credit allocation, affordable rental housing loans and other available housing grants and loans to Prima for the mixed-use community healthcare elements of the proposed Site 3 Project.

The Proposal also seeks to obtain certain "carryback" purchase money mortgage financing from the Successor Agency for a portion of the proposed \$2.0M purchase price payable by Prima to the Successor Agency for the purchase of Site 3. The proposed carryback financing by the

Successor Agency is proposed to be secured by the Site 3 Project in the amount of \$1.6M. Such proposed carryback mortgage financing would be payable to the Successor Agency by Prima as a "residual receipt loan," which is a common feature of affordable rental housing development projects which use State and federal tax credits to provide "developer equity" to pay for the construction and operation of affordable rental housing.

Accordingly, the Proposal requests the Successor Agency to consider a land purchase arrangement in which at the time of purchase of Site 3 -- when all of the development due diligence, entitlement and financing conditions have been satisfied -- Prima shall pay the Successor Agency \$400,000 in cash and deliver a \$1.6M residual receipt mortgage note payable to the Successor Agency with interest over a 57 year term. The carryback mortgage financing arrangement is proposed to be secured by residual receipts revenue produced by rental income generated by the affordable senior citizen rental units in the Sit 3 Project.

Prima has requested the Successor Agency to consider the approval of an "exclusive right to negotiate" to set forth the specific and mutually agreed upon terms under which Prima may purchase Site 3 from the Successor Agency. During the term of such exclusive right to negotiate, Prima and the Successor Agency will conduct a mutual review of the proposed purchase price and the other terms for Prima's purchase of Site 3 from the Successor Agency. These other terms include the satisfaction of due diligence investigations regarding soils and environmental conditions at Site 3, development entitlement for the Site 3 Project and the assembly by Prima of legally enforceable commitments to provide financing for the acquisition, development and construction of the Site 3 Project.

A draft copy a document entitled "Exclusive Negotiation Agreement" (the "Site 3 ENA") is included with this staff report. The Site 3 ENA will serve as a guide for the mutual discussion and negotiation between Prima and the Successor Agency for the preparation of a real estate purchase and sale agreement for the actual disposition of Site 3 by the Successor Agency to Prima. Unless the final form of a purchase and sale agreement for Site 3 is mutually agreed upon by Prima and the Successor Agency acting by and through the City Council on or before July 1, 2021, no transfer of Site 3 to Prima shall occur. Furthermore, Prima acquires no property interest in Site 3 under the Site 3 ENA. The Successor Agency makes no commitment as to potential price and terms for the disposition of Site 3 to Prima under the Site 3 ENA. Both Prima and the Successor Agency reserve their right to approve the final form of any purchase and sale agreement for Site 3 in their sole discretion as may be approved by the parties during the "Negotiation Period" as this term is defined in the Site 3 ENA.

The City of Cudahy in its capacity as local development entitlement jurisdiction is not a party

to the proposed ENA; nor are any other of the taxing entities, or the Consolidated Oversight Board of Los Angeles County (the "Oversight Board") parties to the Site 3 ENA.

## **ISSUES PRESENTED**

During the Negotiation Period under the proposed Site 3 ENA, one of the main due diligence elements and a key factor in any mutually agreed upon purchase and sale agreement will likely be the Successor Agency carryback mortgage element of the Site 3 purchase price payable by Prima.

Such carryback mortgage financing is not typically part of the disposition of former redevelopment agency property by successor agencies. However, recent changes in government property disposition procedures under the State Surplus Land Act which are intended to foster mixed-use affordable rental housing development, are now expressly applicable to successor agency land disposition transaction after December 31, 2020.

In view of the high priority which the State of California has assigned to the production of new affordable rental housing, there appears to be good reason to seek the review and approval of the proposed form of the Site 3 ENA by the Oversight Board if the Site 3 ENA is first approved by the Successor Agency.

The principals with Prima have requested an opportunity to present the Proposal for consideration to the Successor Agency on July 14, 2020 and to provide the Successor Agency with an general outline of the various elements of the negotiations which they expect to pursue with the Successor Agency under the terms of the Site 3 ENA.

In the event that the City Council as the governing board of the Successor Agency may accept the Proposal and authorize the approval and execution of the Site 3 ENA, the Successor Agency may evidence such approval by adoption of the attached resolution of the Successor Agency.

## **CONCLUSION**

It is respectfully requested that the Successor Agency consider the Proposal, and if appropriate, authorize the execution by the Successor Agency of the Site 3 ENA and adopt the accompanying resolution of the Successor Agency. Promptly following the adoption of such Successor Agency resolution, the Successor Agency staff will contact the Oversight Board and other Los Angeles County officials to schedule consideration and approval by the Oversight Board of the Site 3

ENA.

Subject to the final approving action by the Oversight Board of the Site 3 ENA, the Successor Agency may thereafter complete negotiations with the potential disposition of Site 3 by the Successor Agency to Prima.

No disposition of Site 3 to Prima shall occur until such time as both the Successor Agency and the Oversight Board have each approved the final terms of such a purchase and sale agreement for Site 3. Neither the approval of the Successor Agency resolution in the form as presented at the meeting of July 14, 2020, nor the execution by the parties of the Site 3 ENA evidences a commitment by either Prima or the Successor Agency to dispose of Site 3 to Prima nor is Prima obligated or committed to undertake the Site 3 Project. No such obligation by either Prima or the Successor Agency may arise until after a purchase and sale agreement has first been separately approved by the parties as set forth in the Site 3 ENA.

#### **ATTACHMENTS**

- A. Prima Group Proposal
- B. Draft Site 3 Exclusive Negotiating Agreement
- C. Successor Agency Resolution

# Disposition and Development Proposal

## Cudahy Mixed-Use Development



Prepared February 24, 2020

For City of Cudahy as Successor Agency and Successor  
Housing Agency to Cudahy Development Commission

By Prima Group



February 24, 2020

The Honorable Elizabeth Alcantar  
City of Cudahy City Hall  
5220 Santa Ana St.  
Cudahy California 90201

SENT VIA ELECTRONIC MAIL  
[elcantar@cityofcudahyca.gov](mailto:elcantar@cityofcudahyca.gov)

Dear Mayor Alcantar,

Prima Group (Prima) is pleased to submit the enclosed proposal to acquire and develop a vacant 1.34 acres parcel located at 4610 Santa Ana Street Cudahy, CA 90201 (Site) and owned by the City of Cudahy as the Successor Agency and Successor Housing Agency to the Cudahy Development Commission (City). Prima is proposing a mixed-use development composed of affordable housing and onsite community health, wellness and capacity building uses (Project). The proposed Project will address unmet housing and services needs in the community and have a catalytic impact on future development in the surrounding area.

Prima is a non-profit developer well suited to partner with cities and counties to transform underutilized public agency-controlled sites into impactful mixed-use communities for affordable households and surrounding neighborhoods. Prima brings expertise and focus to co-locating quality healthcare and housing services on these sites to improve outcomes for low-income households and surrounding communities.

Prima is headed by Fernando Vasquez, founder and owner of Prima Waste Management, one of the fastest growing medical management service providers in the state. In addition to providing safe, affordable and reliable medical management services to Federal Qualified Health Centers (FQHC), PACE centers and other health related entities, Mr. Vasquez serves as Public Affairs Advisor to many of these established FQHCs and is actively involved in and relied upon for guidance on matters which link quality housing to efficient healthcare service delivery. Mr. Vasquez's decision to launch Prima was partly due to unmet demand from many of his FQHC and PACE clients to develop mixed-use projects which concurrently addressed housing and healthcare needs in low-income neighborhoods.

The proposal takes a mixed-use approach to the Site for several reasons. Together the housing and community health, wellness and capacity building uses meet the objectives and goals of the City for its Civic Center and Entertainment Districts. Together the mixed-uses create an urban community that will activate the area by adding uses that will attract residents, visitors and businesses into this important community space. Additionally, there is a desire by Prima to collaborate with the City on architectural, urban and landscape design issues in order to pay respect to the current uses of and its future plans to enhance this central and important section of the City.

Prima is proposing a 360-day exclusive negotiating period with the City for the Site. During the 360-day negotiating period, Prima will perform a full due diligence on the property and validate with the City the ability to secure the necessary entitlement and approvals for the proposed uses. At the conclusion of the 360 days, the parties will agree to a purchase price for the Site and enter into a Disposition and Development Agreement. To resolve the value of the property, Prima proposes that all means of determining value are open for discussion including, but not limited to, an appraisal and a mutually acceptable form of mediation/arbitration. Prima is also open to a variety of alternative acquisition and financing structures to be considered by the City during the exclusive negotiating period.

The contents of the enclosed proposal are as follows:

1. Development Entity
2. Development Plan, including Conceptual Plans
3. Economic Plan, including Proforma
4. Proposed Transaction Terms and Conditions

Thank you for considering our unsolicited proposal.

Sincerely,



Fernando Vasquez  
President  
Prima Group

#### **Primary Contact for Submittal**

Fernando Vasquez  
Prima Group  
12401 Woodruff Ave., Suite 10  
Downey, CA 90241  
Telephone: (562) 261-7601  
Fax: (562) 478-4580  
Email: [fvasquez@primadev.org](mailto:fvasquez@primadev.org)

With email copies to:  
Fernando Portillo  
Email: [portilloschussold@gmail.com](mailto:portilloschussold@gmail.com)

CC: City Attorney's Office  
City Manager's Office  
Cudahy City Council

## 1.1 Development Entity Description

### **PRIMA**

With over 15 years of combined principal and staff experience in affordable housing and healthcare services, Prima Group (Prima) is a non-profit developer well qualified to partner with the City of Cudahy and build an impactful mixed-use community for low-income and homeless elderly households that also brings much needed health, wellness and community services seamlessly into the Entertainment and Civic Center District.

Prima is a non-profit developer whose mission is to transform underutilized public agency sites into catalytic mixed-use communities for low-income households and surrounding neighborhoods. Prima brings expertise and focus to co-locating quality healthcare and housing services on these sites to improve outcomes for these low-income households and surrounding communities.

Prima Group is headed by Fernando Vasquez, founder and owner of Prima Waste Management, the fastest growing minority owned medical management service providers in the state. In addition to providing safe, affordable and reliable medical management services to Federal Qualified Health Centers (FQHC), PACE centers and other health related entities, Mr. Vasquez serves as Public Affairs Advisor to many of these established FQHCs and is actively involved in and relied upon for guidance on matters which link quality housing to efficient healthcare service delivery. Mr. Vasquez's decision to launch Prima was partly due to unmet demand from many of his FQHC and PACE clients to develop mixed-use projects which concurrently addressed housing and healthcare needs in low-income neighborhoods.

Finally, as a former Project Manager for the Lewis Group of Companies and National Community Renaissance of California (NCRC), Mr. Vasquez brings a background in real estate development, including affordable housing.

### **National CORE**

With over 25 years of experience in the successful development and ongoing management of affordable housing, National Community Renaissance of California (National CORE) is a non-profit developer ideally suited to partner with Prima and the City of Cudahy to transform the Santa Ana Ave site into an impactful residential community for low-income senior households that integrates seamlessly into the Entertainment and Civic Center Districts. National CORE was established in 1992 as a 501(c) (3) public benefit corporation. The company has produced nearly 10,000 housing units and currently serves over 27,000 residents, including several well-regarded senior and family properties in southeast Los Angeles county. As the developer, owner, and operator for its portfolio of properties, National CORE is able to ensure long term affordability and sustainability of high-quality affordable communities.

National CORE is a vertically integrated company with in-house construction, property management, asset management, compliance, accounting and social services departments. Our company has experienced staff capacity in development, construction management, property management, social services and is a licensed general contractor.

This in-house and turn-key structure allows for strict quality control and cost savings in all phases of the development process and future operations.

## 1.2 Development Entity References

References for Mr. Vasquez's work in the healthcare industry can be provided upon request including the following:

- California Primary Care Association
- United Healthcare / Applecare IPA
- Avanti Hospitals
- Northeast Community Clinics
- Wesley Health Centers
- St. John's Well Child & Family Center

Beyond his current focus on health care related issues and initiatives, Mr. Vasquez remains actively involved in general political activities to improve the lives of those in challenged communities at the local, state and national level. His previous experience as Mayor, Councilmember and Planning Commissioner for the City of Downey and his ongoing participation and relationships with local, state and federal officials provide him both insight and access to facilitate acquisitions, entitlements and the development of new business. He is actively involved in the following organizations: California Primary Care Association – California Health Plus Advocates, Avanti Hospitals, Catholic Association of Latino Leaders, Latinas Lead, California Contract Cities Association, BizFed and IsraAid.

References for Mr. Vasquez's work in local, state and federal level community development can be provided upon request, including the following:

- Downey Mayor, Blanca Pacheco
- CA State Senator Susan Rubio
- County Supervisor Janice Hahn
- CA Speaker of the Assembly, Anthony Rendon

## 1.3 Project Experience - National CORE

Please See **Exhibit A**

## 1.4 Development Entity Role

Prima will be sole developer and owner of the ground floor commercial condo which will be owned and managed separate from the residential condo for the LIHTC Housing. Prima will be legally responsible for all commercial condo specific terms in the Development and Disposition Agreement (DDA) with the City.

The proposed healthcare clinic and other wellness uses (Healthcare Office) and dedicated space for community based and focused organizations (Community Office) will be all housed in the commercial condo portion of the mixed-use project. The commercial and residential condos will be subject to Common Area Maintenance and Reciprocal Easement Agreements. Prima will be solely responsible for the occupancy of the Healthcare Office and Community Office space and ongoing property management of that space. In the event, the mixed-use project includes additional uses other than LIHTC Housing, Prima will take on the same role and responsibilities outlined for the commercial uses outlined above.

Prima will be the lead developer with National Community Renaissance of California (NCRC) as co-development partner for the low-income housing tax credit housing (LIHTC Housing) portion of the proposed mixed-use building. Prima will take the lead role in acquiring, designing and entitling the Site for the LIHTC Housing and work jointly with NCRC to refine the development design and secure financing to build the mixed-use project. Prima will carry the predevelopment costs necessary to acquire and secure entitlement up to the first \$100,000 incurred and to be reimbursed at construction closing. NCRC may also serve in the additional capacities of General Contractor and Property Manager for the LIHTC Housing with Prima playing a co-asset manager role with NCRC during the LIHTC Housing period of operations.

Prima and NCRC will serve as co-general partners of a to-be-formed limited partnership (Partnership), which will own the LIHTC Housing and enter into a Development and Disposition Agreement (DDA) with the City.

The equity financing structure of the Partnership will require the entry of and investment by a tax credit limited partner, which will have a majority ownership interest in the Partnership

Proposed debt financing will be a mix of traditional private construction and permanent loans as well as City, County and State programs.

## 1.5 Development Entity Team

Prima will assemble a talented and experienced team of partners, designers, consultants and service providers to deliver a mixed-use community worthy of and complementary to the City.

The team includes Los Angeles based TSM Architects, which has significant experience designing and completing affordable housing projects in and near South East Los Angeles County, including:

- Oaks on Florence, 63 seniors units in Bell, CA
- Parkview Terrace, 72 senior units and City operated senior center in Bell Gardens, CA
- Downey View, 50 family units in Downey, CA
- Encanto Court, 62 senior units including 10 for homeless seniors in unincorporated Los Angeles County.

Rounding out the team will be Fernando Portillo, a seasoned affordable housing project manager with over 15 years of development and public agency financing experience, who will serve as financial advisor and project manager.

Mr. Portillo has worked for various public housing agencies in Southern California, such as the Community Development Commission of the County of Los Angeles ("CDC"), the Economic Development Agency of the City of San Bernardino ("EDA"), and most recently the Housing and Community Investment Department of the City of Los Angeles ("HCIDLA"). In addition, Mr. Portillo worked for more than two years as a Senior Development Manager with a large affordable housing developer in Southern California. Through the above experience Mr. Portillo has underwritten affordable housing development loans for over 1,000 multi-family and 300 single-family units, for non-profit and for-profit developers. Mr. Portillo has extensive experience structuring affordable housing programs and projects utilizing various private and public financing sources such as low-income housing tax credits, tax-exempt bonds, HOME, CDBG, redevelopment housing set-aside funds and the Neighborhood Stabilization Program. In addition to the above experience, Mr. Portillo has also worked in the private real estate sector as a financial analyst and consultant, having previously worked for two homebuilders in the Las Vegas area and a national, professional real estate consulting firm in Los Angeles. Mr. Portillo received a Masters of Business Administration from the Anderson Graduate School of Management at UCLA and a Bachelor of Arts in economics from Occidental College. Mr. Portillo is fluent in both English and Spanish.

## 2.1 Project Description

The proposed development will introduce the following mixed-uses to the Cudahy Entertainment District (ED) and adjacent Civic Center (CCD) District:

- One hundred thirty-eight (138) unit apartment building for senior low-income and homeless households funded with Low Income Housing Tax Credits (LIHTC Housing);
- Twenty thousand (20,000) square feet for an onsite community healthcare clinic and other wellness related uses (Healthcare Office) that will serve both the needs of building residents and the surrounding community; and,
- Up to One thousand (1,000) square feet of office and meeting space for a nonprofit organization committed to neighborhood and regional capacity building and development (Community Office).

The new modern style building with thoughtful cultural references (i.e. an art mural with decorative art depicting the rich history of Cudahy and the southeast Los Angeles County) and complementary uses will link and support current and future City plans for these two districts, as explained below.

The proposed residential uses will occupy the upper floors of the building with a management office and private elevator serviced residential lobby on the ground floor, yielding the following:

- 115 one-bedroom units and 22 two-bedroom units;
- community room and laundry facilities;
- a private sky garden and 2<sup>nd</sup> floor open space courtyard;
- 69 secure and covered on-site resident parking stalls

25% to 50% of the total LIHTC Housing residential units will be reserved for permanent supportive housing for seniors and the balance reserved for individuals and households earning up to 50% of area median income and meeting applicable occupancy standards, as well as designated unit(s) for on-site property management staff.

