

RESOLUTION NO. 7822

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE APPROVING DENSITY BONUS HOUSING AGREEMENT FOR THE PATH VILLAS AT SOUTH GATE SUPPORTIVE HOUSING AGREEMENT AT 5610 IMPERIAL HIGHWAY

WHEREAS, on April 24, 2017, the Department of Community Development received an application from Path Ventures for Density Bonus Permit No. 2017-01 to allow the construction of an additional five (5) units to a proposed fifty-five (55) unit affordable housing project at 5610 Imperial Highway (“Project”); and

WHEREAS, at the conclusion of the noticed public hearing held at the August 1, 2017 meeting of the Planning Commission, the Planning Commission adopted Resolution No. 2017-04 recommending that the City Council approve Density Bonus Permit No. 2017-01; and

WHEREAS, at its regular meeting of September 12, 2017, the City Council conducted a duly noticed public hearing and adopted Resolution No. 7780 determining that Density Bonus Permit No. 2017-01 is consistent with the goals, policies, and implementation measures set forth in the 2009 General Plan and 2014 Housing Element;

WHEREAS, as part of the approval, the applicant was required to submit an Affordable Housing Agreement and include an Affirmative Fair Marketing Plan; and

WHEREAS, the submitted Affordable Housing Agreement (Exhibit A) and Affirmative Fair Marketing Plan (Exhibit B) meet the criteria as set forth by Section 11.31.070 (Affordable Housing Agreement) of the South Gate Municipal Code; and

WHEREAS, the 2014 Housing Element calls for the City to “provide a range of housing prices, unit types, and sizes to accommodate the varied needs of all socioeconomic segments of South Gate, fostering a diverse and balanced community”; and

WHEREAS, the 2014 Housing Element calls for the City to “encourage the development of housing that caters to the special needs groups, including the elderly, persons with disabilities (including developmental disabilities), students, large families, and the homeless”; and

WHEREAS, the 2009 General Plan calls for a “robust green building program”; and

WHEREAS, the 2009 General Plan calls encourages the provision of supportive services that enable households to be self-sufficient; and

WHEREAS, the approval of Density Bonus Permit No. 2017-01 increases the use of green techniques in new buildings and new building sites; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council, pursuant to the facts noted above, does hereby approve Density Bonus Housing Agreement for the Path Villas at South Gate, a 60-unit supportive housing development to be located at 5610 Imperial Highway. The affordable housing agreement describes the density bonus, incentives, and affordability restrictions. The applicant will record the agreement against the entire residential development. The approval and execution of the affordable housing agreement shall take place prior to the issuance of building permits. The affordable housing agreement shall bind all future owners and successors in interest for the term of 55 years. The Affirmative Fair Marketing Plan demonstrates the marketing strategy designed to attract renters of all majority and minority groups, regardless of sex, handicap, and familial status to assisted rental units that are being marketed.

SECTION 2. The adoption of Density Bonus Housing Agreement and Affirmative Fair Marketing Plan for the Path Villas at South Gate is consistent with the goals and objectives of the adopted 2014 Housing Element and 2009 General Plan.

SECTION 3. The foregoing Density Bonus Housing Agreement is exempt from the California Environmental Quality Act ("CEQA") under Section 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where, as here, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

SECTION 4. If any section, sentence, clause, or phrase of this Resolution is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this resolution. The City Council hereby declares that it would have passed this Resolution, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

[Remainder of page left blank intentionally]

SECTION 5. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

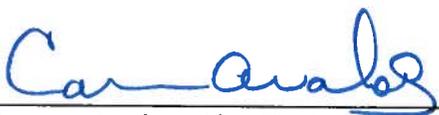
PASSED, APPROVED AND ADOPTED this 26th day of June 2018.

