

# LADF

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LOS ANGELES DEVELOPMENT FUND

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

**October 14, 2021**

**MEETING *of the***  
**GOVERNING BOARD OF DIRECTORS *of***  
**THE LOS ANGELES DEVELOPMENT FUND *and* LADF MANAGEMENT, INC.**  
**AUGUST 4, 2021**

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- 2**     Materials regarding Approval of Minutes for Board Meetings, Item A:
  - July 8, 2021 – Governing Board Meeting Minutes
- 3**     Materials regarding Approval of Minutes for Board Meetings, Item B:
  - August 4, 2021 – Governing Board Meeting Minutes
- 4**     Materials regarding Discussion Item A:
  - LADF Pipeline Report

# **Tab 1**

## A G E N D A

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

**MEETING BY TELECONFERENCE (AUTHORIZED EXCEPTION TO THE BROWN ACT):**

To join via telephone, dial this number: (669) 900-6833 US

Meeting ID: 832 8329 2499

Thursday, October 14, 2021 | 2:30pm – 4:00pm

AGENDA ITEM	PRESENTER	TAB
Welcome and Call to Order	Carolyn Hull	
Roll Call	Sandra Rahimi	
<b>1 Approval of Minutes for Board Meeting(s) on:</b>	Carolyn Hull	
a. July 8, 2021 – Governing Board Meeting		Tab 2
b. August 4, 2021 – Governing Board Meeting		Tab 3
<b>2 Discussion Items</b>		
a. LADF Pipeline Update	Sandra Rahimi	Tab 4
<b>3 Action Items</b>	Sandra Rahimi	
a. Request for Authorization to extend Purchase Order contract with <b>Josephine Diaz</b> for Accounting Services through September 30, 2022 on as-needed basis at an hourly rate of \$90.00		
b. Request for Authorization to extend Purchase Order contract with <b>Christopher Chorebanian</b> for Asset Management and Compliance Services through September 30, 2022 on as-needed basis at an hourly rate of \$120.00		
c. Request for Authorization of the President of LADF and LADF Management, Inc. to execute documents related to <b>forming up to five (5) new Limited Liability Corporations</b> in the State of California and applying for Community Development Entity certification for each of the entities with the Dept. of Treasury's CDFI Fund		
d. Request for Authorization of LADF staff to re-issue a Letter of Interest to the <b>Hollywood Arts Center</b> for providing up to <b>\$15 Million</b> of New Markets Tax Credit Allocation. LADF will have option to rescind the Letter of Interest if the proposed transaction has not closed by <b>December 30, 2021</b> .		
<b>4 Closed Session Items</b>	Carolyn Hull	
a. Update – LADF Staff Compensation		
<b>Request for Future Agenda Items</b>	Carolyn Hull	
<b>Next Meeting Date and Time of Governing Board</b>	Carolyn Hull	
• Thursday, November 11, 2021, 2:30pm – 4:00pm (via Zoom)		
<b>Public Comment</b>	Carolyn Hull	
<u>NOTE:</u> When it is time for public comment:		
1. If you joined by phone only. Please press *9 on your phone keypad to raise your hand to be acknowledged for Public Comment		
2. If you joined by clicking on the meeting link and have joined us online, please click the participant icon at the bottom of your screen. This will launch a participant panel, where you will see the "raise hand" icon on the far right side. Please click "raise hand" to be acknowledged for Public Comment.		
<b>Adjournment</b>	Carolyn Hull	

The LADF's Board Meetings are open to the public. Accommodations such as sign language interpretation and translation services can be provided upon 72 hours notice. Contact LADF @ (213) 808-8959.

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

# Tab 2

**LOS ANGELES DEVELOPMENT FUND**  
MINUTES OF THE MEETING OF THE GOVERNING BOARD OF LADF AND LADF MANAGEMENT, INC.  
THURSDAY, JULY 8, 2021

**MEETING BY TELECONFERENCE (AUTHORIZED EXCEPTION TO THE BROWN ACT)**

**LADF STAFF PRESENT:**

- Sandra Rahimi

**WELCOME AND CALL TO ORDER** – Los Angeles Development Fund (LADF) Director Chavez called the meeting to order at 2:37pm.