General social services and individualized case management services attached to the supportive housing units will be provided by either the on-site health and wellness providers or a to-be-determined experienced provider. The general social services will be open to all building residents, which may include a range of social, health, wellness and financial education activities and classes.

The proposed non-residential uses will occupy the ground floor of the building and allow for a mix of healthcare, wellness and community activities, including but not limited to:

- a Federally Qualified Healthcare Clinic (FQHC);
- a Program for All-Inclusive Care Center (PACE);
- an Adult Day Care Center;

- office and meeting space for nonprofit community and regional capacity building groups such as the Southeast Los Angeles Collaborative;
- an inviting and activated entry courtyard with easy access from Santa Ana Avenue to on-site at grade and subterranean parking stalls and/or
- 100 parking stalls for commercial uses provided at a generous 5 parking stalls to 1,000 square feet of commercial use ratio.

The ground floor commercial uses will open into an inviting, well-lit and activity filled entry courtyard with easy access to Santa Ana Avenue as well as at grade and subterranean parking stalls provided at a generous 5 parking stall to 1,000 square feet of commercial use ratio.

A residential condo for the LIHTC Housing Units will be created and legally subdivided from the commercial condo for the non-residential uses and be separately financed. Reciprocal easement and common area maintenance agreements will be entered into by the respective owners of each condo to ensure ongoing cooperation and efficient operations of the shared physical improvements of the property.

With this optimal combination of housing, supportive services, health and community activities available to our future building residents and the community at large, the proposed mixed-use building will offer no better a place in Cudahy, let alone in Los Angeles County, to live and utilize as a launching pad for personal and community stability, growth and future mobility. The result will be a healthy, safe and well-balanced residential community meeting the need for affordable housing and equitable community access to healthcare and wellness activities in the heart of the Entertainment District.

## 2.2 Project Timeline

The general assumptions related to the timeline for the acquisition and development of the site are as follows:

Action Item	Timeline
Negotiate and Execute an Exclusive Negotiation Agreement (ENA) for the Site and Project	30 days
Exclusive Negotiation Agreement Period ("ENA Period")	Up to 360 days
Developer Undertakes Property Due Diligence and Project Design Development during the ENA Period, including validating City support for proposed entitlements and design concessions, if any.	270 days
Negotiate a Disposition and Development Agreement ("DDA") during the ENA Period	210 days
Obtain a Property Appraisal (if necessary) for the DDA Purchase Price during the ENA Period	30 days
Obtain NEPA and CEQA Environmental Clearance Approvals and Complete HUD Site and Neighborhood Review during the ENA Period	180 days concurrent with the above ENA Period actions.
Draft or Obtain City Conditional Commitment Letters or Option Agreements (if necessary) to enable Developer to secure additional sources of public agency funding during the ENA Period	180 days concurrent with the above ENA Period actions.
Execute DDA for the Site	Up to 210 days following execution of ENA.
Finalize Project Design and Obtain City Approvals	90 days following execution of DDA
Complete the Sale of the Site under the DDA and Close Construction Financing for the Project	6 to 12 months following City Approvals
Commence Construction of Project	6 to 12 months following City Approvals
Complete Construction and Lease-Up of the Project	18 to 24 months following Construction Commencement

## 2.3 Project Conceptual Plans

Conceptual site plans, elevations and chart detailing the proposed building uses and square footage summarized above are provided in the following section of this proposal. Please see Attached **Exhibit B**

### 3.1 Economic Projections

Prima has prepared economic projections that demonstrate the financial viability of the construction and long-term operations of the proposed mixed-use building. Combined and pro-rated<sup>1</sup> cost details are included regarding land acquisition costs, structure parking costs, on and off-site infrastructure costs, all indirect costs, and all construction and permanent financing costs. Combined and pro-rated soft development costs, including architecture and engineering, construction insurance, legal fees, developer overhead and administration, and reserve costs are also provided.

Individual first year rent schedules and operating budgets as well as 15-year cash flows are provided separately for the LIHTC Housing and the Commercial Condo (i.e. Health Care and Community Office).

Proposed project funding is presented in a combined summary format but also includes the to-be-separately executed financing plan for the Commercial Condo (i.e. Health Care and Community Office), including but not limited to:

- LIHTC Housing
  - 4% tax credit equity;
  - Tax exempt construction and permanent debt;
  - Los Angeles County Development Authority (LACDA) Affordable Housing Trust Funds (AHTF) and or No Place Like Home (NPLH) subordinate debt;
  - State of California Housing and Community Development (HCD) Infill Infrastructure Grant (IIG); and,
  - Successor Agency to Cudahy Community Development Commission land loan.
  - LA County Deferred Fees Loan
  - Federal Home Loan Bank – Affordable Housing Program (AHP)
  
- Healthcare Office and Community Office
  - Los Angeles County Economic Development Grant(s) and
  - Commercial office loan

Prima and NCRC have substantial experience with the regulations and the process required to secure available affordable housing funding sources. They have been very successful in competing for and securing funding from the above federal, county, and State of California programs and are confident that these programs represent potential and attainable sources of funding for the proposed mixed development.

### 3.2 Proforma

Please see **Exhibit C**

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<sup>1</sup> The pro-ration of shared hard and soft costs is based on square footage and approximately 85% residential and 15% commercial for all shared costs.

## 4.1 Proposed Transaction Terms

The following sets forth the basic business terms pursuant to which Prima would consider acquiring and developing the Site, as described below, from the City of Cudahy, Successor Agency and Successor Housing Agency to the Cudahy Development Commission (the "City").

### **Site and Project Description:**

The Site (the "Site") is a vacant 58,370 square feet City owned parcel located at 4610 Santa Ana Street Cudahy, CA 90201 (APN No. 6224-019-014).

Prima is submitting an unsolicited proposal offering a complete mixed-use development solution for the Site (Project). The proposed transaction terms for the transfer of land and development of the Project are set forth together in this proposed term sheet.

The Project includes the new construction of a Low-Income Housing Tax Credit project (LIHTC Housing) for low-income and homeless seniors. In concert with the LIHTC Housing, the proposal also includes an onsite healthcare clinic and other wellness related uses (Healthcare Office) as well as space for a community-based organization (Community Office).

It is anticipated that the Project will be subdivided into a residential condominium for the LIHTC Housing and commercial condominium for the Healthcare Office and Community office.

Prima, a California nonprofit public benefit corporation, will serve as the Developer of the Project. Prima will develop and own the commercial condo. Prima intends to partner with NCRC, an experienced housing development partner, and form a Limited Partnership (the "Partnership") to develop and own the residential condo.

### **Document Types:**

- Exclusive Negotiation Agreement ("ENA")
- Disposition & Development Agreement ("DDA")
  - City Land Loan ("Land Loan")
  - City Land Note ("Land Note")
  - City Land Deed of Trust ("Land DOT")
- Agreement Containing Covenants (the "Regulatory Agreement") & Notice of Affordability Restrictions on Transfer of the Property ("Notice of Affordability Restrictions")
- Additional and ancillary agreements between the City, Prima and the Partnership to be determined.

### **Parties to the Documents:**

- Successor City to the Cudahy Community Development Commission
- City of Cudahy, a municipal corporation (the "City")

- Prima Group, a California nonprofit public benefit corporation (Prima)
- Partnership, a California limited partnership to be formed by Prima (the "Partnership"), composed of the following entities:
  - Prima will serve as Managing or Administrative General Partner ("MGP" or "AGP") or as Co-Managing Member with NCRC of a to-be-formed single purpose entity serving as the General Partner ("GP") of the Partnership.
  - The Investment Limited Partner ("ILP") and Special Limited Partner ("SLP") of the Partnership.

**Project Summary:**

- The Project involves the new construction of a 138-unit residential building that will offer the following unit mix:
  - 1 Bedroom – 116 Units
  - 2 Bedroom – 22 Units
- The Project will include the following indoor common area space:
  - Management Office
  - Community Room
  - Laundry Rooms
- The Project will offer the following outdoor common area space a 2<sup>nd</sup> floor courtyard and rooftop sky garden.
- Accessibility improvements and energy efficiency measures will be incorporated throughout the building.
- The non-residential ground floor level of the building will offer the following:
  - Twenty thousand (20,000) square feet for an onsite community healthcare clinic and other wellness related uses (Healthcare Office) that will serve both the needs of building residents and the surrounding community; and,
  - Up to One thousand (1,000) square feet of office and meeting space for a nonprofit organization committed to neighborhood and regional capacity building and development (Community Office).

**Purchase of the Site:**

The City, Prima and Partnership shall negotiate and agree to a purchase price and transfer terms for the Site, acceptable to each Party at its sole and absolute discretion, which will contain, without limitation, the following proposed terms and conditions:

- Prima will deposit a payment amount up to the underlying land value associated with the commercial condo at construction loan closing towards the purchase price based on the fair market value (FMV) of the Site's fee simple interest. For proposal purposes, the Economic Projections assume the FMV of two million dollars (\$2,000,000) for the Site. If awarded, Prima will commission an appraiser to work at the joint direction of the City and Prima and arrive at a mutually acceptable and professionally appraised value of the land;
- The Partnership and City will enter into a land loan (City Land Loan) to finance the difference between the purchase price and the payment amount paid by the Prima for the

land for the commercial condo. The loan will carry a 3% simple interest rate and a minimum term of 55 years;

- The Partnership will pay a to-be-determined portion of annual residual receipts (defined as net operating income remaining after payment of operating expenses; partner asset management fees; supportive services fees; non-contingent debt service, deferred developer fee, and funding required per TCAC, state, county guidelines) ) in payment of the City Land Loan; and
- The Partnership will pay down a to-be determined portion of or pay off the City Land Loan from any net sales or re-capitalization event for the Project.

The list of foregoing proposed terms is not intended, in any way, to limit all of the substantive terms to be included in the final form DDA. The proposed terms do attempt to cover the key terms of DDA and provide a basis for a City commitment letter or Option to Purchase prior to the execution of a final form DDA which may be needed by the Partnership to secure other public City sources of competitive funding for this project prior to the execution of a DDA.

#### **Additional City Financial Assistance:**

City financial assistance beyond the contemplated City Land Loan and/or capitalized ground lease may include a deferment or waiver of certain permit and development impact fees if available.

#### **Ownership:**

All improvements and land within the Project will be owned by Prima and the Partnership.

#### **Roles/Responsibilities:**

Prima and the Partnership will be primarily responsible for determining construction scope, cost estimating and obtaining permits, selecting and managing consultants, obtaining all debt (construction and permanent loans, bonds) and equity (tax credits) for the Projects and for overseeing relocation and construction. The City and the County shall have reasonable review and approval rights over major decisions made by Prima and the Partnership.

#### **Property Tax Exemptions:**

The Partnership will ensure the MGP or Managing Member of the General Partner, has an Organizational Clearance Certificate from the California Board of Equalization and will apply for property tax exemptions on behalf of the Partnership.

#### **CDLAC and TCAC Applications:**

- The Partnership will submit for tax exempt bond, 4% Tax Credit and/or 9% Tax Credit allocations.
- The City and County will assist in preparing all attachments needed from the City or the TCAC and CDLAC applications.
- Subject to approval by the City, the County or a to-be-determined entity will be the issuer of the tax-exempt bonds for the Project.

**Permanent Loans:**

The permanent loans will be sized with a minimum debt coverage ratio of 1.20 or the selected Lender’s minimum DSCR.

**Predevelopment Expenses:**

Prima and NCRC will fund all approved out-of- pocket expenses to be paid by the Partnership prior to closing of the construction loans for the Projects. Expenses funded by Prima will be reimbursed by the Partnership, together with interest sufficient to cover their cost of providing these advances, not later than the date of funding of the first draws under the construction loans.

**Equity Solicitations:**

Prima and the Partnership agrees to perform solicitations for and select equity investors, including developing the solicitation documents; pool of investors to be solicited; and, a matrix of key terms that provides an apple to apples comparison of the responses received and rationale for the recommended investor.

**Lender Solicitations:**

Prima and the Partnership agrees to perform solicitations for and select construction and permanent lenders, including developing the solicitation documents ; pool of investors to be solicited; and, a matrix of key terms that provides an apple to apples comparison of the responses received and rationale for the recommended lender.

**GC Solicitation:**

Prima and the Partnership will sole source or solicit bids for and select a third-party General Contractor (GC) and develop the bid documents. If Prima and the Partnership elect to solicit competitive bids, upon receiving all the responses, it is anticipated that a comparative matrix of qualification, experience including Section 3/Local Hire, and bid analysis of the Schedule of Values of the responses received will be prepared.

**Guarantees:**

Prima and/or NCRC will provide all guarantees required by investors and lenders, including completion (development deficit), operating deficit, and tax credit recapture guarantees.

**Developer Fees:**

- The Developer Fee for LIHTC Housing portion of the Project will be the maximum allowed by TCAC for a 4% tax exempt bond application.
- Deferred Developer Fees (inclusive of interest) will have first priority on cash flow (i.e., over annual distributions for subordinate public City residual receipts loans) and will receive 100% of residual receipts until paid in full.

### **Partnership Management Fees:**

- The General Partners will each earn an initial minimum annual Partnership Management Fees of approximately \$10,000 (increased annually by 3.5%).
- The annual Limited Partner Fee will be negotiated with the Investor Limited Partner but is expected to be an initial minimum annual amount of approximately \$5,000 (increased annually by 3.5%).

### **Net Cash Flow:**

All Net Cash Flow payable to the Partnership, after the payment of annual Partnership Management Fees and deferred Developer Fees, will be distributed as follows: 90% to be pro-rated according to the MGP or Managing Member and AGP or Member interests in the Partnership and 10% to ILP.

### **Purchase Option (at end of initial Tax Credit Compliance):**

The MGP, AGP and/or Managing Member will have an option to purchase either the Project or the LP's interest in the Partnership. The option period will commence upon the expiration of the Tax Credit Compliance Period and will expire two years thereafter. The purchase price will be the greater of (a) the fair market value of the Property subject to all affordability restrictions; or (b) the outstanding debt plus all exit taxes to the limited partners. All Purchase Option terms will be subject to the approval of the Investor Limited Partner.

### **Affordability:**

- Affordability and rent restrictions for 49% of the total units will be based upon City requirements, and as may be further restricted by Article 34 of the State Constitution, and any applicable HUD regulations associated with the subsidies the project actually receives.
- Affordability and rent restrictions for the balance of the total units, not including the manager unit(s) will be based upon CTCAC Requirements (including Regulatory Agreements).
- Up to two (2) units will be unrestricted and reserved for on-site property management staff.
- The project will remain affordable for the duration of the Regulatory Agreement term.

### **Property Management:**

- The Partnership intends to retain a third-party property manager to manage the Project. A to-be-determined standard form of property management agreement will be used for all property managers.

- The initial management fee will not exceed the applicable maximum amount allowed by the Los Angeles County Community Development Authority (as of 9/4/2019, the LACDCA maximum is \$60 per unit per month) or 4.5% of the Effective Gross Income (EGI) or flat PUM fee for occupied units that is allowed by the local project-based Section 8 program, whichever is most restrictive, and will be in compliance with any applicable IRS tax-exempt bond property management fee regulations.

**Supportive Services:**

- The Partnership will include a minimum operating budget of \$20 per unit per door for general supportive services available to all Project residents and to paid from Project income as an operating expense. These general supportive services will assume an inflation factor of 3.5% annually.
- The Partnership anticipates a future supportive services funding commitment from the Department of Human Services (DHS) to fund Intensive Case Management Services (ICMS) services that will be attached to the supportive housing units at this Project.

**Davis Bacon/State Prevailing Wage/Project Labor Agreement/Local Hiring Ordinance:**

Construction costs may be subject to applicable Federal Davis Bacon; State Prevailing Wage; Project Labor Agreement and other Local Hiring Ordinance requirements.

**Anticipated Entitlements/Permits:**

The Partnership will obtain all discretionary entitlements needed for the Project with assistance from the City and City through the execution of a Development and Disposition Agreement(s) which incorporate such approvals. The Partnership will obtain all permits required in connection with the Project with assistance from the City. Collectively, City design review, discretionary approvals and permits will be described as "City Approvals" for the purposes of this proposal.

**Project Schedule:**

The Estimated Project Schedule is in Section II Development Plan of this proposal.

**Economic Projections:**

The Economic Projections for the Project are in Section III Economic Plan of this proposal.

THE ABOVE-REFERENCED TERMS DO NOT CONSTITUTE A BINDING AGREEMENT BY ANY PARTY. THEY ARE INTENDED TO (A) SPECIFY SOME OF THE PROPOSED TERMS AND CONDITIONS OF THE TO-BE-AGREED UPON TRANSACTION AND (B) EVIDENCE PRIMA'S UNDERSTANDING AND READINESS TO ENTER INTO NEGOTIATION WITH THE CITY IF AWARDED THE OPPORTUNITY BY THE CITY.