CITY OF SOUTH GATE:



María Belén Bernal, Mayor

ATTEST:



Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

RESOLUTION CERTIFICATION PAGE

STATE OF CALIFORNIA)

COUNTY OF LOS ANGELES) SS

CITY OF SOUTH GATE)

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the City Council of said City is five; that Resolution No. 7822 was adopted by the City Council at their Regular Meeting held on June 26, 2018, by the following vote:

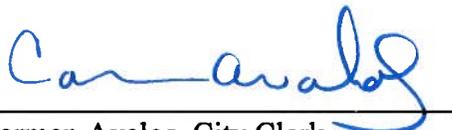
Ayes: Council Members: Bernal, Davila, Diaz and Rios

Noes: Council Members: None

Absent: Council Members: Morales

Abstain: Council Members: None

Witness my hand and the seal of said City on June 28, 2018.



Carmen Avalos, City Clerk
City of South Gate, California

RECORDING REQUESTED BY AND)
 WHEN RECORDED MAIL TO:)
)
 City of South Gate)
 Director of Community Development)
 8650 California Avenue)
 South Gate, CA 90280)

This document is exempt from the payment of a recording fee pursuant to Government Code Sections 27383 and 6103

DENSITY BONUS HOUSING AGREEMENT
PATH Villas at South Gate

This Density Bonus Housing Agreement (the "Agreement") is entered into as of this ___ day of _____, 201_, by and between the CITY OF SOUTH GATE, a California municipal corporation ("City"), and PATH VILLAS SOUTH GATE, a California limited partnership ("Owner"), as follows:

RECITALS

A. Owner is the owner of certain real property (the "Property") located within the City of South Gate, County of Los Angeles, State of California, commonly known as 5610 Imperial Highway, and legally described in Exhibit "A" attached hereto and incorporated herein by reference; and

B. Chapter 11.31 (the "Chapter 11.31") Density Bonus for Affordable Housing of the South Gate Municipal Code (the "Code") provides a Density Bonus (defined in Chapter 11.31.030) and other incentives to multi-family residential development projects of five (5) or more units that require a specified percentage of all newly constructed dwelling units be developed, offered to and sold or rented to very low, low and moderate income households at an affordable housing cost; and

C. Chapter 11.23.090 Density Bonus Program of the Code (the "Chapter 11.23") provides opportunities for increased density, floor area, and/or building height, for projects that provide public improvements beyond those required by the Municipal Code; and

D. Contingent upon the receipt of an allocation of low income housing tax credits for the project, the Owner proposes to construct 60 new affordable dwelling units on the Property which shall be certified to the "green building standards" described in Chapter 11.23 (the "Residential Development"); and

E. Absent a Density Bonus, a maximum of 41 residential units would be permitted on the Property; and

F. Pursuant to the Chapter 11.31, Owner has agreed to restrict 9 units (20% of 41) to rental by Low-Income Households at an Affordable Rent; and

G. By agreeing to restrict 9 of the residential units on the Property to rental by Low-Income Households, at an Affordable Rent, Owner received a Density Bonus of 14 units, pursuant to the Chapter 11.31; and

H. By agreeing to obtain a green building certification for the Residential Development and implementing a Transportation Demand Management Program, Owner received a Density Bonus of 5 units, pursuant to the Chapter 11.23; and

I. City and Owner desire to enter into this Agreement pursuant to the provisions of Chapter 11.31 and Chapter 11.23; and

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties agree as follows:

AGREEMENT

1. **Recitals.** The Recitals set forth above are true and accurate, and incorporated herein.
2. **Code.** The South Gate Municipal Code (the "Code"), as it now exists or may subsequently be amended, is incorporated into this Agreement.

3. **Definitions.** All defined terms, as indicated by initial capitalization, shall have the meanings set forth in Chapter 11.31 of the Code, except as expressly indicated otherwise. For purposes of this Agreement, the terms listed below shall have the meanings thereafter specified:

(a) "Adjusted for Household Size Appropriate for the Unit(s)" means for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

(b) "Affordable Rent" means the total rent including parking amenities such as a garage or carport, that, when added to the Utility Allowance, does not exceed a specified fraction of the gross monthly income, Adjusted for Household Size Appropriate for the Unit(s), as set forth below. Rents may be set at the California Tax Credit Allocation Committee allowable rents for a specific year for the Low Income Households (or, at Owner's discretion, Very Low Income Households), as those terms are defined in this Agreement.

