

SYLMAR COURT REPLACEMENT HOUSING PLAN

I. INTRODUCTION

The Redevelopment Plan (the "Redevelopment Plan") for the Earthquake Disaster Assistance Project Area for Portions of Council District 7 (the "Project Area") was prepared by the Community Redevelopment Agency of the City of Los Angeles, California ("CRA/LA") and adopted by the Los Angeles City Council on November 17, 1994 by Ordinance Number 170156. Pursuant to State Law (Health and Safety Code Section 33413(a)), whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of a redevelopment project that is subject to a written agreement with the agency (agency shall refer to CRA/LA) or where financial assistance has been provided by the agency, the agency shall, within four (4) years of the destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low and moderate income, an equal number of replacement dwelling units that have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the agency. The replacement dwelling units shall be available at affordable housing costs and constructed in accordance with all the provisions of the Community Redevelopment Law, and the Redevelopment Plan. Units to be removed or vacant for less than five years, formerly housing persons or families of low or moderate income, shall also be replaced according to the stipulations above and shall be available and affordable to persons or families of the same income categories as those who previously occupied the removed dwelling units. This requirement is separate from the requirement for residential relocation.

This document constitutes the Replacement Housing "Plan" for the "Sylmar Court" project ("Site"). The Plan will guide and facilitate the designation, rehabilitation or construction of replacement housing for persons or families of low/moderate income in accordance with the requirements of the Redevelopment Plan and Sections 33413 and 33413.5 of the Health and Safety Code.

Section 33413.5 of the Health and Safety Code requires that not less than 30 days prior to the execution of an agreement for acquisition of real property, or the execution of an agreement for the disposition and development of property, or the execution of an owner participation agreement, which agreement would lead to the destruction or removal of dwelling units from the low- and moderate-income housing market, the agency shall adopt by resolution a replacement housing plan. For a reasonable time prior to adopting a replacement housing plan by resolution, the agency shall make available a draft of the proposed replacement housing plan for review and comment by the project area committee, other public agencies and the general public.

The Replacement Housing Plan shall include (1) the general location of housing to be designated, rehabilitated, developed or constructed pursuant to Section 33413, (2) an adequate means of financing such rehabilitation, development or construction, (3) a finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that such approval has been obtained, (4) the number of dwelling units housing persons and families of low- or moderate-income planned for construction or rehabilitation, and (5) the timetable for meeting the plan's relocation, rehabilitation, and replacement housing objectives.

The proposed site for the Sylmar Court project is located in the Project Area. The total development site is approximately 56,000 square feet and located at 12415-12421 San Fernando Road and 14938 Astoria

Street in Los Angeles, California ("Site"). The Borrower and legal owner of the Site will be Sylmar Court, L.P. which is a single purpose development entity with the purpose of constructing the project ("Developer"). The Developer intends to develop the Site by constructing a five story apartment building providing 150 units consisting of one- and two-bedroom apartments with ground floor commercial, which will be income restricted to seniors earning between 50% and 60% of AMI, with one apartment set aside as a Manager's unit. In order to develop the site, the Developer intends to remove two existing single family units on site and replace them with two units located at 9246 Tobias Avenue and 9247 – 9257 Van Nuys Boulevard in Los Angeles. Income qualified seniors displaced from their dwelling units by the Sylmar Court project shall receive priority for occupancy in the "Replacement Dwelling Units" (defined below).

A Relocation Plan for the Project was prepared and has been reviewed and recommended for approval by CRA/LA staff. At the time the Relocation Plan was prepared, the relocation consultant surveyed a total of 2 occupied tenant households. The CRA/LA staff has provided the Relocation Plan to the Los Angeles Housing Department (LAHD), the CRA/LA web site, and the CRA/LA Records Department for the mandatory 30 day public review period.

II. GENERAL DEFINITIONS

The following definitions will govern the meaning and interpretation of this Plan unless the context otherwise requires:

- A. "**Affordable Rent**" shall have the same meanings as defined by the Health and Safety Code and other state and local laws and regulations pertinent thereto.
- B. "**CRA/LA**" means The Community Redevelopment Agency of the City of Los Angeles, California.
- C. "**City**" means the City of Los Angeles, California.
- D. "**Plan**" means this Replacement Housing Plan.
- E. "**Project Area**" means the area included within the boundaries of the Earthquake Disaster Assistance Project Area for Portions of Council District 7.
- F. "**Redevelopment Plan**" means the Redevelopment Plan for the Earthquake Disaster Assistance Project Area for Portions of Council District 7.
- G. "**Replacement Dwelling Unit**" means a dwelling unit rehabilitated, developed or constructed in replacement of a dwelling unit destroyed or removed from the low or moderate income housing inventory by the CRA/LA and which is decent, safe and sanitary, and contains at least the same number of bedrooms and other living areas as the dwelling unit destroyed or removed by the CRA/LA. The replacement dwelling unit may be for rental or for-sale.
- H. "**Site**" means the real property for the Sylmar Court project at 12415-12421 San Fernando Road and 14938 Astoria Street in Los Angeles, California.

I. The “**Project**” means the future designation of two units that will be deed restricted as affordable within the Tobias Terrace project located at 9246 Tobias Avenue and 9247 – 9257 Van Nuys Boulevard in Los Angeles.