# **EXHIBIT A**

**(Project Experience - National CORE)**

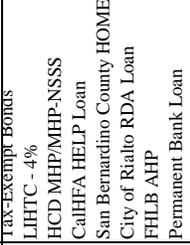
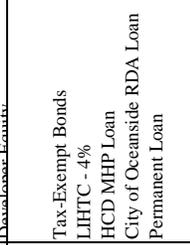
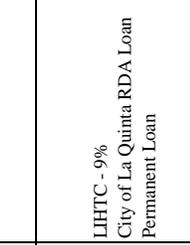
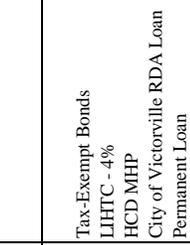
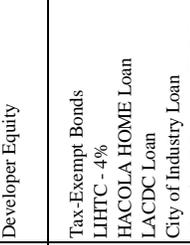
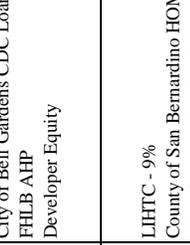
PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>DAY CREEK VILLAS</b> R Cucamonga, CA Start in 2019 Completion in 2020</p>	140	131 1-Bedroom 9 2-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Senior 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center Warming Lobby Fitness Room Computer Room Pool Outdoor Fireplaces Bike Storage	City of Rancho Cucamonga Land Loan City of Rancho Cucamonga Dev Loan 9%+4% Hybrid LIHTC HACSB PBV (8) IEHP Loan Conventional Mortgage FHLLB AHP
 <p><b>ARROWHEAD GROVE PH III</b> San Bernardino CA Start in 2019 Completion in 2021</p>	184	28 1-Bedroom 102 2-Bedroom 46 3-Bedroom 10 - 4-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family Mixed Income	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center Computer Center Laundry Facilities Pool Tot Lots Community Garden Private Bike Storage	AHSC HRI Grant AHSC AHD Loan Tax-Exempt Mortgage City of San Bernardino Loan County of San Bernardino Loan HACSB Capital + RAD PBV 4% LIHTC
 <p><b>VISTA VERDE</b> Ontario, CA Start in 2019 Completion in 2021</p>	101	69 2-Bedroom 32 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center Computer Center Laundry Facilities Pool Community Garden Private Bike Storage	Affordable Housing and Sustainable Communities Loan City of Ontario Land Loan City of Ontario Loan 4% LIHTC Tax-Exempt Mortgage
 <p><b>SAN YSIDRO SENIOR VILLAGE</b> 517 W. San Ysidro Blvd. San Ysidro, CA Start in 2018 Completion in 2020</p>	51	50 Studio 1 2-Bedroom	30%, 40%, 50% AMI	New Construction Senior Permanent Supportive Housing 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center Computer Center Laundry Facilities Outdoor Gathering Spaces	San Diego Housing Commission City of San Diego 9% LIHTC FHLLB-SF AHP Funds Permanent Loan
 <p><b>VISTA GRANDE COURT</b> 1116 Sonora Avenue Glendale, CA Start in 2018 Completion in 2020</p>	66	60 1-Bedroom 6 2-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Senior 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Large Resident Community Center Community Garden Outdoor Fireplace BBQ Area Computer Room Elevator Laundry Facilities	City of Glendale Capital One, N/A Century Housing 9% LIHTC Raymond James Tax Credit Funds FHLLB of San Francisco AHP Funds (City National Bank)
 <p><b>ENCANTO VILLAGE</b> 6315 Imperial Ave San Diego, CA Start in 2018 Completion in 2020</p>	66	30 1-Bedroom 18 2-Bedroom 18 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Mixed-Use Transit-Oriented Family Seniors Homeless Veterans 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Station/Bus Stop Bicycle Storage Areas Community Center Community Gardens EV Charging Stations Onsite Laundry Facilities Outdoor Play Area	U.S. Department of Housing and Urban Development San Diego Housing Commission Civic San Diego Bank of America 9% LIHTC

PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>VISTA DEL PUENTE</b> 1436 South 40th St San Diego, CA Start in 2017 Completion in 2018</p>	52	6 1-Bedroom 30 2-Bedroom 16 3-Bedroom	30%, 40%, 50%, 60% AMI	New Construction Family Special Needs Veterans Formerly Homeless 100% Affordable	Owner Developer General Contractor Property Manager	Community Center BBQ Area Laundry Facility Onsite Social Services Outdoor Play Area	CA HCD VHHP Loan San Diego Housing Commission Loan + PBV (38) City of San Diego Conventional Mortgage 9% LIHTC Equity FHLB AHP Home Depot Foundation Grant Fundrs Together End Homelessness
 <p><b>OAKCREST HEIGHTS</b> 22733 Oakcrest Circle Yorba Linda, CA Start in June 2017 Completed in 2018</p>	54	9 1-Bedroom 27 2-Bedroom 18 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Onsite Preschool Community Center Onsite Laundry Facilities Private Patios/Balconies Outdoor Gathering Spaces	Citibank Permanent Loan Raymond James LIHTC Equity – 9% City of Yorba Linda FHLB AHP CHEA - MHSA Orange County Housing Authority County of Orange
 <p><b>MISSION COVE II</b> 3247 Anchor Way Oceanside, CA Start in March 2017 Completed in 2018</p>	60	32 2-Bedroom 28 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Mixed - Use Special Needs 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Preschool Computer Lab In-unit Washers & Dryers Residential Private Outdoor Patio/Balcony Fitness Center Office/Retail Space	City of Oceanside Bank of America Permanent Loan Hudson Housing Capital LIHTC Equity FHLB AHP
 <p><b>THREE OAKS</b> Santa Clarita, CA Start in March 2016 Completed in 2017</p>	30	21 2-Bedroom 9 3-Bedroom	30%, 40%, 50%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Supportive Services Provider	Community Center/Office Area Computer Lab./After-School Program Children's Play Area	LIHTC - 9% City RDA/Bond & CDBG Funds Wells Fargo Const & Perm Loan
 <p><b>OLIVE MEADOW</b> San Bernardino, CA Start in March 2016 Completed in 2017</p>	62	12 1-Bedroom 30 2-Bedroom 20 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Computer Lab./After-School Program In-unit Washers & Dryers Children's Play Area Fitness Center Elevators in 3-story Building	LIHTC - 9% HUD Rental Assistance Demonstration City HOME Funds Housing Authority of County of San Bernardino, PBVs & Loan Ground Lease FHLB AHP Wells Fargo HUD/FHA 221(d)(4) Loan
 <p><b>OAKCREST TERRACE</b> 22744 Eastpark Dr. Yorba Linda, CA Completed in 2017</p>	69	15 1-Bedroom 33 2-Bedroom 21 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/After-School Program Facilities Centralized Laundry Facilities Tot-Lot Computer Lab Elevators in 3-story Building	LIHTC - 9% FHLB AHP City of Yorba Linda RDA Loan Citibank Const & Perm Loans Citibank Subordinate Loan

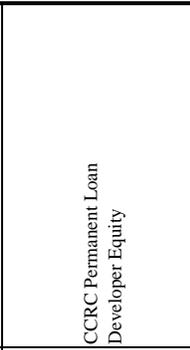
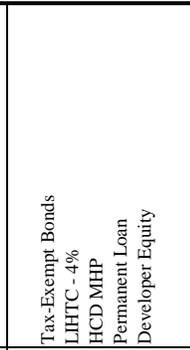
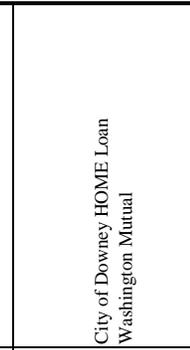
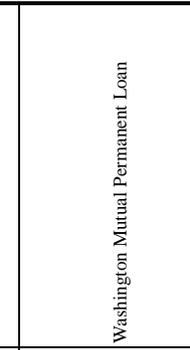
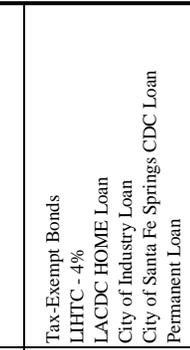
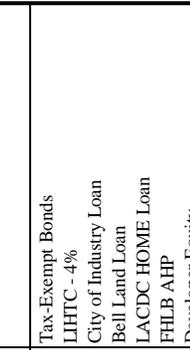
PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>MISSION COVE I</b> 3247 Anchor Way Oceanside, CA Completed in 2017</p>	90	26 1-Bedroom 32 2-Bedroom 32 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Mixed - Use Special Needs 100% Affordable	Owner Co-Developer General Contractor Property Manager Supportive Services Provider	Community Center/Preschool Computer Lab In-unit Washers & Dryers Residential Private Outdoor Patio/Balcony Fitness Center Office/Retail Space	LIHTC - 9% (Wells Fargo as Investor) FHLB AHP City HOME Funds & Ground Lease UrbanLIFT Grant Citibank Const & Perm Loans Citibank Subordinate Loan MHSA FHLB AHP Veterans VHHF
 <p><b>VALENCIA VISTA</b> San Bernardino, CA Start in 2015 Completed in 2016</p>	76	10 1-Bedroom 40 2-Bedroom 22 3-Bedroom 4 4-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Computer Lab In-unit Washers & Dryers Property Management & Maintenance Swimming Pool Fitness Center Elevators in 3-story Building	LIHTC - 9% (Wells Fargo as Investor) HUD Rental Assistance Demonstration City HOME Funds Housing Authority of County of San Bernardino, PBVs & Loan PNC HUD/FHA 221(d)(4) Loan
 <p><b>MARV'S PLACE</b> Pasadena, CA Start in 2015 Completed in 2016</p>	20	10 1-Bedroom 10 2-Bedroom	30% AMI	New Construction Special Needs Homeless 100% Affordable	Owner Developer General Contractor Property Manager	Community Center/Office Area Computer Lab Central Laundry Facilities Property Management & Maintenance	LIHTC - 9% City of Pasadena Housing Funds & PBVs County of Los Angeles Industry & First 5 Funds
 <p><b>LAS PALMAS VILLAGE</b> 107-115 Ave. Serra San Clemente, CA 92673 Completed in 2015</p>	19	19 1-Bedroom	30%, 50%, 60% AMI	New Construction Family/Workforce 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Computer Lab Central Laundry Facilities Property Management & Maintenance	LIHTC - 4% City of San Clemente Inclusionary Funds HCD IIG Tax-exempt Bonds (Citibank) Citibank Subordinate Loan
 <p><b>THE VIEW</b> 8314 2nd Street Downey, CA 90241 Completed in 2014</p>	50	35 2-Bedroom 15 3-Bedroom	30%, 45%, 50% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Tot-Lot Computer Lab Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% City of Downey HOME/Set-Asides Los Angeles County Industry Funds Permanent Bank Loan with JP Morgan Chase
 <p><b>SAN EMI</b> 4115 Kingsley St. Montclair, CA 91763 Completed in 2014</p>	18	18 1-Bedroom	30%, 45%, 50% AMI	New Construction Special Needs 100% Affordable	Owner Developer Property Manager	Office Area Outdoor Community Areas Share Community Facilities with Adjacent National CORE Projects Property Management & Maintenance	LIHTC - 9% HUD 811 City of Montclair AHP

PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>DUMOSA SENIOR VILLAGE</b> 57110 29 Palms Hwy Yucca Valley, CA 92884 Completed in 2014</p>	75	74 1-Bedroom 1 2-Bedroom	30%, 40%, 50%, 55% AMI	New Construction Senior 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Computer Lab Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% Town of Yucca Valley Funds County of San Bernardino HOME USDA Section 538 Permanent Loan AHP
 <p><b>WESTLAKE VILLAGE II</b> 405 &amp; 419 Autumn Drive San Marcos, CA 92069 Completed in 2014</p>	57	21 1-Bedroom 18 2-Bedroom 18 3-Bedroom	30%, 45%, 50%, 55% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Centralized Laundry Facilities Tot-Lot Outdoor Community Areas Share Community Center with Westlake Village I Property Management & Maintenance	LIHTC - 9% City of San Marcos RDA Loan Permanent Loan
 <p><b>DESERT MEADOWS</b> 44071 Clinton St. Indio, CA 92201 Completed in 2013</p>	80		25%, 35%, 40% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Swimming Pool Tot-Lot Computer Lab Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	LIHTC - 4% County of Riverside RDA Funds FHLB AHP State of CA HCD MHP Funds
 <p><b>RIVER CANYON</b> 34300 Corridor Drive Cathedral City, CA 92234 Completed in 2011</p>	60	41 2-Bedroom 19 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% City of Cathedral City RDA Loan Infill Grant Permanent Loan Developer Equity County of Riverside Home Funds
 <p><b>ALTA VISTA</b> 5051 E. 3rd St. Los Angeles, CA 90022 Completed in 2012</p>	60	41 2-Bedroom 19 3-Bedroom	30%, 45%, 50% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Tot-Lot Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	Los Angeles County Industry Funds Los Angeles County CDC HOME Los Angeles County 1st District Funds State of CA HCD IIG State of CA HCD TOD LIHTC - 9% Permanent Bank Loan
 <p><b>ENCANTO COURT</b> 1345 W. 105th St. Los Angeles, CA 90044 Completed in 2012</p>	62	56 1-Bedroom 6 2-Bedroom	25%, 45%, 50% AMI	New Construction Senior Infill 100% Affordable	Owner Developer Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Security Gates and Fencing Property Management & Maintenance	LIHTC - 9% CDC HOME/DDA Loan CDC CCP Homeless Loan Infill Infrastructure Grant HACOLA Industry Loan FHLB AHP Permanent Loan Developer Equity

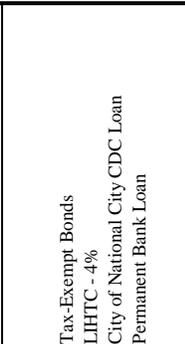
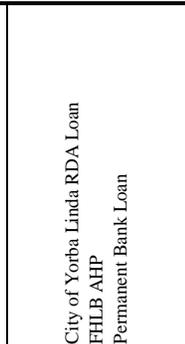
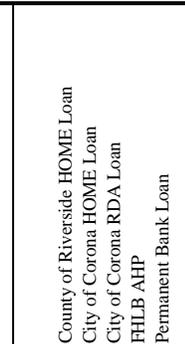
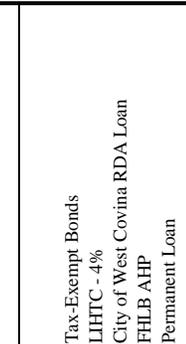
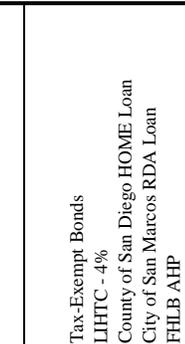
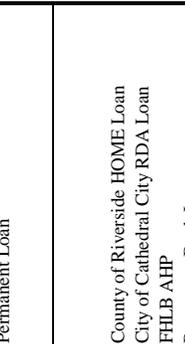
PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <b>TRES LOMAS</b> 4343 Toland Way Los Angeles, CA 90041 Completed 2010	46	45 1-Bedroom 1 2-Bedroom	30%, 40%, 50%, 60% AMI	Acq/Rehab Senior 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Outdoor Community Areas Centralized Laundry Facilities Security Gates and Fencing Property Management & Maintenance	LIHTC - 4% HCD MHP Loan LAHD Permanent Loan Developers Equity
 <b>VISTA CASCADE</b> 1432 N. Willow Avenue Rialto, CA Completed in 2010	42	29 2-Bedroom 13 3-Bedroom	50% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Computer Lab Fitness Center Outdoor Community Area Property Management & Maintenance	LIHTC - 4% HCD MHP Loan AHP Permanent Loan Developers Equity
 <b>RANCHO VERDE EAST EXPANSION</b> 8837 Grove Avenue Rancho Cucamonga, CA Completed in 2009	40	40 3-Bedroom	35%, 45%, 60% AMI	New Construction Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center with Service Kitchen Centralized Laundry Facilities Security Gates and Fencing Tot Lot Outdoor Community Areas Property Management and Maintenance	Tax Exempt Bonds LIHTC - 4% County of San Bernardino HOME Loan City of Rancho Cucamonga RDA Loan Permanent Loan Developer Equity
 <b>VILLAGGIO ON ROUTE 66</b> 10220 Foothill Blvd. Rancho Cucamonga, CA Completed in 2009	166	104 2-Bedroom 62 2-Bedroom	35%, 45%, 60% AMI	New Construction Family Mixed Market Rate & Affordable	Owner Developer Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool Tot Lot Learning Center Outdoor Community Areas Property Management & Maintenance	Tax Exempt Bonds LIHTC - 4% HCD MHP City of Rancho Cucamonga RDA Loan Permanent Loan Developer Equity
 <b>VILLA PLUMOSA</b> 4672 Plumosa Drive Yorba Linda, CA 92886 Completed in 2009	76	52 2-Bedroom 24 3-Bedroom	30%, 45%, 50%, 60% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% City of Yorba Linda RDA Loan Permanent Loan Developer Equity
 <b>CAPE COD VILLAS</b> 1710 Maxson Street Oceanside, CA 92054 Completed in 2008	36	36 1-Bedroom	30%, 50%, 60% AMI	Acq/Rehab Senior 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% City of Oceanside RDA Loan

PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>CITRUS GROVE AT RIALTO</b> 1432 Willow Avenue Rialto, CA 92376 Completed in 2008</p>	152	100 2-Bedroom 52 3-Bedroom	30%, 40%, 50%, 60% AMI	Acq/Rehab Family 2 Phase Project 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Computer Lab Fitness Center Outdoor Community Area Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCD MHP/MHP-NSSS CaHFA HELP Loan San Bernardino County HOME Loan City of Rialto RDA Loan FHLB AHP Permanent Bank Loan Developer Equity
 <p><b>LA MISION VILLAGE</b> 3220 Mission Avenue Oceanside, CA 92054 Completed in 2008</p>	80	3 1-Bedroom 46 2-Bedroom 31 3-Bedroom	40%, 60% AMI	New Construction Family 100% Affordable	Owner Developer Property Manager Supportive Services Provider	Day Care Center with a Service Kitchen Commercial Lease Area Tot-Lot Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCD MHP Loan City of Oceanside RDA Loan Permanent Loan
 <p><b>VISTA DUNES</b> 44-950 Vista Dunes Lane La Quinta, CA 92201 Completed in 2008</p>	80	14 1-Bedroom 38 2-Bedroom 28 3-Bedroom	30%, 45%, 50% AMI	New Construction Family Certified LEED Platinum 100% Affordable	Owner Developer Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool Sports Court Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% City of La Quinta RDA Loan Permanent Loan
 <p><b>NORTHGATE VILLAGE</b> 17251 Dante Street Victorville, CA 92392 Completed in 2007</p>	140	42 1-Bedroom 73 2-Bedroom 25 3-Bedroom	50%, 80% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool Tot Lot Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCD MHP City of Victorville RDA Loan Permanent Loan Developer Equity
 <p><b>PARK VIEW TERRACE</b> 6728 Clara Street Bell Gardens, CA 90201 Completed in 2007</p>	72	65 1-Bedroom 7 2-Bedroom	50% AMI	New Construction Senior Infill 100% Affordable	Owner Developer Property Manager	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Fitness Center Reflection Pond Outdoor Patio/Picnic Area Central Courtyard Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HACOLA HOME Loan LACDC Loan City of Industry Loan City of Bell Gardens CDC Loan FHLB AHP Developer Equity
 <p><b>SAN ANTONIO VISTA</b> 10410 Pradera Avenue Montclair, CA 91763 Completed in 2007</p>	75	50 2-Bedroom 25 3-Bedroom	30%, 45%, 50%, 60% AMI	New Construction Family 3 Phase Project 100% Affordable	Owner Developer General Contractor Property Manager Co-Supportive Services Provider	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Outdoor Community Areas Tot-Lot Swimming Pool Property Management & Maintenance	LIHTC - 9% County of San Bernardino HOME Loan City of Montclair RDA Loan Permanent Bank Loan Developer Equity

PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>SUNSET HEIGHTS</b> 6230 Haven Avenue Alta Loma, CA 91737 Completed in 2007</p>	117	80 2-Bedroom 37 3-Bedroom	35%, 45%, 60% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	a Service Kitchen Centralized Laundry Facilities Learning Center Computer Lab Outdoor Patio/Picnic Area Tot-Lot Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% CalHFA Perm - A Bonds CalHFA Perm - B Bonds City of Rancho Cucamonga RDA Loan
 <p><b>MELROSE VILLAS</b> 1820 Melrose Drive San Marcos, CA 92069 Completed in 2006</p>	114	12 1-Bedroom 63 2-Bedroom 39 3-Bedroom	35%, 60% AMI	New Construction Family Inclusionary 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	a Service Kitchen Centralized Laundry Facilities Learning Center Computer Lab Outdoor Patio/Picnic Area Tot-Lot Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCD MHP Loan Developer Equity
 <p><b>TALMADGE SENIOR VILLAGE</b> 5252 El Cajon Boulevard San Diego, CA 92115 Completed in 2006</p>	91	88 1-Bedroom 3 2-Bedroom	30%, 45%, 50% AMI	New Construction Senior Infill 100% Affordable	Owner Developer Property Manager Co-Supportive Services Provider	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Underground Parking Computer Lab Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% City of San Diego RDA NOFA Loan Permanent Bank Loan Developer Equity
 <p><b>VISTA TERRAZA</b> 7735 Via Solare San Diego, CA 92129 Completed in 2006</p>	123	12 1-Bedroom 71 2-Bedroom 40 3-Bedroom	35%, 60% AMI	New Construction Family Inclusionary 100% Affordable	Owner Developer Property Manager Supportive Services Provider	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Learning Center Swimming Pool and Spa Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCD MHP Loan Developer Equity
 <p><b>FOUNTAINS AT SIERRA</b> 16946 Ceres Avenue Fontana, CA 92335 Completed in 2005</p>	93	75 1-Bedroom 18 2-Bedroom	30%, 45%, 50% AMI	New Construction Senior 3 Phase Project 100% Affordable	Co-Owner Co-Developer Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool and Spa Fitness Room Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% City of Fontana RDA Loan FHLB AHP CCRC Permanent Loan
 <p><b>GARDENS AT SIERRA</b> 16838 Ceres Avenue Fontana, CA 92335 Completed in 2005</p>	93	75 1-Bedroom 18 2-Bedroom	50% AMI	New Construction Senior 3 Phase Project 100% Affordable	Co-Owner Co-Developer Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool and Spa Fitness Room Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% City of Fontana RDA Loan FHLB AHP CCRC Permanent Loan

	PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
	<b>HAWTHORNE TERRACE</b> 13006 Komblum Avenue Hawthorne, CA 90250 Completed in 2005	100	40 1-Bedroom 36 2-Bedroom 24 3-Bedroom	35%, 50%, 60%, 80% AMI	Acq/Rehab Family Inclusionary 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Tot Lot Learning Center Outdoor Community Areas Property Management & Maintenance	CCRC Permanent Loan Developer Equity
	<b>MISSION POINTE</b> 2750 Topaz Drive Riverside, CA 92507 Completed in 2005	64	44 2-Bedroom 20 3-Bedroom	40%, 55% AMI	Acq/Rehab Family Neighborhood Revitalization 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Centralized Laundry Facilities Learning Center Computer Lab Outdoor Community Area Swimming Pool Tot-Lot Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCDC MHP Permanent Loan Developer Equity
	<b>CLARK MANOR</b> 13032 Clark Avenue Downey, CA 90242 Completed in 2004	41	13 1-Bedroom 20 2-Bedroom 8 3-Bedroom	35%, 50%, 60%, 80% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Laundry Facility Property Management & Maintenance	City of Downey HOME Loan Washington Mutual
	<b>MULBERRY VILLAS</b> 14950 Mulberry Drive Whittier, CA 90604 Completed in 2004	51	31 1-Bedroom 20 2-Bedroom	35%, 50%, 60%, 80% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Outdoor Community Areas Property Management & Maintenance	Washington Mutual Permanent Loan
	<b>LITTLE LAKE VILLAGE</b> 10902 Fulton Wells Avenue Santa Fe Springs, CA 90670 Completed in 2003	144	120 1-Bedroom 24 2-Bedroom	50%, 60% AMI	New Construction Senior 100% Affordable	Owner Developer Property Manager Supportive Services Provider	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Computer Lab Outdoor Community Area Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% LACDC HOME Loan City of Industry Loan City of Santa Fe Springs CDC Loan Permanent Loan
	<b>OAKS ON FLORENCE</b> 4224 Florence Avenue Bell, CA 90201 Completed in 2003	63	55 1-Bedroom 8 2-Bedroom	50% AMI	New Construction Senior Infill 100% Affordable	Owner Developer Property Manager Co-Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Computer Lab Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% City of Industry Loan Bell Land Loan LACDC HOME Loan FHLB AHP Developer Equity

PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>SHADOW HILL</b> 11085 Woodside Avenue Santee, CA 92071 Completed in 2003</p>	82	44 2-Bedroom 38 3 Bedroom	20%, 30%, 60% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Outdoor Community Areas Tot-Lot Swimming Pool Learning Center Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCD MHP CalHFA HELP County of San Diego HOME/HOPWA City of Santee CDC Loan Permanent Loan Developer Equity
 <p><b>SPRING VALLEY</b> 8885 Orville Street Spring Valley, CA 91977 Completed in 2003</p>	60	16 Efficiency 27 1-Bedroom 16 2-Bedroom	50%, 60% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facility Outdoor Community Areas Tot-Lot Swimming Pool Learning Center Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% County of San Diego HOME/HOPWA Loan Permanent Loan Developer Equity
 <p><b>VILLAGE AT SIERRA</b> 8684 Sierra Avenue Fontana, CA 92335 Completed in 2003</p>	108	107 1-Bedroom 1 2-Bedroom	45%, 50%, 60% AMI	New Construction Senior 3 Phase Project 100% Affordable	Co-Owner Co-Developer Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool and Spa Fitness Room Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% City of Fontana RDA Loan FHLB AHP CCRC Permanent Loan
 <p><b>HERITAGE POINTE</b> 8590 Malven Avenue Rancho Cucamonga, CA 91730 Completed in 2003</p>	49	49 1-Bedroom	35%, 45%, 60% AMI	New Construction Senior 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Computer Lab Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% County of San Bernardino HOME Loan MHRB/Rancho Cucamonga RDA Loan Permanent Loan (WAMU)
 <p><b>IMPRESSIONS AT VALLEY CENTER</b> 15500 Midtown Drive Victorville, CA 92392 Completed in 2003</p>	100	68 2-Bedroom 32 3-Bedroom	45%, 50% AMI	New Construction Family 100% Affordable	Owner Developer Property Manager Supportive Services Provider	Centralized Laundry Facilities Swimming Pool and Spa Computer Lab Learning Center Tot-Lot Outdoor Community Areas Property Management & Maintenance	LIHTC - 9% San Bernardino County HOME Loan City of Victorville RDA Loan Permanent Loan Developer Equity
 <p><b>COBBLESTONE VILLAGE</b> 360 E. Washington Avenue Escondido, CA 92025 Completed in 2002</p>	44	44 3-Bedroom	20%, 30%, 60% AMI 100% Affordable	Acq/Rehab Family All-3 Bedrooms	Owner Developer General Contractor Property Manager Supportive Services Provider	Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% HCD MHP City of Escondido RDA Loan FHLB AHP CCRC Permanent Loan Developer Equity

	PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
	<b>VISTA DEL SOL</b> 1545 Q Avenue National City, CA 91950 Completed in 2000	132	76 1-Bedroom 48 2-Bedroom 8 3-Bedroom	50%, 60% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool Tot Lot Learning Center Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% City of National City CDC Loan Permanent Bank Loan
	<b>ARBOR VILLAS</b> 4661 Plumbosa Drive Yorba Linda, CA 92886 Completed in 1999	67	7 40% AMI 26 50% AMI 34 60% AMI	40%, 50%, 60% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Swimming Pool Tot-Lot Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	City of Yorba Linda RDA Loan FHLB AHP Permanent Bank Loan
	<b>CORONA DEL REY</b> 1148 D Street Corona, CA 92882 Completed in 1999	160	160 2-Bedroom	50%, 60%, 80% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Tot-Lot Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	County of Riverside HOME Loan City of Corona HOME Loan City of Corona RDA Loan FHLB AHP Permanent Bank Loan
	<b>PROMENADE</b> 1333 W. Garvey Avenue North West Covina, CA 91790 Completed in 1999	124	28 Studio 96 1-Bedroom	40%, 50%, 60% AMI	Acq/Rehab Family Hotel Conversion 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool and Spa Tot Lot Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% City of West Covina RDA Loan FHLB AHP Permanent Loan
	<b>VILLA SERENA</b> 339-340 Marcos Street San Marcos, CA 92069 Completed in 1999	136	36 1-Bedroom 98 2-Bedroom 2 3-Bedroom	35%, 45%, 50%, 60% AMI	Acq/Rehab Family 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Swimming Pool Tot Lot Outdoor Community Areas Property Management & Maintenance	Tax-Exempt Bonds LIHTC - 4% County of San Diego HOME Loan City of San Marcos RDA Loan FHLB AHP Permanent Loan
	<b>CATHEDRAL PALMS</b> 31-750 Landau Boulevard Cathedral City, CA 92234 Completed in 1997	231	191 Studio 40 2-Bedroom	40%, 50% AMI	Acq/Rehab Senior 100% Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Swimming Pool and Spa Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	County of Riverside HOME Loan City of Cathedral City RDA Loan FHLB AHP Permanent Bank Loan

PROPERTY NAME & LOCATION	TOTAL UNITS	BEDROOM UNIT BREAKDOWN	AMI BREAKDOWN	TYPE	ROLE	ONSITE AMENITIES	FINANCING SOURCES
 <p><b>COLONY</b> 221 New York Street Redlands, CA 92373 Completed in 1996</p>	88	20 1-Bedroom 68 2-Bedroom	40%, 50% AMI	Acq/Rehab Family Mixed Market-Rate & Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Swimming Pool Computer Lab Central Laundry Facilities Outdoor Community Areas Property Management & Maintenance	City of San Bernardino HOME Loan Permanent Loan
 <p><b>MONTEREY VILLAGE</b> 10244 Arrow Route Rancho Cucamonga, CA 91730 Completed in 1996</p>	224	96 1-Bedroom 128 2-Bedroom	35%, 45%, 60%, 80% AMI	Acq/Rehab Family Mixed Market-Rate & Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Swimming Pool (2) and Spa Tot-Lot (2) Sports Courts Tennis Court Fitness Center Central Laundry Facilities Outdoor Community Areas <b>Property Management &amp; Maintenance</b>	CalHFA City of Rancho Cucamonga RDA Loan Permanent Bank Loan
 <p><b>MOUNTAINSIDE</b> 9181 Foothill Boulevard Rancho Cucamonga, CA 91730 Completed in 1996</p>	384	160 1-Bedroom 224 2-Bedroom	35%, 45%, 60%, 80% AMI	Acq/Rehab Family Mixed Market-Rate & Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Centralized Laundry Facilities Swimming Pool and Spa Computer Lab Learning Center Sports Courts Outdoor Community Areas Property Management & Maintenance	CalHFA City of Rancho Cucamonga RDA Loan Permanent Bank Loan
 <p><b>RENAISSANCE VILLAGE</b> 220 N. Glenwood Avenue Rialto, CA 92376 Completed in 1996</p>	144	18 1-Bedroom 35 2-Bedroom 90 3-Bedroom 1 4-Bedroom	50%, 60% AMI	Acq/Rehab Family Neighborhood Revitalization 100% Affordable	Owner Developer General Contractor Property Manager Co-Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool Tot Lot Learning Center Outdoor Community Areas Property Management & Maintenance	City of Rialto RDA Loan PHLB AHP Permanent Loan
 <p><b>SYCAMORE VILLAGE</b> 7127 Archibald Avenue Alta Loma, CA 91701 Completed in 1995</p>	240	96 1-Bedroom 144 2-Bedroom	35%, 45%, 60%, 80% AMI	Acq/Rehab Family Mixed Market-Rate & Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area with a Service Kitchen Centralized Laundry Facilities Learning Center Outdoor Patio/Picnic Area Tot-Lot Property Management & Maintenance	CalHFA City of Rancho Cucamonga RDA Loan Permanent Bank Loan
 <p><b>RANCHO VERDE VILLAGE</b> 8837 Grove Avenue Rancho Cucamonga, CA 91730 Completed in 1993</p>	248	120 1-Bedroom 128 2-Bedroom	35%, 45%, 60%, 80% AMI	Acq/Rehab Family Mixed Market-Rate & Affordable	Owner Developer General Contractor Property Manager Supportive Services Provider	Community Center/Office Area Centralized Laundry Facilities Swimming Pool and Spa Tot Lot Learning Center Outdoor Community Areas Property Management & Maintenance	City of Rancho Cucamonga RDA Loan Essex Corporation Permanent Bank Loan

# **EXHIBIT B**

**(Project Conceptual Plans)**



**PROPOSED SENIOR MIXED USE CENTER**

4610 Santa Ana Cudahy, CA | PRIMA Development

togawa smith martin, inc. | www.tsminc.com | JANUARY 29, 2020

# Project Summary

Zone: Ent - Entertainment  
 Lot area: 58,340 sf (1.33 ac)  
 Proposed Use: Mixed Use: 100% affordable senior apartments over ground level  
 Commercial (Community Serving Commercial Space)  
 Allowable per 20.20.020  
 Project Density: Residential per Mixed Use Standards for CMU Zone - 40 du/ac  
 Total proposed density: 104.5 du/ac  
 Affordable Density Incentive: 161.3% Density Increase  
 FAR: Allowable FAR (commercial only) = 2.1  
 Proposed FAR: 29,800 sf/58340 sf = 0.5

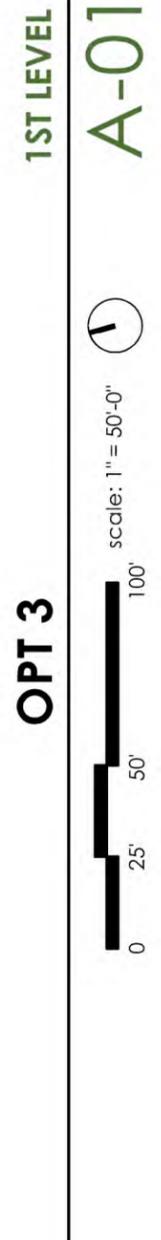
Unit Summary:  
 (115) 1 Bdrm @ 540 sf 62,100 sf 83.3%  
 (22) 2 Bdrm @ 712 sf 15,664 sf 15.9%  
 (1) 2 Bdrm (Manager's) @ 945 sf 945 sf 0.8%  
 138 Units 78,709 sf  
 Height: Maximum allowable for Mixed Use  
 CMU Zone = 4 + 2 per 20.28.040 & 20.56.060  
 Proposed = 5 stories  
 Setbacks: Commercial: Required 5 ft, Provided 5 ft  
 Front: 0 ft, Side: 0 ft, Rear: 0 ft  
 Residential: Required 5 ft, Proposed 5 ft  
 Front 0 ft, Side 0-10 ft, Rear 0-10 ft

Open Space: Common  
 Required: 280 sf/du x 138 du = 38,640 sf  
 20% allow reduction per 20.52.363 = 30,912 sf  
 Provided: Courtyard @ Podium: 11,000 sf  
 Courtyard @ Grade: 5,600 sf  
 Community Room: 1,300 sf  
 Roof Deck: 2,500 sf  
 Total: 20,400 sf  
 Total reduction requested 34% (30,912-20,400 = 34%)  
 Less 20% reduction allow per 20.52.363 10,512 / 30,912 = 34%  
 Additional reduction requested: 14%

Affordable Housing Incentives:  
 1. Additional Density Increase from 40 du/ac to 104.5 du/ac  
 2. Common Open Space Reduction from 20% to 34%  
 3. Private Open Space Reduction from 20% to 72.9%  
 4. Reduced Parking per Affordable Density Bonus Law

Private Open Space: Required: 200 sf/du x 138 = 27,600 sf  
 Provided: 115 1B at 50 sf = 5,750 sf  
 23 2B at 75 sf = 1,725 sf  
 Total Provided = 7,475 sf  
 Total reduction requested 72.9% (27,600-7,475 = 72.9%)  
 Less 20% reduction allow per 20.52.363 20,125 / 27,600 = 72.9%  
 Additional reduction requested: 52.9%

LEVEL	1-B	2-B (Manager's)	TOTAL	PARKING
5	28	5	33	0
4	30	6	36	0
3	30	6	36	0
2	27	5	33	0
1	0	0	0	45
P1	0	0	0	145
TOTAL	115	22	138 du	190 stalls