**ROLL CALL**

The following Governing Board directors were present at the meeting:

- Director Chavez (*Acting Chairperson*)
- Director Kalfayan
- Director Esparza

A QUORUM WAS PRESENT

**Approval of Minutes for Board Meeting(s) on:**

- a. April 8, 2021 – Governing and Advisory Joint Board Meeting  
Moved by Director Esparza. Seconded by Director Kalfayan.  
Roll Call: AYES: 3; NOS: 0; ABSENT: 2; ABSTAIN: 0; APPROVED.

**1. DISCUSSION ITEMS**

➤ **DISCUSSION ITEM (A) – LADF PIPELINE REPORT**

- Sandra Rahimi presented an update and summary of pipeline projects.

**2. ACTION ITEMS**

➤ **ACTION ITEM (A) – REQUEST FOR AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH KAREN BROOKS FOR ONGOING LADF WEBSITE MAINTENANCE SERVICES AND, ON AN AS-REQUESTED BASIS, SOCIAL MEDIA SERVICES FOR A PERIOD OF ONE (1) YEAR COMMENCING JULY 1, 2021 AND CONTINUING THROUGH JUNE 30, 2022 WITH TWO 1-YEAR EXTENSION OPTIONS. HOURLY RATE TO BE A MAXIMUM OF \$150 WITH A MONTHLY MAXIMUM TO BE \$1,500 AND AN ANNUAL MAXIMUM TO BE \$24,000.**

- Amended by Director Esparza to require “no cause cancellation” provision.
- Moved by Director Esparza as amended. Seconded by Director Kalfayan.
- Roll Call: AYES: 3; NOS: 0; ABSENT: 2; ABSTAIN: 0; APPROVED.

**3. CLOSED SESSION**

➤ **LADF STAFF COMPENSATION**

- Continued to next meeting.

**REQUEST FOR FUTURE AGENDA ITEMS**

- Closed session to discuss LADF staff compensation
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**NEXT MEETING DATE AND TIME**

- TBD

**PUBLIC COMMENT**

- None

**ADJOURNMENT**

- Meeting was adjourned at 2:57 pm.

# Tab 3

**LOS ANGELES DEVELOPMENT FUND**  
MINUTES OF THE MEETING OF THE SPECIAL MEETING OF THE GOVERNING BOARD OF LADF AND LADF MANAGEMENT,  
INC.  
THURSDAY, AUGUST 4, 2021

**MEETING BY TELECONFERENCE (*AUTHORIZED EXCEPTION TO THE BROWN ACT*)**

**LADF STAFF PRESENT:**

- Sandra Rahimi

**WELCOME AND CALL TO ORDER** – Los Angeles Development Fund (LADF) Director Hull called the meeting to order at **2:05pm**.

**ROLL CALL**

The following Governing Board directors were present at the meeting:

- Director Hull (*Chairperson*)
- Director Chavez
- Director Kalfayan
- Director Sewill
- Director Esparza [arrived 2:10pm]

A QUORUM WAS PRESENT

**1. DISCUSSION ITEMS**

➤ **DISCUSSION ITEM (A) – LADF PIPELINE REPORT**

- Sandra Rahimi presented an update and summary of pipeline projects.

**2. CLOSED SESSION**

➤ **LADF STAFF COMPENSATION**

- Manager's compensation to be increased by \$26,600 annually.

**REQUEST FOR FUTURE AGENDA ITEMS**

- None

**NEXT MEETING DATE AND TIME**

- TBD

**PUBLIC COMMENT**

- None

**ADJOURNMENT**

- Meeting was adjourned at **3:02 pm**.