(c) "Chapter 11.23" means Chapter 11.23 of the South Gate Municipal Code.

(d) "Chapter 11.31" means Chapter 11.31 of the South Gate Municipal Code.

(e) Reserved.

(f) "Designated Unit(s)" means a dwelling unit that will be offered for rent exclusively to an Income Eligible Household at an Affordable Rent pursuant to this Agreement. The Designated Units shall be "floating" units as set forth in Section 6 below; provided, however, all Designated Units shall be reasonably dispersed throughout the Residential Development as required by Section 11.31.060.B.1 of the Code.

(g) "Income Eligible Household" shall mean a Very Low or Low Income Household, as applicable in accordance with Section 4 of this Agreement, which is eligible to rent a particular Designated Unit(s).

(h) "Low Income Households" means households whose income does not exceed the lower-income limits applicable to Los Angeles County, as published and periodically updated by the California Department of Housing and Community Development pursuant to Section 50079.5 of the California Health and Safety Code.

(i) "Low Income Units" and "Very Low Income Units" means Designated Units restricted to occupancy by Low or Very Low Income Households, respectively, at the applicable Affordable Rent.

(j) Reserved.

(k) "Non-Designated Unit(s)" means those dwelling units in the Residential Development that are not Designated Unit(s).

(l) "Original Unit(s)" shall have the meaning defined in Section 6(b).

(m) "Owner" means the person or entity defined as such in the introductory paragraph of this Agreement, and includes all successors and assigns of that person or entity.

(n) "Property" shall have the meaning defined in Recital "A".

(o) "Residential Development" shall have the meaning ascribed in Recital "C".

(p) "Utility Allowance" means an amount designated by the City as a reasonable estimate of the cost of utilities for an Income Eligible Household, for purposes of calculating the applicable Affordable Rent.

(q) "Very Low Income Households" means households whose income does not exceed the very-low-income limits applicable to Los Angeles County as published and periodically updated by the California Department of Housing and Community Development pursuant to Section 50105 of the California Health and Safety Code.

4. Designated Unit(s).

(a) Owner hereby agrees that, for a period of 55 years from the date of recordation of this Agreement, 9 unit(s) in the Residential Development shall be rented to the indicated income groups, at an Affordable Rent:

DESIGNATED UNIT DISTRIBUTION

<u>INCOME GROUP</u>	<u>Number of Units</u>	<u>Size, Bedroom Count</u>
Low-Income Households	9	5 studio units, 4 one-bedroom units

(b) The Designated Unit(s) shall be floating units.

(c) The Designated Unit(s) shall be constructed at the same schedule, design, appearance, materials, finished quality and interior amenities of the Residential Development. Construction of the Residential Development shall commence on or before September, 2019, and shall be completed on or before September, 2022.

(d) Attached hereto as Exhibit B is the affirmative fair marketing plan for the Project which has been approved by the City.

5. Tenant Qualification for Rental Units; Income Limits and Affordable Rents.

(a) Owner agrees to rent the Designated Unit(s) solely to Income Eligible Households, at not more than the applicable Affordable Rent.

(b) Owner must take reasonable steps to certify the income level of prospective occupants of a Designated Unit, at the time of the initial rental, and to recertify such income levels annually thereafter. Owner shall request an income certification from the proposed occupant of the Designated Unit in one or more of the following methods, and Owner acknowledges that City may verify the occupant's income from time to time in order to insure affordability of the Designated Units in accordance with the terms of this Agreement:

(i) Obtain three (3) paycheck stubs from the proposed occupant's three (3) most recent pay periods;

(ii) Obtain a true copy of an income tax return from the proposed occupant for the most recent tax year in which return was filed;

(iii) Obtain an income verification certification from the employer of the proposed occupant;

(iv) Obtain an income verification certification from the Social Security Administration and/or the California Department of Social Services if the proposed occupant receives assistance from such agencies; or

(v) Obtain an alternate form of income verification acceptable to the Director.