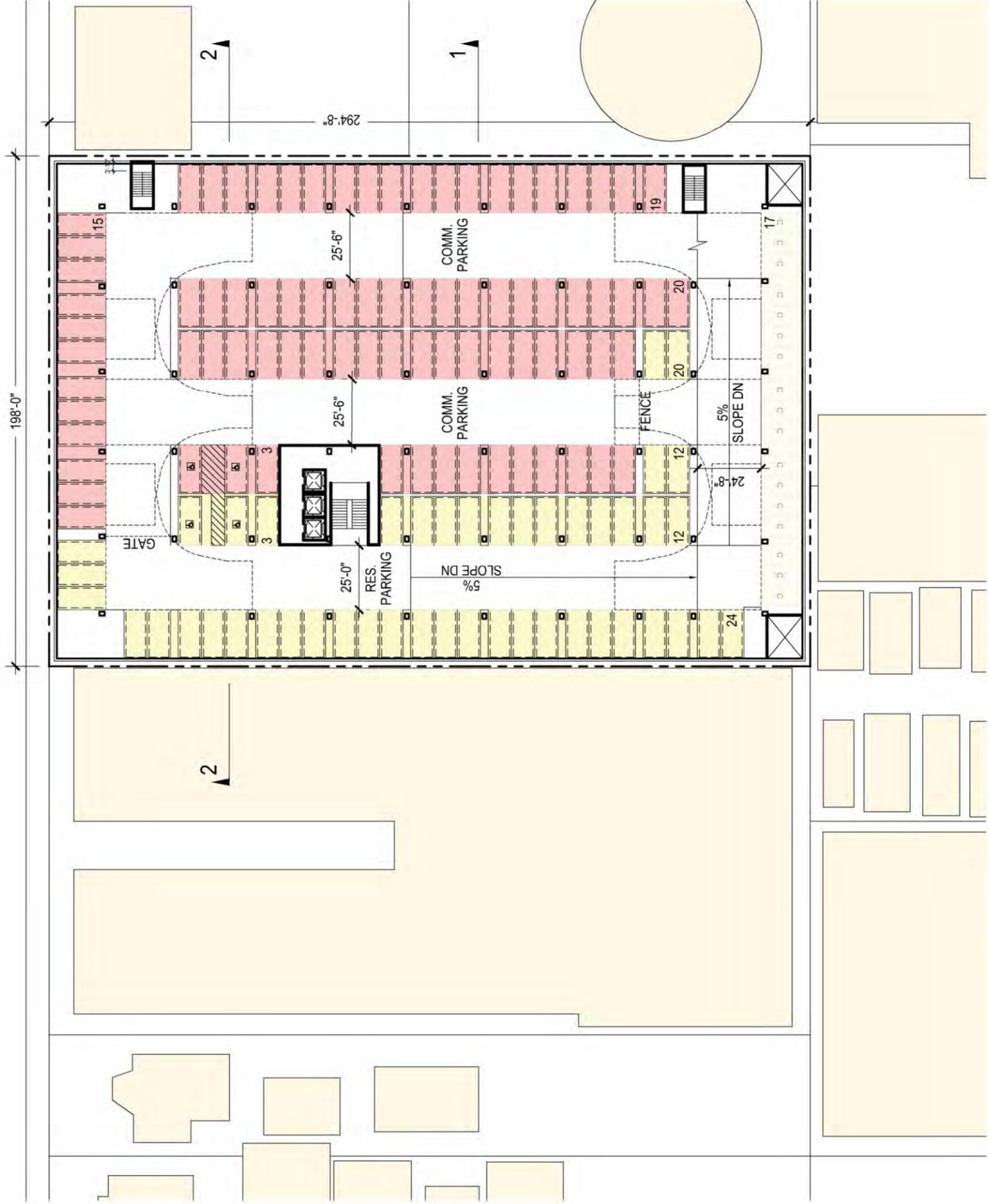


## PROPOSED SENIOR MIXED USE CENTER

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SANTA ANA ST



**PROPOSED SENIOR MIXED USE CENTER**

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**OPT 3**

**PARKING P1 LEVEL**

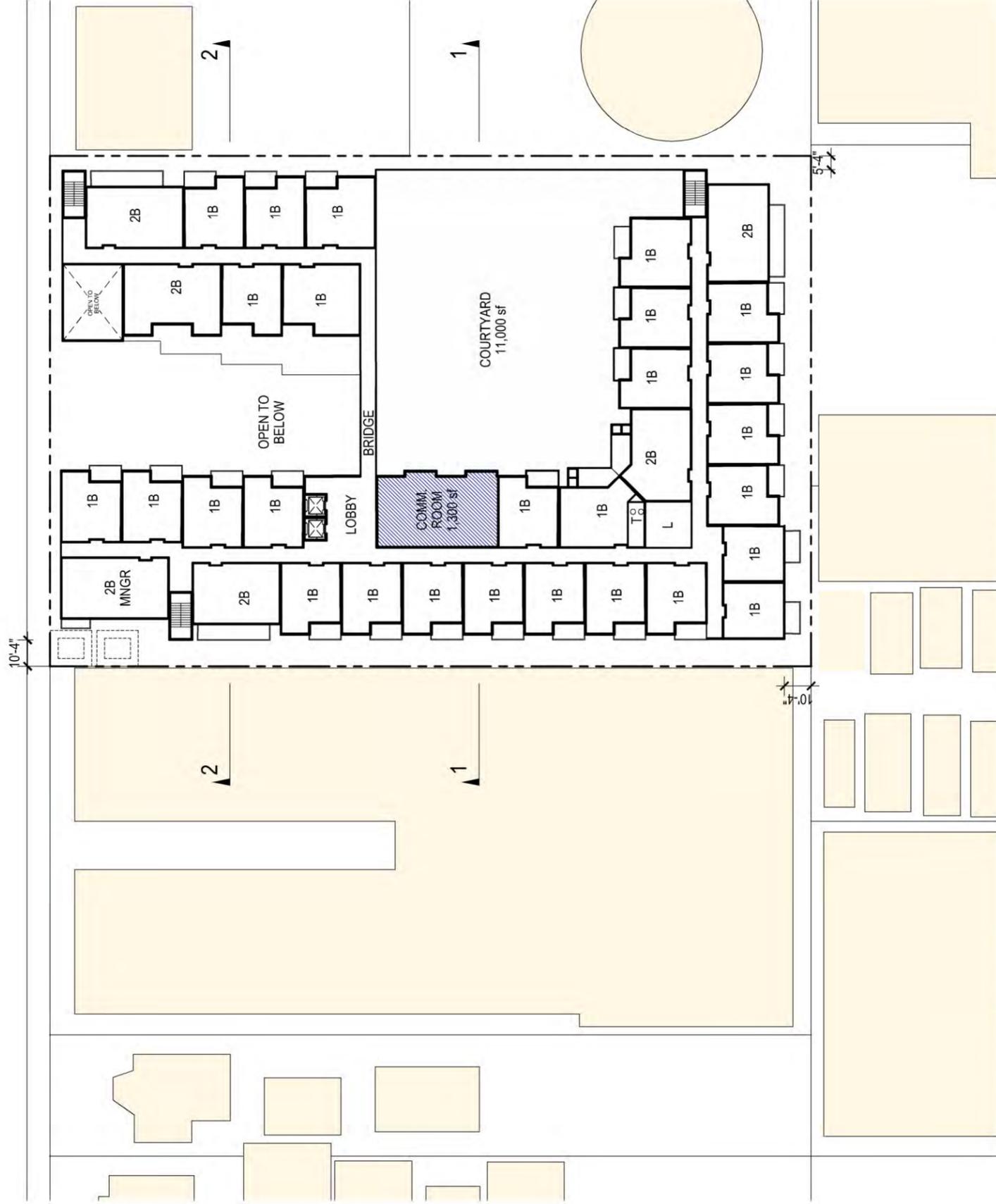


scale: 1" = 50'-0"



**A-02**

SANTA ANA ST



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**PROPOSED SENIOR MIXED USE CENTER**

**OPT 3**

33 D.U.  
 2ND LEVEL



scale: 1" = 50'-0"



**A-03**

SANTA ANA ST



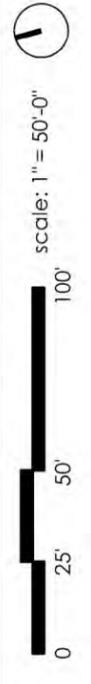
### PROPOSED SENIOR MIXED USE CENTER

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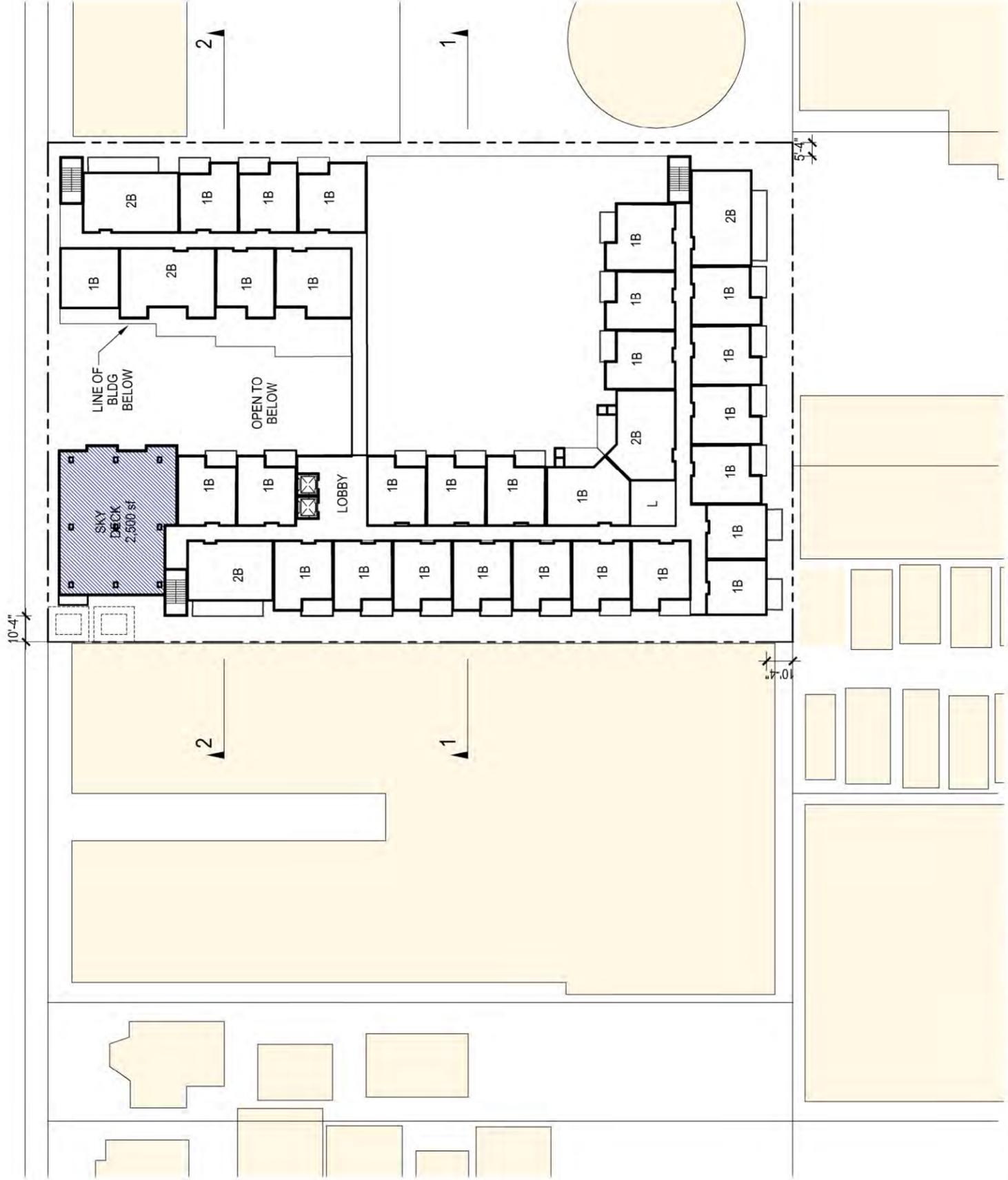
### OPT 3

36 D.U.  
 3RD - 4TH LEVEL



# A-04

SANTA ANA ST



33 D.U.  
5TH LEVEL

OPT 3

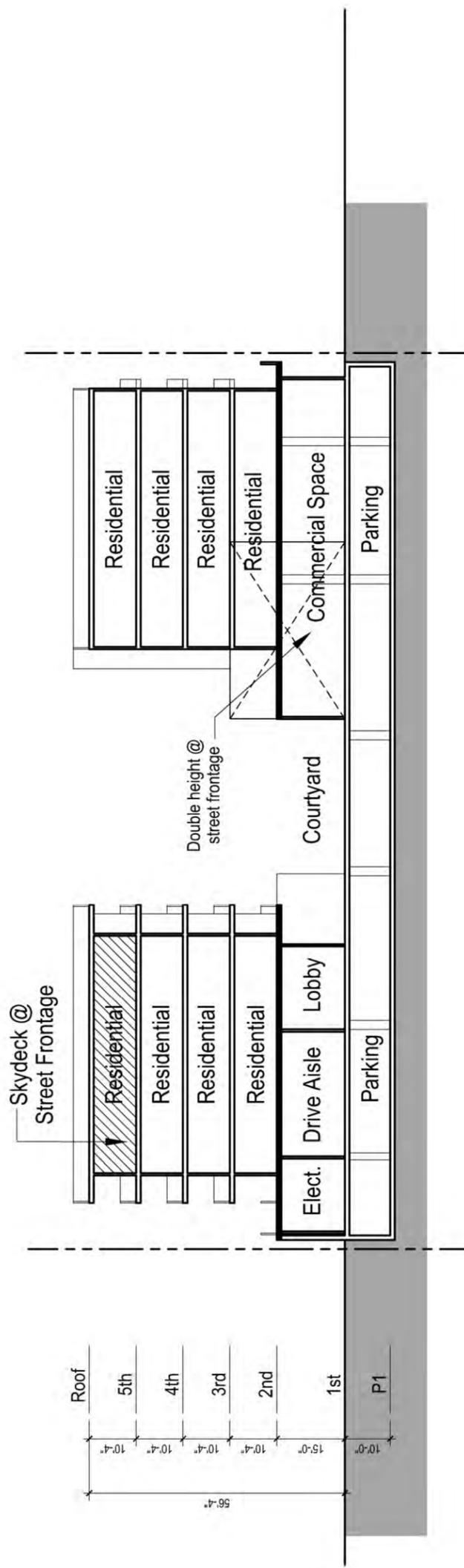
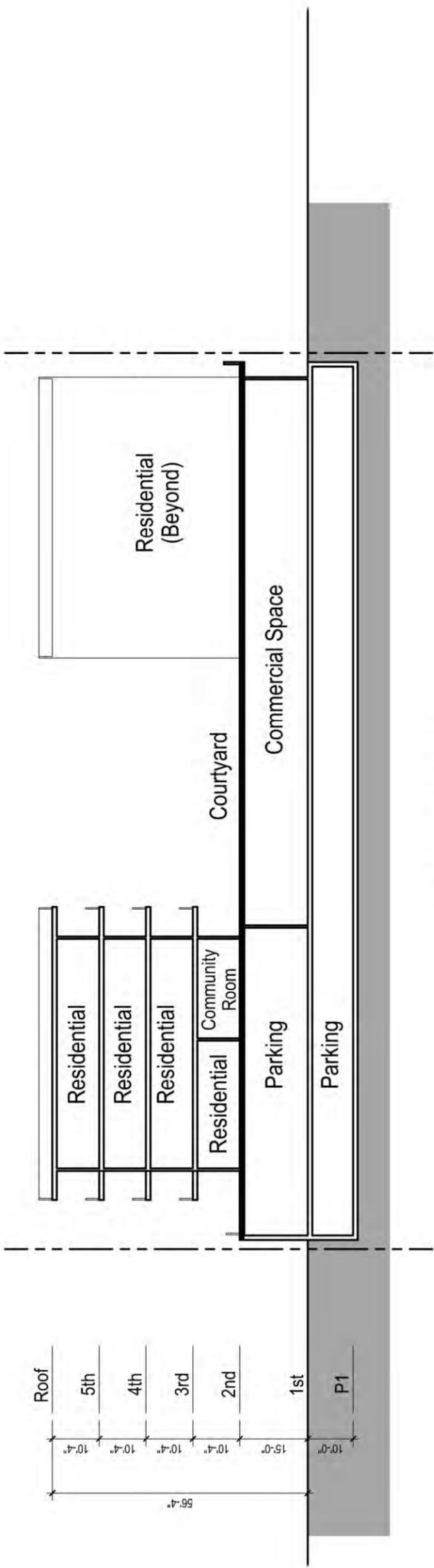


A-05

**PROPOSED SENIOR MIXED USE CENTER**

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**PROPOSED SENIOR MIXED USE CENTER**

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**OPT 3**



scale: 1" = 30'-0"

**SECTION**

**A-06**

# **EXHIBIT C**

**(Proforma)**

**I. Project Description Total**

**A. Land**

Land Area - Acres	1.34
Land Area - Square Feet (SF)	58,340

**B. Building**

Supportive Housing Units	35
Low Income Units	102
Manager Units	1
Total Units	138

Residential Square Footage	128,584
Commercial Office Square Footage	20,000
Total Vertical Square Footage	128,584

**C. Parking**

Residential Stalls	69
Commercial Office Stalls	121
Total Stalls	190

**II. Residential Description AMI Total**

**A. Unit Mix**

1 Bedroom / PBV	30%	29
1 Bedroom	30%	9
1 Bedroom	40%	9
1 Bedroom	50%	68
1 Bedroom	Manager	-
1 Bedroom	Market	-
1 Bedroom Subtotal		115
2 Bedroom / PBV	30%	6
2 Bedroom	30%	2
2 Bedroom	40%	2
2 Bedroom	50%	12
2 Bedroom	Manager	1
2 Bedroom	Market	-
2 Bedroom Subtotal		23