# Tab 4



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LOS ANGELES DEVELOPMENT FUND

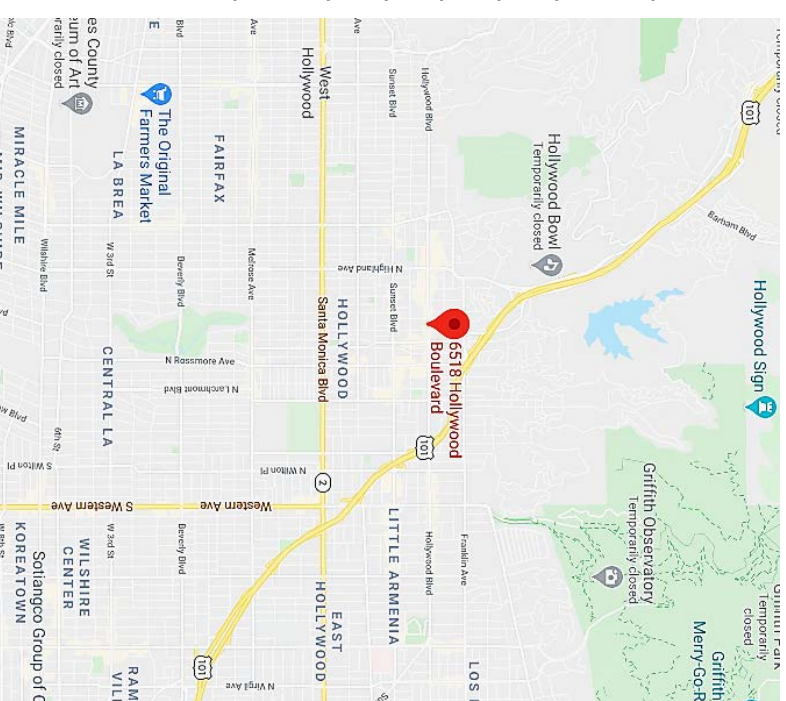
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## **PIPELINE PROFILES**