(c) Owner shall apply the same rental terms and conditions to tenants of the Designated Unit(s) as are applied to all other tenants, except as otherwise required to comply with this Agreement (i.e., rent levels, occupancy restrictions and income requirements) and/or

government subsidy programs. Discrimination based on subsidies received by the prospective tenant is prohibited.

(d) Owner shall submit tenant income certifications, including all backup documentation to City or its designee within 5 business days following written request by the City. On an annual basis, Owner shall submit to the City an occupancy report, detailing the present occupants, rent and size of each Designated Unit at the Residential Development, and any other information which the City requests and which relates to the income eligibility of the occupants. The City, in its discretion, may delegate verification of tenant income to the Housing Authority of the County of Los Angeles or to the Housing Authority of the City of South Gate.

6. Changes in Tenant Income.

(a) If after moving into a Designated Unit(s), and during the annual audit of tenant's income, it is determined that the tenant's income exceeds the income limit for that unit, the tenant may remain in the unit (the "Original Unit(s)") as long as the tenant's income does not exceed 140% of the income limit for the Original Unit(s). In that event, the applicable Affordable Rent shall be that charged to a tenant whose income does not exceed the income limit for the Original Unit(s).

(b) If after moving into a Designated Unit(s) the tenant's income eventually exceeds 140% of the income limit for the Original Unit(s), the following shall apply:

(i) If the tenant's income does not exceed the income limits of other Designated Unit(s) in the Residential Development, the Owner may, at the Owner's sole option, allow the tenant to remain in the Original Unit at the tenant's new applicable Affordable Rent, as long as the next vacant unit is re-designated for the income category previously applicable to the Original Unit.

(ii) If a Non-Designated Unit in the Residential Development is available, the Owner may, at the Owner's option, allow the tenant to remain in the Original Unit(s) and raise the tenant's rent up to market rate (subject to the requirements of the California Tax Credit Allocation Committee and other applicable regulatory requirements) and designate the former Non-Designated Unit as a Designated Unit for the income category previously applicable to the Original Unit(s), subject to the requirement of Section 11.31.060.B.1 of the Code.

(c) So long as the Owner complies with the procedures set forth in this Section 6, Owner shall not be in violation of this Agreement due to a tenant's income eventually exceeding the income limit for the Designated Unit(s) occupied by that tenant.

7. Utilization of Designated Unit(s). The Designated Unit(s) required by this Agreement shall be leased or rented and fully utilized in accordance with this Agreement; no Designated Unit shall be withdrawn from the market or otherwise held vacant.

8. Development and Maintenance of Units; Physical Inspection. Owner shall perform a physical inspection of the Property annually for health and safety violations, and shall (a) maintain and operate all units on the Property so as to provide decent, safe and sanitary housing consistent with federal housing quality standards; (b) make any required repairs or provide any

required cleanup and (c) provide the Designated Unit(s) with the same levels of services and maintenance as are provided to the Non-Designated Unit(s) on the Property.

9. **Green Building Certification.** Owner shall obtain a green building certification from U.S. Green Building Council (“USGBC”), the Green Point Rated system, Build-it-Green, or compliance with another reputable independent and nationally-recognized organization, deemed appropriate by the City. All additional dwelling units permitted as a result of Chapter 11.23 shall be built to the same green building standards as the rest of the Residential Development. Intent to achieve the green building certification shall be demonstrated at the time of permitting, and subsequent final certification shall be demonstrated to the City per the USGBC (or applicable) certification schedule. Upon written confirmation by the City that Owner has complied with the requirements of this section [9], this section shall automatically terminate and be of no further force and effect.