Total Units		138
-------------	--	-----

**B. Income / Rent Mix**

**AMI**

**Annual Income s Monthly Rent**

1 Bedroom / PBV	30%	\$23,480	\$587
1 Bedroom	30%	\$23,480	\$587
1 Bedroom	40%	\$31,320	\$783
1 Bedroom	50%	\$39,160	\$979
2 Bedroom	30%	\$28,200	\$705
2 Bedroom	30%	\$28,200	\$705
2 Bedroom	40%	\$37,600	\$940
2 Bedroom	50%	\$47,000	\$1,175

**III. Net Operating Income (NOI) / Cash Flow Total**

**A. Residential Component / Year 1 NOI**

Gross Tax Credit Rent		\$1,242,624
Rental Subsidy		\$403,572
Misc. Income		\$6,060
Gross Income		\$1,652,256
(Less) Vacancy	7%	<u>(\$114,521)</u>
Effective Gross Income		<u><u>\$1,537,735</u></u>

(Less) Operating Expenses		(\$780,561)
(Less) Prop Txes / Assessments		(\$5,000)
(Less) Resident Services		(\$33,120)
(Less) Replacement Reserves		<u>(\$69,000)</u>
Total Operating Expenses		<u><u>(\$887,681)</u></u>

Stabilized Residential NOI		\$650,054
(Less) Bond Admin / Trustee Fee		(\$10,000)
(Less) Debt Svc 1		(\$512,052)
(Less) GP / SLP Asset Mgmt Fees		<u>(\$15,000)</u>
Cash Flow After Debt Svc & Fees		<u><u>\$113,002</u></u>

Deferred Developer Fee		\$113,002
LACDA AHTF		\$0
LACDA NPLH		\$0
LA County Deferred Fees Loan		\$0
City of Cudahy Land Loan		\$0
Distribution to Owner		\$0

Per Unit Per Year Operating Expenses		\$5,656
Per Unit Per Year All-In Oper Exp		\$6,432

Debt Service Ratio (Year 1)		1.25
Debt Service Ratio (Year 15)		1.49

**B. Commercial Component / Year 1 NOI**

Commercial Office Space SF	NNN		
Gross Income	\$ 3.15 PSF	\$756,000	Base Rent+CAM
Vacancy	0%	\$0	
Effective Gross Income		\$756,000	
(Less) Operating Costs	\$ .90 PSF	\$215,000	
Stabilized Commercial NOI		\$541,000	

**C. Consolidated NOI \$1,191,054**

<b>IV. <u>Total Development Costs</u></b>	<b><u>Total</u></b>
<b>A. <u>Land Acquisition</u></b>	
Land - Capitalized	\$1,688,919
Land - Downpayment	\$311,081
<i>Total Estimated Value of Land</i>	\$2,000,000
Other Non-Land Costs	\$30,000
<b>Total Land Acquisition Costs</b>	<b><u>\$2,030,000</u></b>
Per SF Land Area	\$34.80
Per Unit Land Area	\$14,710
<b>B. <u>Direct Costs / Davis Bacon / PW / Local Hire</u></b>	
Off-site Improvements	\$722,377
On-site Improvements	\$10,438,214
Structures	\$25,907,022
Local Hire Adjustment	\$1,654,566
Contractor Fees/General Requirements	\$4,864,826
Contractor Insurance/P&P Bonds	\$580,833
Furniture/Fixtures/Equip	\$350,000
Owner Contingency Allowance	\$2,208,392
<b>Total Direct Costs</b>	<b><u>\$46,726,230</u></b>
Per Total Vertical SF	\$363
Per Unit Direct Costs	\$338,596
<b>C. <u>Indirect Costs</u></b>	
Architect, Engineering & Consultants	\$1,620,000
Permits & Fees	\$3,195,220
Taxes, Insurance , Legal & Accounting	\$321,563
Marketing & Leasing - Residential	\$10,000
Developer Fee	\$5,959,433
Deferred Developer Fee	\$630,000
Contingency Allowance	\$250,000
<b>Total Indirect Costs</b>	<b><u>\$11,986,216</u></b>
<b>D. <u>Financing Costs</u></b>	
Construction Interest	\$1,866,457
Construction Loan Fees	\$435,000
Permanent Loan Fees	\$10,000
Tax Credit Fees	\$150,000
Operating Deficit Reserves	\$300,000
Transition Reserve	\$0
<b>Total Financing Costs</b>	<b><u>\$2,911,457</u></b>
Total Non-Land Development Costs	\$61,653,902
Per Total Vertical SF	\$479
Per Unit	\$446,767
Total Development Costs	\$63,653,902
Per Total Vertical SF	\$495
Per Unit	\$461,260

<b><u>V. Proposed Funding Sources</u></b>		<b><u>Total</u></b>
Deferred Dev Fee		\$630,000
Capital Contribution		\$3,089,433
FHLB AHP		\$1,500,000
Permanent Loan		\$8,297,000
Tax Credit Equity - Federal	4%	\$17,593,903
Tax Credit Equity - State		\$9,300,225
LACDA NPLH		\$6,420,000
LA County Deferred Fees Loan		\$1,000,000
City of Cudahy Land Loan		\$1,688,919
State HCD Infill Infrastructure		\$5,000,000
Commercial Condominium Sources of Financing		<u>\$9,134,422</u>
Total Perm Funding Sources		<u><u>\$63,653,902</u></u>

<b><u>VI. Financial Surplus / (Deficit)</u></b>		<b><u>Total</u></b>
Total Development Costs		\$63,653,902
(Less) Proposed Funding Sources		<u>\$63,653,902</u>
Surplus / (Deficit)		<u><u>\$0</u></u>

<b><u>VII. Commercial Condo Sources of Financing</u></b>		
Interest Rate		5.88%
Term / Amortization (Years)		15
Debt Coverage		1.35
Projected Annual NOI		\$541,000
Projected Annual Debt Service		\$400,741
Projected Commercial Loan Amount		\$3,988,055
Capitalized Rate	6.0%	\$9,016,667
Loan to Value (LTV)		44%
LACDA / LA County EDA Grant		\$5,146,367

**VIII. Operating Budget**

	<u>Annual</u>	<u>Monthly</u>	<u>Unit</u>	<u>Unit/Month</u>
<b>1 Administrative</b>				
Advertising/Leasing	1,500	125	10.87	0.91
Legal	2,000	167	14.49	1.21
Audit & Accounting	15,000	1,250	108.70	9.06
Compliance/Bookkeeping	7,000	583	50.72	4.23
Other: Office expenses (incl. phone)	45,284	3,774	328.14	27.35
<b>Total Administrative</b>	<b>70,784</b>	<b>5,899</b>	<b>512.93</b>	<b>42.74</b>
<b>2 Management</b>	<b>99,360</b>	<b>8,280</b>	<b>60.00</b>	<b>5.00</b>
<b>3 Utilities</b>				
Gas	19,089	1,591	138.33	11.53
Electricity	53,025	4,419	384.24	32.02
Water/Sewer	77,430	6,453	561.09	46.76
<b>Utilities Total</b>	<b>149,544</b>	<b>12,462</b>	<b>1,083.65</b>	<b>90.30</b>
<b>4 Payroll/Payroll Taxes</b>				
On-Site Manager/Asst. Manager	82,000	6,833	594.20	49.52
Maintenance/Janitorial Personnel	84,000	7,000	608.70	50.72
Payroll Taxes/WC/Benefits	82,174	6,848	595.46	49.62
<b>Payroll/Payroll Taxes Total</b>	<b>248,174</b>	<b>20,681</b>	<b>1,798.36</b>	<b>149.86</b>
<b>5 Maintenance</b>				
Supplies	9,605	800	69.60	5.80
Maintenance	26,194	2,183	189.81	15.82
Repairs	35,299	2,942	255.79	21.32
Trash Removal	29,588	2,466	214.41	17.87
Pest Control	7,908	659	57.30	4.78
Grounds	8,838	737	64.04	5.34
Elevator	12,000	1,000	86.96	7.25
Fire Protection	15,000	1,250	108.70	9.06
Common Area Maintenance	18,267	1,522	132.37	11.03
<b>Maintenance Total</b>	<b>162,699</b>	<b>13,558</b>	<b>1,178.98</b>	<b>98.25</b>
<b>6 Property &amp; Liability Insurance</b>	<b>50,000</b>	<b>4,167</b>	<b>362.32</b>	<b>30.19</b>
<b>7 Other</b>				
Prop Txes / Assessments	5,000	417	36.23	3.02
Resident Services	33,120	2,760	240.00	20.00
Replacement Reserves	69,000	5,750	500.00	41.67
<b>Other Total</b>	<b>107,120</b>	<b>8,927</b>	<b>776.23</b>	<b>64.69</b>
<b>Operating Expenses Total</b>	<b>887,681</b>	<b>73,973</b>	<b>6,432.47</b>	<b>536.04</b>

**IX. 15 Year Cash Flow (Residential Only)**

REVENUE	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Restricted Rent	1,010,376	1,035,635	1,061,526	1,088,064	1,115,266	1,143,148	1,171,726	1,201,020	1,231,045	1,261,821	1,293,367	1,325,701	1,358,843	1,392,814	1,427,635
Less Vacancy	(50,519)	(51,782)	(53,076)	(54,403)	(55,763)	(57,157)	(58,586)	(60,051)	(61,552)	(63,091)	(64,668)	(66,285)	(67,942)	(69,641)	(71,382)
Market / Manager Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Vacancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Need Restricted Rent	232,248	238,054	244,006	250,106	256,358	262,767	269,336	276,070	282,972	290,046	297,297	304,730	312,348	320,156	328,160
Special Need Rental Subsidy	403,572	413,661	424,003	434,603	445,468	456,605	468,020	479,720	491,713	504,006	516,606	529,521	542,759	556,328	570,237
Less Vacancy	(63,582)	(65,172)	(66,801)	(68,471)	(70,183)	(71,937)	(73,736)	(75,579)	(77,468)	(79,405)	(81,390)	(83,425)	(85,511)	(87,648)	(89,840)
Misc. Income	6,060	6,212	6,367	6,526	6,689	6,856	7,028	7,203	7,384	7,568	7,757	7,951	8,150	8,354	8,563
Less Vacancy	(420)	(431)	(441)	(452)	(464)	(475)	(487)	(499)	(512)	(525)	(538)	(551)	(565)	(579)	(593)
Total Revenue	1,537,735	1,576,179	1,615,583	1,655,973	1,697,372	1,739,806	1,783,301	1,827,884	1,873,581	1,920,421	1,968,431	2,017,642	2,068,083	2,119,785	2,172,780
<b>EXPENSES</b>															
Operating Expenses	780,561	807,881	836,156	865,422	895,712	927,062	959,509	993,092	1,027,850	1,063,825	1,101,058	1,139,595	1,179,481	1,220,763	1,263,490
Property Taxes	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597
Resident Services	33,120	34,279	35,479	36,721	38,006	39,336	40,713	42,138	43,613	45,139	46,719	48,354	50,047	51,798	53,611
Replacement Reserves	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000
Total Expenses	887,681	916,260	945,837	976,449	1,008,130	1,040,918	1,074,853	1,109,973	1,146,321	1,183,939	1,222,872	1,263,166	1,304,869	1,348,029	1,392,698
<b>NET OPERATING INCOME</b>	650,054	659,919	669,746	679,524	689,242	698,888	708,449	717,911	727,260	736,481	745,559	754,475	763,214	771,756	780,081
Bond Admin/Trustee Fee	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Debt Svc 1	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)	(512,052)
After Debt Cash Flow	128,002	137,867	147,694	157,472	167,190	176,836	186,397	195,859	205,208	214,429	223,507	232,423	241,162	249,703	258,029
Debt Coverage Ratio	1.25	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.39	1.41	1.43	1.45	1.46	1.48	1.49
<b>OTHER FEES</b>															
GP Partnership Mgmt Fees	10,000	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629	14,106	14,600	15,111	15,640	16,187
SLP Asset Mgmt Fees	5,000	5,175	5,356	5,544	5,738	5,938	6,146	6,361	6,584	6,814	7,053	7,300	7,555	7,820	8,093
Total Other Fees	15,000	15,525	16,068	16,631	17,213	17,815	18,439	19,084	19,752	20,443	21,159	21,900	22,666	23,459	24,280
Deferred Developer Fee	(113,002)	(122,342)	(131,625)	(140,841)	(142,190)	-	-	-	-	-	-	-	-	-	-
<b>CASH FLOW DISTRIBUTIONS</b>															
LACDA AHTF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LACDA NPLH	-	-	-	-	9,792	56,039	59,189	62,296	65,355	68,361	71,308	74,189	76,998	79,729	82,373
LA County Deferred Fees Loan	-	-	-	-	1,525	8,729	9,219	9,703	10,180	10,648	11,107	11,556	11,994	12,419	12,831
City of Cudahy Land Loan	-	-	-	-	2,576	14,742	15,571	16,388	17,193	17,984	18,759	19,517	20,256	20,974	21,670
Distribution to Agency	-	-	-	-	13,894	79,510	83,979	88,387	92,728	96,993	101,174	105,262	109,248	113,122	116,874
Distribution to Owner	-	-	-	-	13,894	79,510	83,979	88,387	92,728	96,993	101,174	105,262	109,248	113,122	116,874

## EXCLUSIVE NEGOTIATING AGREEMENT

(City of Cudahy as Successor Agency: Long Range Property Management Plan Site 3)

THIS EXCLUSIVE NEGOTIATING AGREEMENT (this “**Agreement**”) is dated as of July \_\_\_\_, 2020 and is entered into by and between Prima Development, Inc., a California non-profit public benefit corporation and its permitted assigns (collectively the “**Developer**”) and the City of Cudahy as Successor Agency to the Former Cudahy Community Development Commission (the “**Successor Agency**”). Developer and the Successor Agency are collectively referred to herein as the “**Parties**”, and when the particular provisions of this Agreement refer to the City of Cudahy as a separate legal entity from the Successor Agency, the words “City of Cudahy” appear in such a provision. This Agreement is entered into in light of the facts set forth in the following \_\_\_\_\_ (\_\_) recitals paragraphs:

## RECITALS

A. WHEREAS, Developer and its officers and members have recent and relevant experience developing and managing safe, decent and affordable rental and market-rate housing in California; and

B. WHEREAS, Successor Agency in its capacity as Successor Agency to the former Cudahy Community Development Commission, is the owner of that certain real property with the following Los Angeles County Assessor Parcel Number: 6224-019-901 as more specifically described in Exhibit “A” attached hereto (“**Site 3**”); and

C. The Developer has submitted a written proposal dated February 24<sup>th</sup>, 2020 (the “Developer Proposal”) to the Successor Agency to acquire Site 3 from the Successor Agency, subject to certain conditions and the Developer Proposal set forth certain general terms on which the Developer is prepared to acquire Site 3 from the Successor Agency and thereafter, use and improve Site 3 for mixed use affordability rental housing reserved for occupancy by low income eligible senior citizen households and persons.

D. WHEREAS, the Developer and the Successor Agency desire to negotiate with each other regarding the potential terms and conditions of a future purchase and sale agreement (a “PSA”) between the Developer and the Successor Agency for the Developer to acquire the fee interest of Site 3 from the Successor Agency for mixed use affordable rental housing purposes as generally consistent with the Developer Proposal.

E. [OTHER RECITAL PARAGRAPH AS APPROPRIATE]

NOW, THEREFORE, in view of the goals and objectives of the State of California and the Successor Agency relating to the disposition of Successor Agency owned lands identified in the Successor Agency Long Range Property Asset Management Plan for potential development as mixed use affordable rental and market rate housing, and in consideration of the mutual promises of Successor Agency and Developer set forth in this Agreement, the Successor Agency and Developer agree as follows:

1. Effective Date and Negotiation of PSA. (a) This Agreement shall take full force and effect and shall be deemed to be an “exclusive negotiating agreement” as this term is used in Government Code Section 54234(b) (1) (A) ( an “ENA”) after it has first been approved

by the Successor Agency when it has been ratified by the County Oversight Board as evidenced by an approving resolution of the County Oversight Board ( the “Effective Date”) .

(b) Subject to the terms and conditions of this Agreement, during the Negotiation Period (defined in Section 3), Developer and the Successor Agency shall proceed in good faith to undertake discussion, evaluations, negotiation and documentation of the potential terms of a purchase and sale agreement for Site 3 ( the “PSA”) which is mutually satisfactory to the Parties. Such PSA shall, among other things, provide for the completion of the disposition of Site 3 by the Successor Agency to Developer by a date not later than December 31, 2022, unless prior to that date, this Agreement is terminated by either Party as provided in Section 3 or Section 14.2 or Section 15.2. During the Negotiation Period Developer and the Successor Agency shall generally assist and cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of such negotiations. As the term is used in the preceding sentence and elsewhere in this Agreement , the words “assist and cooperate” when applied to the Successor Agency mean and refer the provision of information, reports or documents to Developer with respect to Site 3 which are already in the possession of the Successor Agency or such new information, reports or documents relating to Site 3 and this Agreement which do not require the Successor Agency to incur any third party cost or expense which may not be reimbursed to the Successor Agency upon the proposed disposition of Site 3 to the Developer under the terms of a future PSA. During the Negotiation Period both Developer and the Successor Agency shall exercise reasonable efforts to conduct and complete discussions relating to the preparation of terms and conditions of the PSA as may be mutually acceptable to the Developer and the Successor Agency in the sole and absolute discretion reserved to each of them. The exact terms and conditions of the PSA, if any, shall be determined during the course of these negotiations. During the Negotiation Period, Developer shall also undertake and complete all of the actions described in the “**Schedule of Performance**” attached to this Agreement as Exhibit “B,” within the time period specified for each such action in the Schedule of Performance. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the Developer or the Successor Agency, that a mutually acceptable PSA will be produced from negotiations under this Agreement either before or after the Effective Date or that the final form of such a PSA will be approved by the Consolidated Oversight Board for Los Angeles County First District (the “County Oversight Board”) or the State Department of Finance (“DOF”) under the duties assigned to the Oversight Board and DOF under Health and Safety Code Section 34179 with respect to the disposition of Site 3 by the Successor Agency. Nothing in this Agreement shall impose any obligation on either Party to agree to the approval and execution or be bound by a definitive PSA in the future.