**LADF Board Meeting**  
**October 14, 2021**

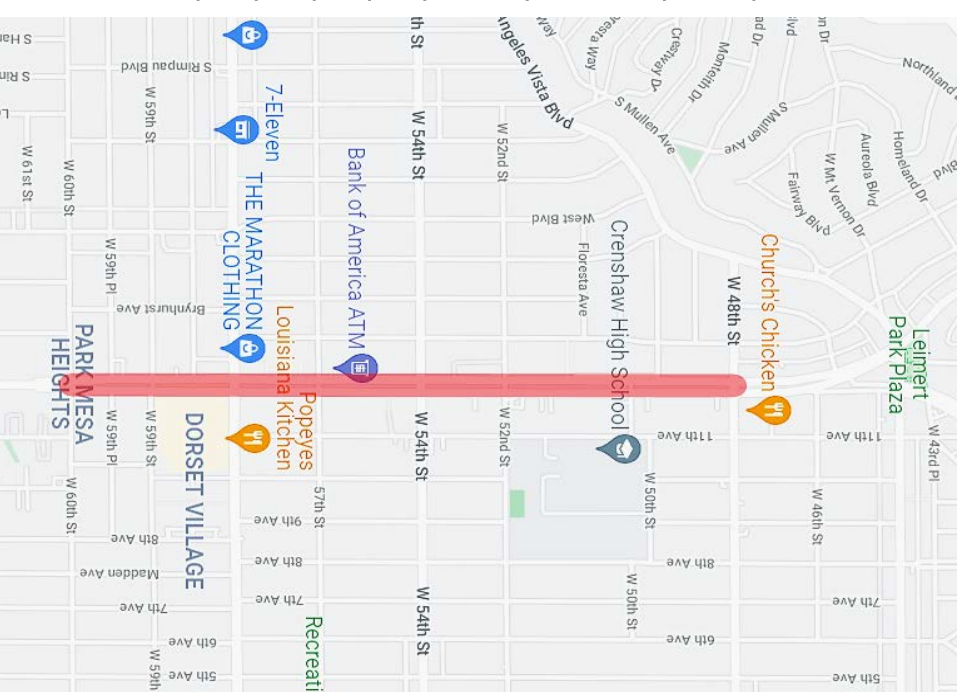
# HOLLYWOOD ARTS CENTER

<b>Developer:</b>	Thomas Safiran & Associates (TSA) and The Actors Fund									
<b>Project Type:</b>	Live Theater/Arts Facility, Substantial Rehabilitation									
<b>Description:</b>	<p>The project will rehabilitate an existing two-story, <b>18,350 SF</b> building along Hollywood Boulevard. The project will include:</p> <ul style="list-style-type: none"><li>• <b>4,800 SF</b> for The Actors Fund Training &amp; Career Center</li><li>• <b>4,250 SF</b> of co-working office space for small arts non-profits</li><li>• <b>8,500 SF</b> of gallery, exhibit, performance, and rehearsal space for tenants and area arts organizations, including social justice exhibitions, youth engagement activities, and community meetings</li><li>• <b>2,900 SF / 64-seat black box theater</b> for tenant presentations/shows, 800 SF of market rate retail space, including a coffee shop</li></ul>									
<b>Location:</b>	6518-6552 Hollywood Blvd., Los Angeles, CA 90028 ( <b>CD 13</b> )									
<b>Census Tract Eligibility (2015-16):</b>	<ul style="list-style-type: none"><li>➤ <b><u>26.3%</u></b> Poverty Rate (<i>greater than 20%</i>)</li><li>➤ <b><u>73.9%</u></b> of Metro/State Median Income (<i>less than 80%</i>)</li><li>➤ <b>Federal-Designated Promise Zone</b></li></ul>									
<b>Estimated TDC &amp; NMTC Allocation:</b>	<table><tr><td>Budget:</td><td>\$ 21,700,000</td><td>Total QEI:</td><td>\$ 21,700,000</td></tr><tr><td></td><td></td><td>LADF QEI:</td><td>\$ 12,500,000</td></tr></table>	Budget:	\$ 21,700,000	Total QEI:	\$ 21,700,000			LADF QEI:	\$ 12,500,000	
Budget:	\$ 21,700,000	Total QEI:	\$ 21,700,000							
		LADF QEI:	\$ 12,500,000							
<b>Potential Sources of Funds:</b>	<table><tr><td>Sponsor Fundraising:</td><td>\$ 14,300,000</td><td><b>Lev. Loan Eligible</b></td></tr><tr><td>Market Rate Loan:</td><td>\$ 1,500,000</td><td><b>Lev. Loan Eligible</b></td></tr><tr><td>NMTC Equity (\$0.70 / NMTC):</td><td>\$ 5,900,000</td><td></td></tr></table>	Sponsor Fundraising:	\$ 14,300,000	<b>Lev. Loan Eligible</b>	Market Rate Loan:	\$ 1,500,000	<b>Lev. Loan Eligible</b>	NMTC Equity (\$0.70 / NMTC):	\$ 5,900,000	
Sponsor Fundraising:	\$ 14,300,000	<b>Lev. Loan Eligible</b>								
Market Rate Loan:	\$ 1,500,000	<b>Lev. Loan Eligible</b>								
NMTC Equity (\$0.70 / NMTC):	\$ 5,900,000									
<b>Projected Closing:</b>	December 2021									
<b>Current Status:</b>	<ul style="list-style-type: none"><li>➤ Design is complete and permits expected in December 2021</li><li>➤ LIHTC for supportive housing units is secured and construction started</li><li>➤ Job Creation: <b>45</b> Permanent (42 ret. / 3 new), exc. non-profit tenants (est. 30-60 additional jobs) – <b>60</b> Construction</li><li>➤ Project will provide <b>13,200 individuals per year</b> with career and social services – <b>75% Low-Income Persons / 40% Minority</b></li><li>➤ 25-75% below-market rents provided to non-profit tenants</li><li>➤ Arts programming: 75 events reaching 7,400 individuals per year</li><li>➤ Theater will provide arts programming for underserved youth</li></ul>									
<b>Community Benefits/Impact:</b>										