10. **Transportation Demand Management Program.** Owner shall create a Transportation System Management Plan, which describes the full set of facilities and services to be provided by a development project, proposed to reduce the number of employee commute trips to the site; plus any other facilities, amenities, or services intended to encourage carpool, vanpool, transit, bicycle, or pedestrian commuting. Upon written confirmation by the City that Owner has complied with the requirements of this section [10], this section shall automatically terminate and be of no further force and effect.

11. **Administration Fee.** Owner agrees to pay such fees and deposits as the City Council may adopt by resolution to offset the administrative cost of performing the duties and responsibilities described in this Agreement.

12. **Federal and State Laws.** Notwithstanding the above provisions, nothing contained herein shall require Owner or City to do anything contrary to or refrain from doing anything required by Federal and State laws and regulations promulgated there under applicable to the construction, management, maintenance, and rental of Low-income housing units in the City of South Gate.

13. **Prohibition Against Discrimination.** Owner shall not discriminate against any tenant or potential tenant on the basis of sex, color, race, religion, ancestry, national origin, age, pregnancy, marital status, family composition, sexual orientation, or the potential or actual occupancy of minor children.

14. **Indemnification.** Owner shall defend, indemnify and hold harmless the City of South Gate and its officers, agents, employees, representatives, and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Residential Development or this Agreement.

15. **City’s Right to Inspect Units and Documents.** The City may inspect the Designated Units (subject to the tenant’s privacy rights) and any documents or records relating thereto, including but not limited to tenant income certifications and health and safety violations, at any reasonable time upon 72 hours’ written notice to determine Owner’s compliance with this Agreement.

16. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of City and Owner, and their respective successors, owners and assigns. City reserves the right to designate another public agency to perform City's obligations or to exercise City's rights and options under this Agreement.

17. Burden to Run with Property. The covenants and conditions contained herein shall run with and burden the Property for 55 years from the date of recordation of this Agreement.

18. Notices. All notices required herein shall be sent by certified mail, return receipt requested or express delivery service with a delivery receipt and shall be deemed to be effective as date received or the date delivery was refused as indicated on the return receipt, as follows:

To Owner: PATH Villas South Gate, L.P.
 340 N. Madison Avenue
 Los Angeles, CA 90004
 Attn.: Executive Director

To City: City of South Gate
 Director of Community Development
 City of South Gate
 8650 California Avenue
 South Gate, CA 90280

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this Section 18.

19. Governing Law. The laws of the State of California shall govern this Agreement. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Los Angeles, State of California, in an appropriate municipal court in that County, or in Federal District Court in the Central District of California.

20. Default. Failure or delay by either party to perform any term or provision of this Agreement, which is not cured within thirty (30) days after receipt of notice from the other party, constitutes a default under this Agreement. The party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy with due diligence. The injured party shall give written notice of default to the party in default specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not initiate proceedings against the party in default until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

21. Remedies.

(a) Any individual who sells or rents (including subleasing) a Designated Unit in violation of the provisions of this Agreement shall be required to forfeit to City all monetary amounts so obtained.

(b) City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Agreement, including but not limited to actions for injunctive relief or damages.

22. Attorney's Fees. In any action brought to declare the rights granted herein or to enforce or to interpret any of the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees in an amount determined by the court.

23. Non-Waiver. Failure to exercise any right City may have or be entitled to, in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default.

24. Further Assurances and Recordation. Owner shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable or proper as City shall from time to time find necessary or appropriate to effectuate its purpose in entering this Agreement.

25. Entire Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statement or promise not contained in this Agreement shall not be valid or binding. This Agreement may be amended only by written instrument signed by both City and Owner.

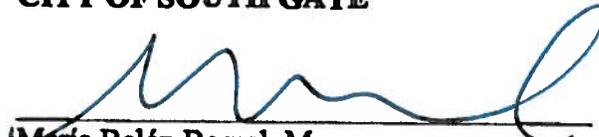
26. Severability Clause. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable term or provision had never been contained herein.