(c) Notwithstanding the provision of Section 1 (a) to the contrary as relate to the proposed discussion and negotiation of the Parties with respect to Site 3, the Successor Agency acknowledges that promptly following the acquisition of Site 3 by Developer in accordance with the terms and conditions of the proposed PSA, the Developer intends to begin construction on Site 3 of the mixed use affordable rental housing facility described in the Developer Proposal and which shall be reserved for residential occupancy by low-income senior citizens (the “Project”) which is generally described in Exhibit “C” attached hereto. Accordingly, the Successor Agency further acknowledges that the PSA shall contain certain conditions reasonably acceptable to the Developer which must be satisfied before the Developer shall complete its acquisition of Site 3 under the PSA and that such conditions shall likely include the Developer’s application and acceptance of separate discretionary approvals and/or affordable rental housing development assistance for the Project by third-party public agencies which are not parties to this Agreement, including without limitation one or more of the following:

- (i) the Los Angeles County Development Authority;
- (ii) the State Department of Housing and Community Development;
- (iii) the State Tax Credit Allocation Committee;
- (iv) the State Debt Limit Allocation Committee;
- (v) the City of Cudahy acting under its police power as the local development entitlement jurisdiction for the Project.

(d) Notwithstanding any provision of this Agreement to the contrary, the governing body of the Successor Agency reserves the sole and absolute discretion to approve, disapprove or appear with conditions the final form of the PSA before any such PSA may take effect.

2. Developer Acknowledgments. (a) This Agreement shall not be deemed to be an obligation of either Party to enter into a PSA for Site 3.

(b) Developer acknowledges and agrees that: (1) under this Agreement, the Successor Agency does not commit itself or agree to enter into a PSA or undertake any other exchange, sale, lease or other transfer of Site 3 to Developer; (2) no provision of this Agreement shall be deemed to be an offer by the Successor Agency, nor an acceptance by the Successor Agency of any offer or proposal from Developer, for the Successor Agency to convey any estate or interest in the Site 3 to Developer; (3) Developer has not acquired, nor shall the Developer acquire, by virtue of any term of this Agreement, any legal or equitable interest in real or personal property from the Successor Agency; (4) further efforts by either Party to perform due diligence, arrange or obtain financing, or carry out other acts in contemplation of the possible acquisition, transfer of Site 3 or the development of Project shall not be deemed evidence of intent by either Party to be bound by any term, condition, covenant, restriction or agreement relating to acquisition, transfer or development of Site 3 or the Project.

(c) The Developer acknowledges that none of the public agencies referred in Section 1(c)(i) through (v) inclusive (collectively, the "Responsible Agencies" and each a "Responsible Agency") are parties to this Agreement, including the City of Cudahy. The Developer further acknowledges and agrees that no provision of this Agreement shall be interpreted or construed to be a guaranty, warranty, representation or assurance by the Successor Agency that any Responsible Agency shall give any discretionary approval or provide any development financial assistance with respect to the Project on such terms which may be acceptable to the Developer or otherwise.

3. Negotiation Period.

(a) The Negotiation Period shall begin on the date when both of the following events shall have occurred:

- (i) This Agreement has been approved by the governing board of the Successor Agency; and
- (ii) This Agreement has been fully executed by the Parties.

Once a(i) and (ii) have occurred, the Negotiation Period shall begin and thereafter expire or be terminated as provided in the following subsections of this Section 3.

(b) Prior to the Effective Date, either Party may terminate this Agreement in its discretion for any reason upon thirty (30) days prior written notice to the other Party which references this Section 3 (b), whereupon this Agreement shall terminate and neither Party shall have any further right or obligation to the other under this Agreement.

(c) Prior to the Effective Date, the Successor Agency shall not solicit or respond to any proposal from a third party to acquire Site 3 from the Successor Agency unless the Successor Agency has first given notice to Developer of termination of this Agreement under Section 3(b).

(d) After the Effective Date this Agreement may be terminated either upon the mutual written agreement of the Parties or as provided in Section 14 or Section 15 as applicable.

(e) If the rights and duties of the Parties which arise under this Agreement may not be expressly merged into a PSA on or before July 1, 2021, for any reason, then in such an event, this Agreement shall terminate without further notice whereupon neither Party shall have any further rights or obligations to the other under this Agreement except with respect to obligations which expressly survive termination of this Agreement.

4. Extension of Negotiation Period. The Negotiation Period may be extended by the written agreement of the Parties.

5. PSA General Provisions.

5.1 General Terms and Conditions. The Parties anticipate that the PSA shall include provisions addressing the following described subjects as generally set forth in the Developer Proposal:

5.1.1 Site 3 Acquisition and Ownership by the Developer Control. The specific terms on which Site 3 shall be acquired from the Successor Agency by Developer or Developer's permitted assignee. The words "Developer's permitted assignee" shall refer to the provisions of the PSA as set forth at Section 5.1.5, below.

5.1.2 Schedule of Performance. A schedule of performance for the Project, including the Developer's assembly of Project entitlement approvals, construction and permanent financing commitments, shall be attached to the PSA setting forth deadlines for various actions of the Developer and the Successor Agency. The disposition of Site 3 to the Developer under the PSA shall be completed not later than December 31, 2022.

5.1.3 Scope of Development. The Project shall include: (1) up to approximately one hundred and seventy-four (174) units of affordable rental housing reserved for occupancy by income eligible senior citizens, pursuant to recorded affordability conditions, covenants and restrictions reasonably acceptable to the City of Cudahy and each of the other Responsible Agencies, as applicable; and up to (3) mixed use office space reserved for medical treatment and continuum of care including adult care facility and public social services and general office space reserved for occupancy by community non-profit organizations.

5.1.4 Financing Plan. Developer submittal to the Successor Agency of a plan for financing the construction and operation of the Project for the Successor Agency review and approval. Approval by the Successor Agency of such financing plan shall not be deemed to be approval by the City of Cudahy or any other Responsible Party of any element of the plan for financing for the Project as may be set forth by the Parties in the PSA. Such financing plan shall,

at a minimum, include an obligation of Developer to apply for federal tax credits, and such other financing as is necessary in Developer's reasonable discretion to finance the development and operation of the Project.

5.1.5 Developer Permitted Assignee. Pursuant to Section 13 and Section 18.5, Successor Agency shall not unreasonably withhold approval of the assignments of the interests and rights under the ENA and PSA to an affiliate of the Developer if requested by the Developer.

5.1.6 Development Agreement and City Seller Carryback Financing. Subject to County Oversight Board and DOF approvals. Developer reasonable acceptance of each of the following matters:

- **City of Cudahy Entitlements in the form of a development agreement to develop the following mixed-use project:**
  - a. Up to 174 units of affordable housing for low income and homeless seniors restricted to 30%, 45% and 50% of Area Median Income and two (2) exempt manager unit. ("Housing Component") and
  - b. 20,000 square feet of ground floor commercial space for medical-related and care uses ("Commercial Component")
- **City of Cudahy or Multi-Agency firm commitment to provide a seller carry back note to finance the purchase of Site 3 (housing component) based on the following terms as generally set forth in the Developer Proposal:**
  - a. Interest Rate: 3% simple
  - b. Term: 57 years
  - c. Loan Amount: to be determined
  - d. Annual Payment: Residual Receipt from after debt service and fees cash flow

5.1.7 Other. Such other matters as the Developer and the Successor Agency may mutually agree.

5.2 Developer Compliance with Laws with Respect to Project. Under the terms of the PSA, the Developer shall comply with the requirements of all applicable City of Cudahy ordinances, resolutions and development entitlement approvals for the planning, design, construction and operation of the Project.

6. License to Enter Site 3. The Successor Agency authorizes Developer, its contractors, agents and employees to enter Site 3 for the purpose of performing tests, surveys and inspections, and obtaining data necessary or appropriate to negotiate the PSA or perform investigations related to the Project; provided, however, Developer shall deliver prior written notice to the Successor Agency of any such entry and written evidence of Developer's satisfaction of all insurance requirements of this Agreement prior to entering Site 3. In the case of invasive tests or sampling, the Successor Agency may impose such insurance, indemnification, guaranty and other requirements as the Successor Agency determines appropriate, in its reasonable discretion.

7. Costs and Expenses. All fees or expenses of engineers, architects, financial consultants, legal, planning or other consultants or contractors, retained by Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, planning or design activities, drawings, specifications or other activity or matter relating to Site 3 or the Project or

negotiation or documentation of a future PSA that may be undertaken by Developer during the Negotiation Period regarding any matter relating to this Agreement, a future PSA Site 3 or the Project, shall be the sole responsibility of and shall be undertaken at the sole cost and expense of Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of or in reliance upon the Successor Agency except as may hereafter be set forth in the PSA subject to ratification by the County Oversight Board. Developer shall also pay all fees, charges and costs, make all deposits and provide all bonds or other security associated with the submission to and processing by the City of Cudahy or any other Responsible Agency of any and all applications and other documents and information to be submitted to the City of Cudahy or such other Responsible Agency by Developer either pursuant to this Agreement or otherwise associated with the Project or Site 3.

8. No City of Cudahy Approval. Nothing in this Agreement, nor any comments provided by the Successor Agency or City of Cudahy staff, nor any failure of City staff to provide comments to any submittal by the Developer pursuant to this Agreement shall: (1) modify or replace any land use entitlement process of the City of Cudahy applicable to the Project, (2) limit the police power land use jurisdiction of the City of Cudahy as relates to Site 3 or the Project, (3) constitute an approval of all or any portion of the Project by the City of Cudahy pursuant to the police power land use jurisdiction of the City of Cudahy; or (4) constitute any approval of all or any portion of a future PSA by the City.

9. Successor Agency Due Diligence. The Successor Agency reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of Developer to complete its acquisition of Site 3 from the Successor Agency by a date not later than December 31, 2022. Developer acknowledges that it may be requested to make certain financial disclosures to the Successor Agency, the City of Cudahy staff, legal counsel or other consultants, as part of the financial due diligence investigations of the Successor Agency relating to the potential sale of Site 3 and development of the Project Site 3 by Developer and that any such disclosures by the Developer to the Successor Agency or the City of Cudahy as applicable, may become public records. The Successor Agency shall maintain the confidentiality of financial information of Developer to the extent allowed by law, as determined by the City Attorney for the City of Cudahy.

10. Developer Due Diligence. Subject to the assistance and cooperation of the Successor Agency, during the Negotiation Period, Developer reserves the right to request and reasonably obtain all necessary and non-privileged information and data as relates to Site 3 from the Successor Agency as the Developer may deem to be appropriate.

11. Developer Indemnity. Developer shall indemnify, defend and hold harmless the Successor Agency, and the elected and appointed officials, officers, agents and employees of the Successor Agency, the County Oversight Board and the City of Cudahy (individually or collectively, an **"Indemnified Party"**) against any and all losses arising out of any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, arising through activities of the Developer with respect to Site 3, or Developer's contractors or employees which may also be brought or asserted against any Indemnified Party that relates to or arises out of: (i) property damage or bodily injury or death of any person in connection with this Agreement; (ii) entry upon Site 3 by Developer, its contractors or employees; (iii) any other inspection of Site 3 by Developer, its contractors or employees; or (iv) the preparation of any report or plan commissioned by Developer; provided, however, that no Indemnified Party shall be entitled to indemnification under this Section 11 arising from a matter caused by such Indemnified Party's gross negligence or willful misconduct for any matter arising from the discovery by Developer of any pre-existing condition upon Site 3. In the event any action or proceeding is brought against

an Indemnified Party by reason of a claim arising out of any loss for which Developer is obligated to indemnify, defend or hold harmless the Indemnified Party, and upon written notice from such Indemnified Party, Developer shall, at Developer's sole expense, answer and otherwise defend such action or proceeding. The provisions of this Section 11 shall survive the expiration or termination of this Agreement.

12. Developer Insurance. Without in any way limiting Developer's indemnification obligations under this Agreement, subject to the other provisions of this Section 11 and subject to approval by the Successor Agency of the insurers and policy forms, Developer shall obtain and maintain throughout the Negotiation Period at Developer's expense, the insurance coverage described in Exhibit "D" attached hereto.

13. Restrictions Against Change in Ownership, Management or Control of Developer; Assignment of Agreement During the Negotiation Period. The Successor Agency and Developer acknowledge and agree that the Successor Agency is entering into this Agreement with Developer on the basis of the particular experience, financial capacity, skills and capabilities of Developer. This Agreement is personal to Developer and is not assignable without the prior written consent of the Successor Agency, which may be given, withheld or conditioned in Successor Agency's sole and absolute discretion; provided however that the PSA may contain provisions reasonably satisfactory to the Successor Agency which permit assignment of the Developer interest in the PSA to an affiliate of Developer prior to the completion of the disposition of Site 3 pursuant to the PSA. For the purposes of this Agreement, the term "affiliate" means any person or entity, directly or indirectly, controlling or controlled by or under common control with Developer, whether by direct or indirect ownership of equity interests, by contract, or otherwise.

14. Developer Events of Default and Successor Agency Remedies.

14.1 Developer Events of Default. The occurrence of any of the following shall constitute an "Event of Default" on the part of Developer under this Agreement:

14.1.1 Schedule of Performance. Failure of Developer to meet a performance milestone by the applicable date contained in the Schedule of Performance of this Agreement, if such failure is not cured within ten (10) days after written notice from the Successor Agency of such failure.

14.1.2 Misrepresentation. Any material breach of any representation or warranty made by Developer in this Agreement that is not cured within ten (10) days after written notice from the Successor Agency to Developer of such breach.

14.1.3 Unauthorized Assignment. Any assignment or attempted assignment by Developer in violation of Section 13 that is not cured within ten (10) days after written notice from the Successor Agency to Developer of such breach.

14.1.4 Insurance. Failure of Developer to procure or maintain any of the insurance coverage required by this Agreement resulting in a lapse in required insurance coverage which lapse is not cured within ten (10) days after written notice from the Successor Agency to Developer of such breach.

14.1.5 Other Developer Defaults. Failure by the Developer to comply with any other provision of this Agreement that is not cured within fifteen (15) days after written notice from the Successor Agency to the Developer of such breach.

14.2 Successor Agency Remedies. If there is an Event of a Default by Developer, the Successor Agency may, in the sole and absolute discretion of the Successor Agency, terminate this Agreement by delivering written notice of termination to Developer which references this Section 14.2 of this Agreement. Upon any such termination, neither Party shall have any further rights or obligations to the other under this Agreement, except obligations that expressly survive termination of this Agreement. The Successor Agency hereby waives any remedy of specific performance following an Event of Default by Developer arising under this Agreement. The sole and exclusive remedy for the occurrence of an Event of Default by Developer shall be the termination of this Agreement. In the event such termination neither Party shall have any further right or obligation under this Agreement except as to the Developers indemnity obligations which may arise under Section 11.

15. Successor Agency Events of Default and Developer Remedies

15.1 Successor Agency Events of Default. The occurrence of any of the following shall constitute an "Event of Default" on the party of the Successor Agency under this Agreement.

15.1.1 Negotiation of Disposition of Site 3 With Other Parties. The Successor Agency will be in breach of this Agreement if it begins to engage in land disposition negotiations concerning Site 3 with any party other than Developer before the termination of this Agreement and such breach is not corrected by the Successor Agency within ten (10) days after written notice from the Developer of such breach.

15.1.2 Other Successor Agency Default. Failure by the Successor Agency to comply with any other provision of this Agreement which is not corrected within fifteen (15) days after written notice from Developer to the Successor Agency of such breach.

15.2 Developer's Remedies. If there is an Event of a Default by the Successor Agency, Developer may, in the sole and absolute discretion of Developer terminate this Agreement by delivering written notice of termination to Developer which references this Section 15.2 of this Agreement. Developer hereby waives any remedy of specific performance following an Event of Default by the Successor Agency .Upon any such termination, neither Party shall have any further rights or obligations to the other under this Agreement, except obligations that expressly survive termination of this Agreement. The sole and exclusive remedy for the occurrence of an Event of Default by the Developer shall be the termination of this Agreement. In the event such termination neither Party shall have any further right or obligation under this Agreement except as to the Developers indemnity obligations which may arise under Section 11.

16. Developer Representations and Warranties. Developer represent, warrant and covenant to and for the benefit of the Successor Agency and the Oversight Board that, as of the Effective Date and at all times during the Negotiation Period, as follows:

16.1 Valid Existence; Good Standing; Joint Venture Relationships. Developer is a nonprofit public benefit corporation duly organized and validly existing under the laws of the State of California. Developer has all requisite power and authority to acquire Site 3 from the Successor Agency and conduct its business as presently conducted. Developer has made all filings and are in good standing in the jurisdiction of the State of California.

16.2 Authority. Developer has all requisite power and authority to enter into and perform this Agreement.

16.3 No Limitation on Ability to Perform. Neither Developer's articles of incorporation nor any other organizational document regarding Developer in any way prohibits, limits or otherwise affects the right or power of Developer to enter into or perform this Agreement. Developer is not a party to or bound by any contract, agreement, indenture, trust agreement, note, obligation or other instrument that could prohibit, limit or otherwise affect Developer's entry into or performance of this Agreement. To the best of Developer's knowledge, no consent, authorization or approval of, or other action by, and no notice to or filing with, any governmental authority, regulatory body or any other person or entity is required for the due execution, delivery or performance by Developer of this Agreement or any of the terms or covenants contained in this Agreement. There is no pending or threatened suit or proceeding or undischarged judgment affecting Developer before any court, governmental agency, or arbitrator that might materially adversely affect the enforceability of this Agreement, the ability of Developer to perform the transactions contemplated by this Agreement or the business, operations, assets or condition of Developer.