# DESTINATION CRENSHAW

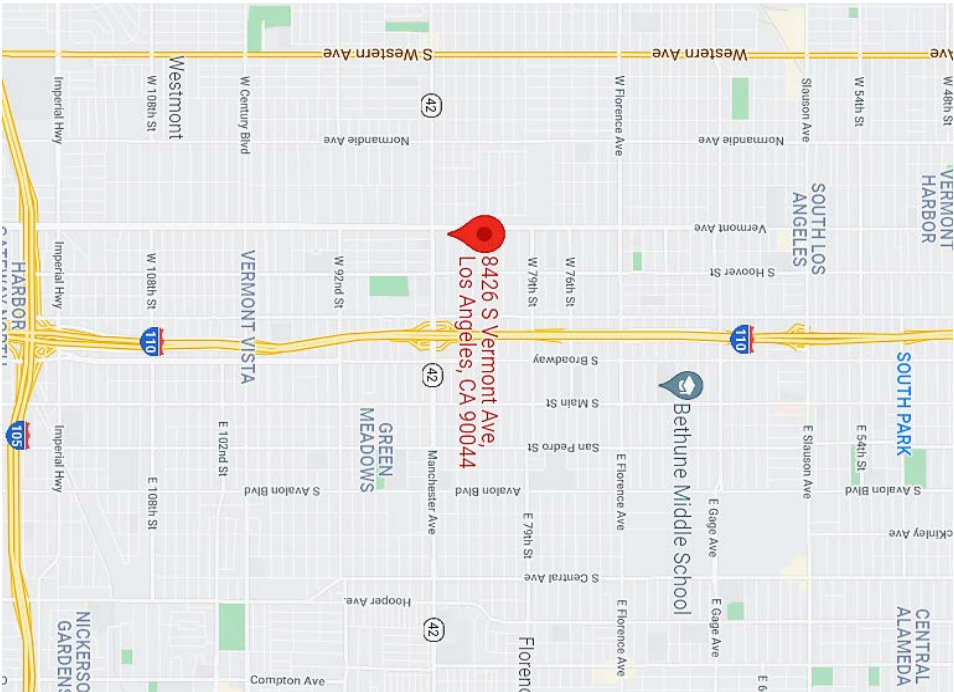
<b>Operating Business:</b>	Destination Crenshaw, Inc.
<b>Project Type:</b>	Nonprofit Working Capital / Infrastructure Development
<b>Description:</b>	<p>Project will build capacity and help execute Destination Crenshaw - inaugural economic development initiatives within the historic business district located on a 1.3-mile stretch along Crenshaw Boulevard from 48th to 60th in Los Angeles. The Project is a community-led vision with five central components: (i) A culturally stamped infrastructure project, (ii) a transformative union training and employment program, (iii) a local small business resiliency program, (iv) environmental equity, and (v) a Black artist job program.</p> <p>Crenshaw is the heart of the largest West Coast Black community and home to a historic Black business corridor. Crenshaw was adversely affected by the Metro train line connecting the airport to the rest of the city, bifurcating the Black business corridor and exacerbated by the consequences of COVID-19. Destination Crenshaw will protect and revitalize the community including the creation of the Sponsor, the first Crenshaw CDC, to lead the implementation of the Project and its sustainability.</p>
<b>Location:</b>	NMTC Investment is for working capital and not location-based. It will work to serve Low-Income Persons and POCs.
<b>Census Tract Eligibility (2015-16):</b>	<p>➤ <b>28.0%</b> Poverty Rate (greater than 20%)</p> <p>➤ <b>59.8%</b> of Metro/State Median Income (less than 80% and 60%)</p> <p>➤ <b>2.20x</b> National Avg. Unemployment (greater than 1.5x)</p>
<b>Estimated TDC/ NMTC Allocation:</b>	<p>TDC:           \$ 25,000,000           Total QEI:   \$ 25,000,000</p> <p>  LADF QEI:   \$ 5,000,000</p>
<b>Potential Sources of Funds:</b>	<p>One Day Loan:           \$ 17,700,000           <b>Lev. Loan Eligible</b></p> <p>NMTC Equity (\$0.75 / NMTC):   \$ 7,300,000</p>
<b>Projected Closing:</b>	December 2021
<b>Current Status:</b>	<p>➤ Sponsor in process of securing NMTC Allocation and leverage capital</p> <p>➤ Job Creation: <b>40</b> Permanent – <b>600</b> Construction</p> <p>➤ Free educational and cultural programming through the outdoor open air 1.3-mile museum and legacy business development through the support of DC Thrive</p> <p>➤ Support <b>100</b> minority-owned or -controlled micro businesses through the Black Artist Program and Creative Economy Framework</p>
<b>Community Benefits/Impact:</b>	