27. Density Bonus No. 2017-01. Density Housing Bonus Agreement is subject to the conditions of approval as contained within City Council Resolution No. 7780.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY:

CITY OF SOUTH GATE



Maria Belén Bernal, Mayor

OWNER:

**PATH VILLAS SOUTH GATE, LP,
a California limited partnership**

**By: PV South Gate GP LLC,
a California limited liability company
its General Partner**

**By: Path Ventures,
a California nonprofit public benefit
corporation,**

ATTEST:

Amy Anderson, Executive Director

Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____ before me, _____, Notary Public, personally appeared, _____, proved to me the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____ before me, _____, Notary Public, personally appeared, _____, proved to me the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

The land referred to in this Commitment is situated in the City of South Gate, County of Los Angeles, State of California, and is described as follows:

THAT PORTION OF LOT 2 OF THE DOWNEY AND HELLMAN TRACT, IN THE CITY OF SOUTH GATE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGE 31 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF IMPERIAL HIGHWAY, 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 333, RECORDED IN BOOK 14, PAGE 156 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 4 OF SAID TRACT NO. 333; THENCE EASTERLY ALONG THE SAID SOUTHERLY LINE, A DISTANCE OF 154.355 FEET TO A POINT MIDWAY BETWEEN THE SAID POINT OF BEGINNING AND THE NORTHWESTERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO SUSUMI CHIKANI AND WIFE, RECORDED APRIL 15, 1941 IN BOOK 18341 PAGE 193, OFFICIAL RECORDS OF SAID COUNTY; THENCE SOUTHERLY PARALLEL WITH THE EASTERLY LINE OF SAID LOT 4 AND PROLONGATION THEREOF, A DISTANCE OF 389.85 FEET TO THE WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF THE SAID LAND OF CHIKANI; THENCE WESTERLY ALONG THE LAST MENTIONED PROLONGATION TO THE SAID EASTERLY LINE OF LOT 4; THENCE NORTHERLY ALONG THE SAID EASTERLY LINE AND PROLONGATION THEREOF TO THE POINT OF BEGINNING.

EXCEPT FROM SAID LAND THAT PORTION INCLUDED WITHIN IMPERIAL HIGHWAY, 100 FEET WIDE, BEING 50 FEET ON EACH SIDE OF THE CENTER LINE OF SAID HIGHWAY (FORMERLY DOWNEY AND FLORENCE ROAD), AS SAID CENTER LINE IS SHOWN ON COUNTY SURVEYOR'S MAP NO. 8484 AND MORE PARTICULARLY SHOWN IN COUNTY OF LOS ANGELES ROAD DEPARTMENT FIELD BOOK "F.O. 80972".

APN: 6234-010-004

PATH Villas at South Gate

Preliminary Marketing and Lease-Up Plan

Project Description

PATH Villas at South Gate will be a 60-unit multi-family supportive housing apartment building, located at 5610 Imperial Highway, in the City of South Gate, California. The property will consist of thirty-one (31) studios, twenty-eight (28) one-bedroom units and one (1) two-bedroom unit set aside for management. All supportive housing units are designated for Veteran households and persons with fragile health that are transitioning from homelessness. Rent subsidies will be provided by The Housing Authority of the County of Los Angeles (HACoLA) through the Veteran Affairs Supportive Housing (VASH) or Project Based Voucher (PBV) programs, and the Department of Health Services' Flexible Housing Subsidy Pool. All applicants will be referred by The Department of Veteran Affairs (VA), the Department of Health Services (DHS) or Department of Mental Health (DMH), depending on program type, through the Coordinated Entry System (CES). The Coordinated Entry System (CES) is a system of care for households experiencing homelessness that matches homeless individuals and families to housing and non-housing resources (such as medical supports) based on the individual needs.

The above information reflects these requirements to the best of management knowledge but is subject to change if required for compliance with law or regulation.