16.4 Valid Execution. The execution and delivery of this Agreement by Developer has been duly and validly authorized by all necessary action of Developer and others. This Agreement will be a legal, valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.

17. Notices. A notice or communication under this Agreement by either Party to the other shall be sufficiently given or delivered, if in writing and personally delivered to the other Party or delivered to the other Party by messenger, overnight commercial business mail or if delivered by email and confirmed by the delivery of U.S. First Class Mail with return receipt requested to the appropriate Party at its address as follows:

In the case of a notice or communication to the Successor Agency:

\_\_\_\_\_  
\_\_\_\_\_  
Email: \_\_\_\_\_

With a copy to:

CUDAHY CITY ATTORNEY  
\_\_\_\_\_  
\_\_\_\_\_

And in the case of a notice or communication sent to Developer:

Prima Development, Inc.  
C/O: Fernando Vasquez  
12401 Woodruff Ave., Suite 10  
Downey, CA 90241  
Email: [fvasquez@primadev.org](mailto:fvasquez@primadev.org)

Any mailing address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Agreement shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if such notice is given by email and confirmed by U.S. First

Class Mail, on the date when the confirming mailed notice is deposited by the Party giving such email notice into U.S. First Class Mail.

18. General Provisions.

18.1 Amendments. This Agreement may be amended or modified only by a written instrument signed by both Successor Agency and Developer.

18.2 Severability. If any provision of this Agreement, or its application to any person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this Agreement. Without limiting the foregoing, in the event that any applicable federal or state law prevents or precludes compliance with any material term of this Agreement, the Parties shall promptly modify, amend or suspend this Agreement, or any portion of this Agreement, to the extent necessary to comply with such provisions in a manner which preserves to the greatest extent possible the benefits to each of the Parties to this Agreement. However, if such amendment, modification or suspension would deprive the Developer or the Successor Agency of the substantial benefits derived from this Agreement or make performance unreasonably difficult or expensive, then the affected Party may terminate this Agreement upon fifteen (15) days written notice to the other Party. In the event of such termination, neither Party shall have any further right or obligation under this Agreement except as otherwise provided herein.

18.3 Non-Waiver. No waiver made by either Party with respect to the performance, or manner or time of performance, or any obligation of the other Party or any condition to its own obligation under this Agreement will be considered a waiver with respect to the particular obligation of the other Party or condition to its own obligation beyond those expressly waived, to the extent of such waiver, or a waiver in any respect in regard to any other rights of the Party making the waiver or any other obligations of the other Party.

18.4 Non-Liability. No member, official, agent or employee of the Successor Agency or the Oversight Board will be personally liable to Developer, or any successor in interest (if and to the extent permitted under this Agreement), in an Event of Default by the Successor Agency. No director, officer, agent or employee of Developer will be personally liable to the Successor Agency in an Event of Default by Developer.

18.5 Successors and Assigns; Third Party Beneficiary. This Agreement shall inure to the benefit of and bind the respective successors and assigns of the Successor Agency and the Developer, subject to the limitations on assignment by Developer set forth in Section 13. This Agreement is for the exclusive benefit of the Parties to this Agreement and not for the benefit of any other person and shall not be deemed to have conferred any rights, express or implied, upon any other person except as the indemnity obligation of the Developer to the Indemnified Parties as set forth in Section 11.

18.6 Governing Law. The Successor Agency and Developer acknowledge and agree that this Agreement was negotiated, entered into and is to be fully performed in the City of Cudahy, California. The Successor Agency and the Developer agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the substantive

and procedural laws of the State of California, without application of conflicts or choice of laws principles.

18.7 Compliance with the Redevelopment Dissolution Law. Developer acknowledges that any future PSA, if approved by the Successor Agency, will require Developer (among other things) to complete the acquisition of Site 3 from the Successor Agency on terms which may be subject to the approval of the County Oversight Board under the Redevelopment Dissolution Law.

18.8 Entire Agreement. This Agreement (including the attachments and exhibits) contains all of the representations of and the entire agreement between the Parties with respect to the subject matter of this Agreement. Any prior correspondence, memoranda, agreements, warranties or representations relating to such subject matter are superseded in total by this Agreement. No prior drafts of this Agreement or changes from those drafts to the signed version of this Agreement shall be introduced as evidence in any litigation or other dispute resolution proceeding by either Party or any other person and no court or other body shall consider those drafts in interpreting this Agreement.

18.9 Time of the Essence. Time is of the essence with respect to each provision of this Agreement.

18.10 Counterparts. This Agreement may be signed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

18.11 Approvals and Consents. (a) Excluding amendments to this Agreement which shall require the separate approval of the governing bodies of each Party, unless this Agreement otherwise expressly provides or unless applicable law requires otherwise, all approvals, consents or determinations to be made by or on behalf of the Successor Agency during the Negotiation Period under this Agreement shall be made by the City Manager of the City of Cudahy as Executive Director of the Successor Agency, and the City Manager may refer such requested consent or determination to the governing body of the Successor Agency for approval by the Successor Agency of any such matters. In the case of the Developer all approvals, consents or determinations to be made by or on behalf of the Developer during the Negative Period shall be made by ("**Developer Representative**") or such other employee or agent of Developer as Developer may designate by written notice to the Successor Agency to act as Developer Representative for a particular matter. Unless otherwise provided in this Agreement, whenever approval, consent or satisfaction is required of a Party pursuant to this Agreement, it shall not be unreasonably withheld, conditioned or delayed and any reasons for disapproval shall be stated in reasonable detail in writing. Such approval by Developer or Successor Agency of any act or request by the other shall not be deemed to waive or render unnecessary approval of any similar or subsequent acts or requests.

18.12 Relationship of the Parties. (a) No real estate broker commission or other real property finder's fee shall be payable by either Party to any person in connection with the approval of this Agreement by the Successor Agency. Each Party shall have a duty to indemnify defend and hold the other Party harmless from any claim.

(b) The subject of this Agreement is a matter which is solely between Developer and the Successor Agency as relates to Site 3. No Responsible Agency, including the City of Cudahy is a party to this Agreement. None of the provisions in this Agreement shall be deemed

to render Successor Agency a partner in Developer's business, or joint venturer or member in any joint enterprise with Developer.

18.13 Survival of Indemnity Obligations. Notwithstanding anything to the contrary in this Agreement, each indemnity obligation under this Agreement shall survive expiration or termination of this Agreement.

18.14 Non-Discrimination. Developer covenants by and for itself and its successors or assigns, and all persons claiming under or through it, and this Agreement is made and accepted upon and subject to the following conditions:

- (1) there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (l) of subdivision (p) of Section 12955, and Section 12955.2 of the Government code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of Site 3; and (2) Developer for itself and any Permitted Assignee shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, subtenants, sublessees, or vendees in Site

***[remainder of page intentionally left blank]***

**Signature Page  
TO  
EXCLUSIVE NEGOTIATING AGREEMENT**

IN WITNESS WHEREOF, Developer and the Successor Agency have signed and entered into this Agreement by and through the signatures of their respective authorized representative(s), as follow:

SUCCESSOR AGENCY,  
City of Cudahy as Successor Agency to the  
Former Cudahy Community Development Commission,  
a public body, corporate and politic

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

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

Approved as to form:

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

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

DEVELOPER  
Prima Development, Inc., a California non-profit  
public benefit corporation

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

Its:           President / CEO          

Date:           July 2, 2020

**EXHIBIT "A"  
TO  
EXCLUSIVE NEGOTIATING AGREEMENT**

Project Site 3

[Attached behind this cover page]

## LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CUDAHY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THE EASTERLY 70 FEET OF LOT 6, BLOCK P, OF TRACT NO. 349, IN THE CITY OF CUDAHY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 14, PAGES 194 AND 195 OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THE WESTERLY 128 FEET OF LOTS 1 AND 2 IN BLOCK P, OF TRACT NO. 349, IN THE CITY OF CUDAHY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 14, PAGES 194 AND 195 OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: [6224-019-901](#)

Commonly known as: 4610 Santa Ana Street, Cudahy, CA 90201

**EXHIBIT "B"**  
**TO**  
**EXCLUSIVE NEGOTIATING AGREEMENT**

Schedule of Performance

[Attached behind this cover page]

### SCHEDULE OF PERFORMANCE

DATE	ITEM OF PERFORMANCE
July 2020	Enter into exclusive negotiating agreement (Agreement) between Prima Development (Developer) and City of Cudahy as Successor Agency to the Former Cudahy Community Development Commission (the "Successor Agency")
July 2020	Initiate planning processes to obtain all discretionary approvals needed for development agreement (Development Agreement).
August 2020	Obtain approval of the Consolidated Oversight Board for Los Angeles County First District (the "County Oversight Board") under the duties assigned to the Oversight Board with respect to the disposition, development and financing of Site 3 by the Successor Agency.
August 2020	Obtain approval of the State Department of Finance ("DOF") under Health and Safety Code Section 34179 with respect to the disposition, development and financing of Site 3 by the Successor Agency.
August 2020	Enter into purchase and sales agreement for Site 3 (the "PSA") including the terms of financing of Site 3.
September 2020	Complete 3 <sup>rd</sup> party financial feasibility review, appraisal and other due diligence
October 2020	Complete first reading (10/6/20) and second reading (10/20/20) to review and approve Development Agreement

October 2020	Submit to Los Angeles County Development Authority (LACDA) for Affordable Housing Trust Funds (AHTF) / Project Based Vouchers (PBV) and State Department of Housing and Community Development (HCD) for Infill Infrastructure Grant (IIG) capital financing and rental assistance applications.
November 2020	Enter into Development Agreement
December 2020	Initiate design review approval process
February 2021	LACDA and HCD approval of October 2020 capital financing and rental assistance applications.
March 2021	Submit to HCD for Multifamily Housing Program (MHP) capital financing applications.
June 2021	HCD approval of March 2021 MHP capital financing applications
June 2021	Submit LACDA application No Place Like Home capital financing and rent assistance applications.
September 2021	LACDA approval of June 2021 No Place Like Home capital financing and rent assistance applications.

September 2021	Submit 4% Low Income Housing Tax Credit (LIHTC) Application to California Tax Credit Allocation Committee (CTCAC) and Tax-Exempt Bond Application to California Debt Limit Allocation Committee (CDLAC)
December 2021	CTCAC and CDLAC Allocation Meetings
June 2022	Enter into Agreement to Enter into a Housing Assistance Payment (HAP) Contract with the Housing Authority County of Los Angeles
June 2022	Enter into Standard Agreement with HCD for MHP.
July 2022	Project Rehab Building Permit Issuance
July 2022	Close Construction Financing and transfer property to Approved Partnership
July 2022	Commence Construction
January 2024	Complete Construction
Mach 2024	100% Occupancy

**EXHIBIT "C"**  
**TO**  
**EXCLUSIVE NEGOTIATING AGREEMENT**

Project Description

[Attached behind this cover page]

## PROJECT DESCRIPTION

The proposed development will introduce the following mixed-uses to the Cudahy Entertainment District (ED) and adjacent Civic Center (CCD) District:

- Up to one hundred seventy-four (174) unit apartment building for senior low-income and homeless households funded with Low Income Housing Tax Credits (LIHTC Housing);
- Up to twenty thousand (20,000) square feet for an onsite community healthcare clinic and other wellness related uses (Healthcare Office) that will serve both the needs of building residents and the surrounding community; and,
- Up to one thousand (1,000) square feet of office and meeting space for a nonprofit organization committed to neighborhood and regional capacity building and development (Community Office).

The new modern style building with thoughtful cultural references (i.e. an art mural with decorative art depicting the rich history of Cudahy and the southeast Los Angeles County) and complementary uses will link and support current and future City plans for these two districts, as explained below.

The proposed residential uses will occupy the upper floors of the building with a management office and private elevator serviced residential lobby on the ground floor, yielding the following:

- Up to 146 one-bedroom units and 28 two-bedroom units;
- community room and laundry facilities;
- a private sky garden and 2nd floor open space courtyard;
- Up to 87 secure and covered on-site resident parking stalls

25% to 50% of the total LIHTC Housing residential units will be reserved for permanent supportive housing for seniors and the balance reserved for individuals and households earning up to 50% of area median income and meeting applicable occupancy standards, as well as designated unit(s) for on-site property management staff.

General social services and individualized case management services attached to the supportive housing units will be provided by either the on-site health and wellness providers or a to-be-determined experienced provider. The general social services will be open to all building residents, which may include a range of social, health, wellness and financial education activities and classes.

The proposed non-residential uses will occupy the ground floor of the building and allow for a mix of healthcare, wellness and community activities, including but not limited to:

- Federally Qualified Healthcare Clinic (FQHC);
- Senior Wellness Senior Center
- Adult Day Care Center;
- Office and meeting space for nonprofit community and regional capacity building groups
- An inviting and activated entry courtyard with easy access from Santa Ana Avenue to on-site at grade and subterranean parking stalls and/or
- Up to 103 parking stalls for commercial uses provided with 5 parking stalls to 1,000 square feet of commercial use ratio.

The ground floor commercial uses will open into an inviting, well-lit and activity filled entry courtyard with easy access to Santa Ana Avenue as well as at grade and subterranean parking stalls provided at a generous 5 parking stall to 1,000 square feet of commercial use ratio.

With this optimal combination of housing, supportive services, health and community activities available to our future building residents and the community at large, the proposed mixed-use building will offer no better a place in Cudahy, let alone in Los Angeles County, to live and utilize as a launching pad for personal and community stability, growth and future mobility. The result will be a healthy, safe and well-balanced residential community meeting the need for affordable housing and equitable community access to healthcare and wellness activities in the heart of the Entertainment District.

RESOLUTION NO. SA 20-03

**RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER CUDAHY COMMUNITY DEVELOPMENT COMMISSION APPROVING AN EXCLUSIVE NEGOTIATING AGREEMENT BY AND BETWEEN THE PRIMA GROUP, INC. AND THE SUCCESSOR AGENCY FOR CUDAHY LONG RANGE PROPERTY MANAGEMENT PLAN SITE 3 (PRIMA GROUP, INC. MIXED-USE AFFORDABLE RENTAL HOUSING PROJECT PROPOSAL)**

WHEREAS, the City of Cudahy (the “City”) has exercised its election to serve as the successor agency (the “Successor Agency”) to the former Cudahy Community Development Commission as set forth under ABX1 26 (Stats 2011-12, 1<sup>st</sup> Ex. Sess., Chapter 5), as amended; and

WHEREAS, the Successor Agency has prepared and the State Department of Finance (“DOF”) has approved the Cudahy Long Range Property Management Plan; and

WHEREAS, the Successor Agency has received a document entitled “Disposition and Development Proposal: Cudahy Mixed-use Development”, dated February 24, 2020 (the “Proposal”) from Prima Group, Inc., a California non-profit public benefit corporation (“Prima”) as relates to the lands identified in the Cudahy Long Range Property Management Plan as “Site 3”; and

WHEREAS, the Successor Agency believes it is appropriate to initiate the actions described in this Resolution.

**NOW, THEREFORE, THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE FORMER CUDAHY COMMUNITY DEVELOPMENT COMMISSION DOES HEREBY FIND, ORDER AND RESOLVE AS FOLLOWS:**

SECTION 1. The information set for the in the Recitals paragraphs of this Resolution is true and correct. The governing board of the Successor Agency hereby acknowledges receipt of the Proposal and the July 10, 2020 Staff Report and the comments of principals and officers of Prima and the other information presented by Successor Agency staff and other interested persons at the meeting of the Successor Agency at which this Resolution is adopted.

SECTION 2. The Successor Agency hereby acknowledges receipt of the Proposal of Prima and finds and determines that the further consideration and evaluation of the Proposal by the Successor Agency under the terms and conditions of the document entitled “Exclusive Negotiation Agreement” (the “Site 3 ENA”) in the form as presented at the Successor Agency meeting at which this Resolution is adopted, is appropriate and is in the furtherance of the public interest of the community and the Successor Agency.

SECTION 3. The Executive Director of the Successor Agency is hereby authorized and directed to execute the Site 3 ENA on behalf of the Successor Agency, together with such technical and conforming changes as may be recommended by the Executive Director in consultation with the Successor Agency legal counsel.

SECTION 4. Upon the full execution of the Site 3 ENA by the parties, the Executive Director is further authorized and directed to request that the Los Angeles County Consolidated Oversight Board consider and approve the Site 3 ENA at the earliest feasible time. The Executive Director of the Successor Agency is further authorized and directed to consult with officers and officials of Los Angeles County with respect to the potential development project as described in the Proposal and the potential disposition of Site 3 to Prima by the Successor Agency subject to the completion of the negotiation of the potential purchase and sale agreement by and between Prima and the Successor Agency as generally set forth in the Site 3 ENA.

SECTION 5. This Resolution shall take effect upon adoption. The City Clerk on behalf of the Successor Agency shall certify to the adoption of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Cudahy at its regular meeting on this 14 day of July, 2020.

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Elizabeth Alcantar  
Mayor of the City of Cudahy, as  
successor agency to the former Cudahy  
Community Development Commission

ATTEST:

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Richard Iglesias  
Secretary to the Successor Agency

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) SS:  
CITY OF CUDAHY                )

I, Richard Iglesias, Secretary to the Successor Agency, do hereby certify that the above and foregoing Resolution No. SA 20-03 was passed, approved, and adopted by the Successor Agency to the former Cudahy Community Development Commission/Redevelopment Agency of the City of Cudahy, signed by the Chair and attested by the Secretary to the Successor Agency at a meeting of said Successor held on this 14<sup>th</sup> day of July 2020, and that said Resolution was adopted by the following votes to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Richard Iglesias  
Secretary to the Successor Agency