# VERMONT MANCHESTER

Developer:	Primestor Development, Inc.			
Project Type:	Retail and Office, New Construction			
Description:	Development of a <b>63,653 SF</b> retail and pre-leased office development with a grocery store-anchored retail component (47,740 SF), new job training and innovation center to be sub-leased by Metro (15,913 SF), and public plaza and transit hub. Project is part of a transformative 160,000 SF mixed-use development on 4.2 acres of urban infill land with \$300 million total project cost. Project will transform and activate a blighted vacant lot in an area of South Los Angeles that has experienced chronic under-investment over the last 30 years.  The other components of the master plan development include 180 units of affordable and senior housing by BRIDGE Housing (not financed by NMTCs) and the SEED School of Los Angeles County (financed with NMTCs in 2021 including \$5.3 million NMTC Allocation invested by LADF).			
Location:	8426 S Vermont Ave, Los Angeles, CA 90044 (CD 8)			
Census Tract Eligibility (2015-16):	➤ <b>47.2%</b> Poverty Rate (greater than 20% and 30%) ➤ <b>43.3%</b> of Metro/State Median Income (less than 80% and 60%) ➤ Two adjacent Census Tracts are <b>USDA-designated Food Deserts</b>			
Estimated TDC & NMTC Allocation:	Budget:	\$ 58,700,000	Total QEI:	\$ 40,000,000
			LADF QEI:	\$ 10,000,000
Potential Sources of Funds:	Section 108 Loan:	\$ 7,500,000	Lev. Loan Eligible	
	Public Grant Funding Sources:	\$ 22,500,000	Lev. Loan Eligible	
	Sponsor Equity:	\$ 17,500,000	Lev. Loan Eligible	
	NMTC Equity (\$0.72 / NMTC):	\$ 11,200,000		
Projected Closing:	February 2022			
Current Status:	➤ Genesis LA is committing NMTC Allocation to the Project. Sponsor is working to secure remaining Allocation needed to fill the funding gap			
Community Benefits/Impact:	➤ Job Creation: <b>145</b> Permanent – <b>730</b> Construction ➤ Project will require <b>30% local hiring</b> by commercial tenants ➤ Sponsor expects to have incubator retail spaces for <b>local businesses</b> with rents 75% subsidized relative to market rate.			



# THE BRINE PROJECT

Developer:	Decro Corporation
Project Type:	Mixed-Use, Primarily New Construction
Description:	Construction of a new mixed-use project on the site of a former pickle factory in the Lincoln Heights neighborhood of Los Angeles. The project will include the following uses: (1) <b>28,000 SF</b> community retail including a food court and (2) <b>4,000 SF</b> pediatric mental health clinic operated by Violence Intervention Program (VIP) to serve <b>180 children</b> (100% Low-Income Persons from the foster care system) per year. Additionally, project adds 97 affordable housing units, of which 49 will be permanent supportive housing for seniors, veterans, single-parent families, and transitional-aged youth (NOT financed by NMTCs).
Location:	3000 N. Main Street, Los Angeles, CA 90031 ( <b>CD 15</b> )
Census Tract Eligibility (2015-16):	➤ <b>36.6%</b> Poverty Rate (greater than 20% and 30%) ➤ <b>42.4%</b> of Metro/State Median Income (less than 80% and 60%)
Estimated TDC & NMTC Allocation:	Budget: \$ 15,000,000      Total QEI: \$ 15,000,000 LADP QEI: \$ 10,000,000
Potential Sources of Funds:	Leverage Loan: \$ 9,900,000 <b>Lev. Loan Eligible</b> Sponsor Equity: \$ 800,000 <b>Lev. Loan Eligible</b> NMTC Equity (\$0.74 / NMTC): \$ 4,300,000
Projected Closing:	TBD
Current Status:	➤ Design is complete and plans submitted for permit review ➤ Sponsor expects to close LIHTC funding for supportive housing units by October 2021
Community Benefits/Impact:	➤ Job Creation: <b>48</b> Permanent – <b>430</b> Construction ➤ Health center in a <b>Medically Underserved Area</b>