Affirmative Fair Housing Marketing Procedures

PATH Villas at South Gate, PATH Ventures, PATH services, and John Stewart Company (JSCo) will comply with the provisions of California Tax Credit Allocation Committee (CTCAC), and other program affirmative fair housing marketing guidelines, and as applicable, other Federal, State and Local law prohibiting discrimination in the lease or rental or in the use, occupancy or tenure of enjoyment of the PATH Villas at South Gate, or any part thereof on the basis of marital status, race, color, religion, ancestry, sex, gender identity, sexual orientation, age, national origin, HIV, Acquired Immune Deficiency Syndrome (AIDS) or AIDS related condition (ARC), physical handicap, or on the basis of their receipt of, eligibility for, housing assistance programs or on the basis that the resident have a minor child or children who will be residing with them or any other arbitrary basis. PATH Villas at South Gate or any person claiming authority under or through them will not establish or permit any such practices of discrimination or segregation with references to the selection, location, number, use or occupancy of tenants or lessees in the project. All criteria shall be applied equitably and all information considered on an applicant shall be related solely to the attributes and behavior of individual members of the household as they may affect residency.

All rental advertisements will bear the fair housing logotype and slogan, and any information sheets will also indicate accessibility to the disabled. A Fair Housing poster will be conspicuously displayed in the rental office and where the initial rent-up process will occur.

Procedures to Provide Accessible Units to People with Disabilities



PATH Villas at South Gate/JSCo will take reasonable steps to maximize the utilization of accessible units by eligible individuals whose disability requires the accessibility features of the particular unit. Preference will be given to applicants who require a unit with the specific design features offered in accessible units in the development. All reasonable efforts will be made to rent accessible units to applicants who require or who could benefit from such units. In the case of an accessible unit, when no qualified household has applied that requires the design features offered, then the unit will be offered to the next qualified household. This applicant will be required to complete a Lease Addendum form, whereby they agree to transfer to a non-accessible unit within the development should a tenant or applicant require an accessible unit. To this end, any vacant, accessible unit will first be offered to a current, disabled tenant of the development. The disabled occupant must require the features in the vacant unit and must be occupying a unit not having such features. If no such occupant exists, the property manager will then offer the unit to a qualified occupant on the waiting list who has a disability requiring the accessibility features of the unit.

The application will include a section to be filled out by applicants requesting an accommodation with details on the applicant's special needs for accessible features or other accommodations. Applicants will not be required to disclose a disability under any circumstances unless requesting accommodation.

General Targeting

All 60 Units will be occupied by direct referrals through the Coordinated Entry System (CES) from the Department of Veteran Affairs (VA), the Los Angeles County Department of Health Services (DHS), and the Los Angeles County Department of Mental Health (DMH).

Marketing and outreach activities for the units include the following:

A. Direct Referrals

All supportive housing units will be for direct referrals from the VA, DHS, and DMH. Applicants will be referred through the Coordinated Entry System (CES).

B. Community Outreach Activities

Property will be listed on the Housing Resource Center website at www.housing.lacounty.gov

Flier distribution to social service agencies

Timeline and Details for Outreach and Marketing

Marketing and outreach efforts to resident service providers will begin approximately three to six months prior to project completion date to ensure timely lease-up.

TBD

JSCo establish a telephone information line for the project in English and Spanish. PATH Villas at South Gate telephone line will be established at a later date.



Telephone script:

"Thank you for calling the information line for PATH Villas at South Gate.

PATH Villas at South Gate is scheduled to open in TBD and is located at 5610 Imperial Highway, in the City of South Gate 90280. PATH Villas at South Gate is a Supportive Housing community serving Veterans and households with fragile health transitioning out of homelessness.

All units will be occupied by referrals from the Department of Veteran Affairs, the Los Angeles County Department of Health Services and the Los Angeles Department of Mental Health through the Coordinated Entry System. If you are experiencing homelessness you may contact your local Regional Center to be entered into the Coordinated Entry System (CES). No applications will be available to the general public for this building. Other eligibility requirements apply

Thank you again for calling the information line for PATH Villas at South Gate.

