

May 26, 2022

Mr. Sol Blumenfeld
Director Community Development
City of Culver City
9770 Culver Blvd,
Culver City, California 90232

**RE: 4464 Sepulveda Boulevard, Culver City
Request for additional funding for affordable housing project**

Dear Mr. Blumenfeld:

Community Corporation of Santa Monica (Community Corp.) received a funding commitment letter from the Culver City Housing Authority dated July 22, 2021 to assist with the development of 75 affordable housing units at 4464 Sepulveda Blvd project. The City committed to support the project with a \$2,000,000 Construction and Permanent Loan with a 3% simple interest rate over 3- years during the construction period and after the conversion to the 55-year permanent loan term. Community Corp appreciates this commitment and fully understands that the funding is contingent on the project being awarded Low Income Housing Tax Credits ("LIHTC") and is subject to all of the terms and conditions set forth in the letter.

In addition to the City's assistance, Community Corp. also applied to the Los Angeles County Development Authority's (LACDA) NOFA Round 27 issued on January 22, 2022. The outcome of the application was not favorable due to the application not meeting the Article XXXVIII threshold requirements. This determination caused a significant loss of funding to the project; we hope we can rectify this for future funding rounds.

Community Corp. (with our partner Culver Palms United Methodist Church), has been able to increase the number of affordable units at the project from 75 to 95. This will provide more economies of scale as well as more affordable units to help the City with its RHNA objectives. However, this will necessitate additional funding resources. We are respectfully asking for an additional \$2,000,000 from the City, for a total commitment in the amount of \$4,000,000. This funding will help us secure additional resources for the project from other state and local resources and would provide significant support for the development.

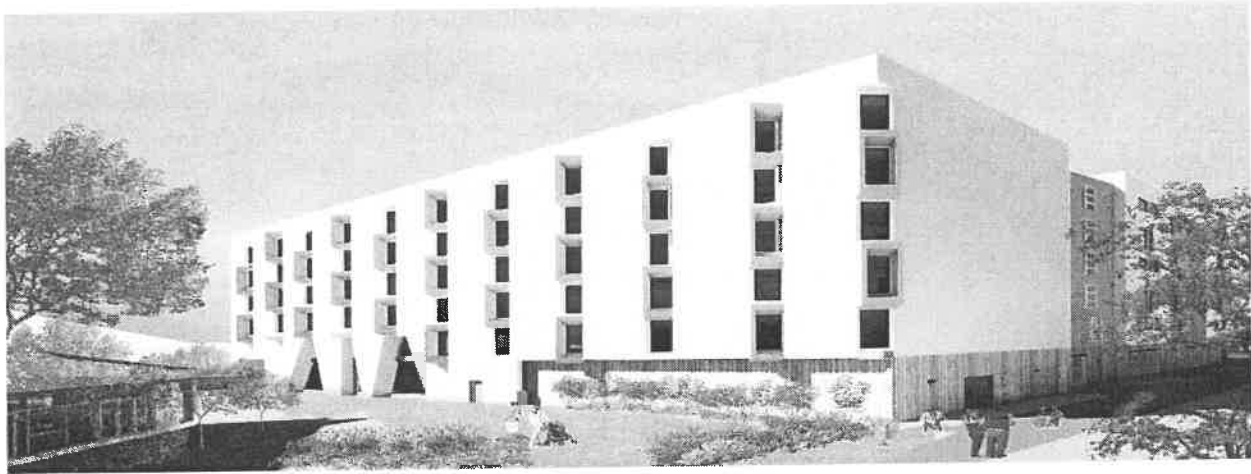
Please let us know if you need any documentation or additional information. We look forward to receiving a response, ideally within 30 days, as this will impact our funding application to the State of California. Thank you for your assistance!

Regards,



Tara Barauskas
Executive Director

At A Glance- Jubilo Village



The Development:

Community Corporation of Santa Monica (Community Corp.), in partnership with Culver-Palms United Methodist Church, proposes to re-develop 4464 Sepulveda Blvd Culver City, CA 90230 as a 100% affordable housing development. The proposed development will be comprised of family units that will include a mixture of one, two, and three-bedroom units. The property sits on approximately 1.41 acres / 61,000 square feet, which is located in an Opportunity Area Maps as defined by the State of California. The development will connect residents to a mixed-income neighborhood with connections to grocery stores, transit, schools, and other neighborhood amenities.

Deal Structure:

The Culver-Palms United Methodist Church (property owner) will retain ownership of the property and will enter into a long-term lease (no less than 55 years) ground lease agreement with Community Corp. The Church will retain approximately 1/3rd of the site for their own facilities, including a new Church, classrooms and childcare center

Proposed Financing:

The financing of the development will involve a combination of public and private sources including local and state "soft" financing, and equity derived from the sale of 4% Low-Income Housing Tax Credits.

Unit Mix:

The development will set-aside 20 units for families transitioning out of unstable housing circumstances. The unit mix for the project will be comprised of one, two- and three-bedroom units for a total of 95 units. The property will be designated as a family building, serving households from 30% to 80% Area Median Income. The proposed unit breakdown will be 47 one-bedroom units, 24 two-bedroom units, and 24 three-bedroom units. There will be a playground, onsite laundry, and community spaces for workshops and community building. The building is designed to be all-electric, and will meet LEED Gold or Platinum standards.

Project Timeline:

The project is currently undergoing the entitlement process with the City of Culver City in order to be fully entitled prior to submitting a funding application to HCD's Super NOFA round by June 28th. In the first quarter of 2023 the project will apply for TCAC credits and if awarded go to a financial closing by December of 2023.

Proposed Funding Need:

Community Corp is requesting \$2 million in additional City funds to support the larger unit count of 95 units.

Sources & Uses:

Sources	Amount
Perm Loan	\$ 4,903,000
GP Certificated Credit Sale Loan	\$ 4,031,205
HCD Housing for a Healthy California	\$ 9,700,000
Culver City	\$ 4,000,000
IIG	\$ 3,620,160
AHSC	\$ 11,101,604
Deferred Developer Fee	\$ 1,000,000
Capital Contributions General Partner (Developer Fee)	\$ 3,316,588
GP Capital	\$ 100
Limited Partners Fed LIHTC	\$ 24,455,473
Subtotal of Sources	\$ 66,128,130
Accrued Interest	\$ 349,661
Total Development Sources	\$ 66,477,791

Uses	Amount
Acquisition	\$ 12,400,000
Appraisal & Offsite Improvements	\$ 35,000
Hard Cost	\$ 35,981,747
Culver City Hard Cost	\$ 4,000,000
Soft Cost	\$ 7,226,460
Developer Fee	\$ 6,834,584
Total Development Uses	\$ 66,477,791