

## **AFFORDABLE HOUSING BOND PROGRAM** INDUCEMENT / TEFRA CHECKLIST

*(Complete at least **60 days** prior to the CDLAC Deadline)\*\**

### **STEP 1** – Inducement

#### **Project Summary, including (or CDLAC application pages Part I-VI):**

- Tax-exempt bond amount needed (requesting)
- Project name and complete address(es)
- Project Narrative to cover:
  - Construction type, Target population (seniors, families, etc), Number of units
  - Rental Subsidy (if any), Rent Schedule (showing units, types, and AMI levels)
  - Project amenities such as community room, parking, laundry, etc.
- Proforma showing sources and uses of funds, rental income, cash flows, flow-of-funds, etc.
- Bond Financing structure description

#### **Proposed Sponsor/Organizational structure**

- Proposed Ownership Organizational chart (form)
- Proposed Ownership information
  - Sponsor, General Partners, Developer
  - Principal's names and titles of Sponsor and Developer
- HCIDLA Properties & Loans List (form)

#### **Preliminary Title Report**

#### **Certified Accessibility Specialist Program (CASp) Requirements**

- New Construction deals must provide evidence that CASp review is underway prior to submittal of the bond application to CDLAC.
- Acq/Rehab and Recapitalization deals must have a completed CASp review prior to CDLAC submittal, to incorporate any accessibility changes into the General Contractor's Scope-of-Work and the project's Total Development Cost (TDC).

#### **Relocation Summary with current rent roll**

- If no existing units are occupied, please provide a signed statement to such effect
- If any existing units are occupied, relocation plan summary

*NOTE: A relocation plan completed by a 3<sup>rd</sup> party consultant will be required at time of CDLAC application*

#### **Application processing Fee** (\$3,000 check made payable to City of Los Angeles)

Once the information has been reviewed and compliance with HCIDLA programs by Applicant/Sponsor entities has been verified, the following will be provided:

- Bond Closing requirements letter- to be acknowledged by Sponsor

### **STEP 2** - TEFRA- additional items needed after inducement approval

- Determine CDLAC targeted application date and update any of the above items
- Publication fee - \$3,000 cashier's check made payable to: City of Los Angeles  
TEFRA hearing date to be set and published. Hearing will be conducted at HCIDLA's offices.

### **STEP 3** - CDLAC Application.

Sponsors/Developers should complete the CDLAC application per the state regulations. Substantially complete applications should be delivered to HCIDLA for review 30 days prior to the CDLAC application deadline. Please refer to the HCIDLA Bond Policies.

\*\* Recapitalization projects will need an additional 30 days, prior to Inducement, to obtain approval of changes to existing HCIDLA loan terms. (Separate application required). Please also see Recapitalization Bond Policies and Exhibit A, attached.

For more information please visit <https://hcidla.lacity.org/municipal-bond-finance> or contact Andre Perry at (213) 808-8978 or Apolinar Abraján at (213) 808-8947 or via email [hcidla.bonds@lacity.org](mailto:hcidla.bonds@lacity.org).

# Exhibit A

## HCID RECAPITALIZATION CHECK LIST

1. Project description (must include address, target population, number of units, rental subsidy)
2. Pro forma (must include sources, uses, rental and other income)
3. 30 year cash flow
4. Detailed rehabilitation budget
5. Terms of proposed financing
6. Outstanding balances of existing debt and repayment terms
7. PNA
8. Appraisal (before or after execution of purchase and sale agreement)
9. Two years of audited financial statements for the project
10. Partnership structure / organizational chart, including a summary of the current owner entity and/or outstanding issues
11. Proof of limited investor exited partnership
12. A summary of the current owner entity and the prospective buyer entity
13. CASp Report
14. Scope of Work
15. Full Set of Plans
16. Purchase and Sale Agreement
17. Preliminary Title Report
18. Relocation Summary/Plan with a current rent roll (completed by 3<sup>rd</sup> party consultant)
19. A break out of the distribution of sales proceeds