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ANNOUNCEMENT December 2016

Updates to Residual Receipt Loan Servicing

Deferred Developer Fee – Effective with the 2016 Residual Receipt Loan Analysis:

A cash Deferred Developer Fee payment can be made during the fiscal year, or within 120 days of the close of the fiscal year, and documented in a Statement of Subsequent Events in the audited financial statement of that fiscal year. This applies to all projects that have outstanding deferred developer fee.

Related Party/Third Party Management Fee and Residual Receipt Loan Analysis:

Related Party/Third Party Management fees remain as specified in existing HCIDLA/CRA Loan Documents which are either \$10,000 or \$15,000 flat. Fees shall be paid in cash during the fiscal year, or within 120 days of the close of the fiscal year, and documented in a Statement of Subsequent Events in the audited financial statement of that fiscal year.

For projects admitted into the Affordable Housing Trust Fund Pipeline on or after January 31, 2016 with loan documents originated after January 31, 2016, the Related Party/Third Party Management fees will be \$25,000 annually with an increase of 3.5% compounded annually. Payments of Related Party/Third Party Management Fees shall be paid in cash during the fiscal year, or within 120 days of the close of the fiscal year and documented in a Statement of Subsequent Events in the audited Financial Statement of that fiscal year.

Supportive Service Coordination Expense or Reserve: Applies to all projects approved since 2007. Effective with the 2016 Residual Receipt Analysis and may require loan amendment:

Supportive Service Coordination and case management can be paid from operating revenue with the following maximum amounts per unit:

- Chronically Homeless: \$4,080 per unit per year
- Homeless with Special Needs: \$3,060 per unit per year
- Low Income Senior and other tenant populations: \$250 per unit per year

If funds are placed in a Supportive Services Reserve Fund, the maximum balance cannot exceed 3 times the annual limits. Audited financial statements must include detailed notes regarding this new reserve account.