III. PURPOSE OF THE PLAN

The CRA/LA proposes to implement the Redevelopment Plan by assisting in the construction of a new construction project that will provide one hundred fifty (150) units of senior affordable housing.

The existing structures located on the Site consist of an abandoned motel, an abandoned laundromat building, and two occupied residential units. The existing residential units will be removed and replaced with two replacement units that have an equal or greater number of bedrooms. Priority for occupancy are established as follows, and may be updated by the CRA/LA Housing Policy: 1) Seniors relocated from the existing units have first priority to return to the Project provided they are income qualified; 2) those income qualified seniors previously displaced by CRA/LA development activities shall also be given priority in the tenant selection process; and 3) after displacees, the households in any one or more of the following categories shall be given priority in selection for occupancy of CRA/LA-assisted units: (i) those paying more than 50% of their income for housing; (ii) those living in overcrowded or seriously substandard conditions, especially housing which has been cited by the City for health and safety code violations; (iii) those in danger of imminent displacement as a result of CRA/LA action in cases where the property owners agree not to re-rent the unit; and (iv) homeless households. Thereafter, occupancy shall be provided as set forth in an Affirmative Marketing Plan required for each project.

In order to preserve the supply of affordable housing, the CRA/LA will record affordability deed restrictions on the replacement dwelling units at the Project for not less than 55 years. The following Table 1 lists the actual two units to be removed while Table 2 identifies those units that will serve as replacement units.

Table 1 Current Dwelling Units To Be Removed

HCD AMI	Type Unit	Units	Total Bedrooms
<i>Units to be removed: 12415-12421 San Fernando Rd; 14938 Astoria St.</i>			
50% AMI (Very Low)	Two Bedroom	1	2
50% AMI (Very Low)	Three Bedroom	1	3
Total		2	5

Table 2 below lists the planned replacement units which will provide two 3-bedroom units within the larger Tobias Terrace new construction project at comparable affordability levels.

Table 2 Planned Replacement Units

Address/HCD AMI	Type Unit	Units	Total Bedrooms
Units to be replaced: 9246 Tobias Ave and 9247–9257 Van Nuys Blvd.			
50% AMI (Very Low)	Three Bedroom	2	3
Total		2	6

At the time the Plan was prepared, the two units scheduled for removal were occupied by households with Very Low incomes. Permanent relocation of all occupied households will be conducted by the Developer in accord with State and Federal guidelines, under the assumption that the Project will receive State and Federal funding.

IV. GENERAL LOCATION OF HOUSING

The location of the designated replacement dwelling units will be at the Tobias Terrace new construction project at 9246 Tobias Avenue and 9247-9257 Van Nuys Boulevard in Los Angeles, California.

V. METHOD OF FINANCING

The CRA/LA is authorized to finance projects developed under replacement housing plans with the assistance of the City of Los Angeles, the Federal Government, the State of California, tax increment proceeds, or other available resources.

The anticipated funding for the replacement housing units will be a combination of State funds, Federal funds, CRA/LA housing funds and developer equity.

VI. FINDING THAT THE REPLACEMENT HOUSING DOES NOT REQUIRE APPROVAL UNDER ARTICLE XXXIV OF THE CALIFORNIA CONSTITUTION

It is hereby found and determined that the replacement housing under this Plan does not require approval of the voters pursuant to Article XXXIV of the California Constitution.

By its terms, Section 2 of Article XXXIV of the California Constitution is only applicable if the project to be developed, constructed, or rehabilitated is to be a low rent housing project as defined in Article XXXIV. The Project is not a “low-rent housing project” as defined in Article XXXIV because the replacement housing units are being developed to replace dwelling units previously or currently occupied by lower-income households. Therefore, the proposed replacement housing does not require the approval of the voters pursuant to Article XXXIV. Additionally, Article XXXIV is only applicable if a “state public body” [which includes the Agency] develops, constructs, or acquires a “low rent housing project.” However, California Health and Safety Code § 37001.5(e) excludes the following Agency activity from the definition of “develop, construct, or acquire”:

“Provides assistance to a low-rent housing project and monitors construction or rehabilitation of such project and compliance with conditions of such assistance to the extent of: (1) carrying out routine governmental functions; (2) performing conventional activities of a lender; (3) imposing constitutionally mandated or statutorily authorized conditions accepted by a grantee of the assistance.”

Under this Replacement Housing Plan, the Agency will only assist the Project to the extent allowed by California Health and Safety Code § 37001.5(e). Thus, based on the above facts it is hereby found and determined that the Project is exempt from the requirements of Article XXXIV.

VII. TIME FRAME FOR DEVELOPMENT OF THE REPLACEMENT HOUSING

The following anticipated dates apply to the replacement dwelling units. The two units to be replaced are anticipated to be demolished in December, 2011.

Project	Removal of Units	Completion Date
Sylmar Court; units to be replaced in the Tobias Terrace project	December, 2011 (Sylmar Ct.)	June, 2013 (Tobias Terrace)

The replacement dwelling units will be constructed within the four-year period as required by State Law.

VIII. CONSULTATION

Pursuant to California Redevelopment Law (Health and Safety Code Section 33413.5), the draft Plan has been made available for review and comment by the general public and relevant public agencies.