Special Needs application material prepared including:

- Marketing Plan and Resident Selection Criteria
- Application, Grounds for denial, and cover letter

All marketing materials need to be approved and signed off by the owner.

Step 1

Post on housing.lacounty.gov
Email flier to social service agencies
Email cover letter and application to referring agencies.

Step 2

Special Needs units will be processed by JSCo in the order received from the referring agencies and processed for move-in on a first completed, first move-in basis.

Invitations to schedule an appointment will be sent out to the applicant and their case manager and/or service provider if one is designated on the application.

Step 3

PATH Services will act as the intermediary between JSCo and the applicants and assist the applicant gathering JSCo's required documents and coordinating with the Housing Authority for subsidy program approval and rent determination.



Step 4

Certificate of Occupancy- Residents begin to move into the property once approval is received from the Housing Authority of the County of Los Angeles (HACoLA)

Step 5

100% occupancy by TBD date.

APPLICATION PROCESS

Initial Application Procedure

1. JSCo will create a PATH Villas at South Gate waitlist with application packets received from the various referring agency for the specific program in the order they are received.
2. Each prospective resident and the service provider will be contacted requesting an interview. Applicants will receive a checklist of the documents required to bring with them to the interview.
3. Ineligible applicants will receive a denial letter. All denial letters will describe the reason for ineligibility as well as appeal protocol. (See *Resident Selection Criteria* for more information).
4. Management will make the ultimate determination regarding tenant selection for all units.

Any applicant that fails to respond to a notice or who doesn't show up for the scheduled interview will be considered no longer interested.

PATH Villas at South Gate is subject to income limits that are published annually by HUD and available to the public from the property office. These income guidelines are subject to change.

The privacy of applicants will be guarded as conferred by the Federal Privacy Act of 1974. This Act in no way limits management's ability to collect such information as may be needed to determine eligibility, compute rent, or determine an applicant's suitability for tenancy.

An applicant household's combined gross annual income cannot exceed the published Area Median Income (AMI), depending on the income restriction for the unit for which a household is applying.

Interview Procedure

All applicants will be interviewed by JSCo. At the time of the interview, all members of the household must be in attendance. They will be asked to bring most recent three months' pay



stubs, if employed, income sources, assets, six-month bank statements, and previous rental history. Other documents or identification to determine household composition, income, and assets may be requested. During the interview, staff will clarify any information provided by the applicant household and answer questions regarding admission procedures.

At the interview the following items will be completed by or obtained from the household:

1. **Credit/ Criminal Release Form:** A credit report with a comprehensive unlawful detainer check will be obtained for each adult applicant. If the household meets the credit criteria a criminal report will be requested and they immediately will move to the next step.
2. A Tenant Income Certification Questionnaire form completed by each adult.
3. Applicant shall execute any releases and consents authorizing any private sources of income, or any federal, state, or local agency, to furnish or release to management such information as management and the applicable program regulations determined to be necessary.
4. All income will be verified in writing from the income source on appropriate income verification forms. For recipients of Social Security income or public assistance, current Notice of Action letters or Statement of Benefits will be accepted.
5. All assets, including bank accounts, will be verified in writing from the financial institution.
6. Verification of Homelessness and other program eligibility requirements.
7. Applicants will be asked to verify their student status to ensure compliance with tax credit requirements.
8. Submission of an application and attendance at an interview does not indicate the offer of a unit or acceptance for housing. Formal determination of eligibility will be made when an appropriate unit is available and all information is verified.
9. Once the final application review requirements have been satisfied, approved prospective residents will be notified and a request to provide a deposit to hold a specific unit will be issued.
10. The Housing Authority of the County of Los Angeles (HACoLA) must approve the applicant, inspect and pass the unit, and send a Certificate of Eligibility with rent determination prior for management to approve move-in.
11. JSCo will prepare welcome packages for the new residents.



On-Going Advertising

Once sufficient interest in the property is generated advertising will occur on an as-needed basis.

