



Board Report

File #: 2020-0279, File Type: Agreement

Agenda Number: 20.

PLANNING AND PROGRAMMING COMMITTEE AUGUST 19, 2020

SUBJECT: VERMONT/SANTA MONICA JOINT DEVELOPMENT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) to execute a Purchase and Sale Agreement and agreements containing conditions, covenants, restrictions and easements with SMV Housing, L.P. (Developer), an affiliate of LTSC Community Development Corporation (LTSC), that provide for Developer's purchase from Metro of approximately 33,682 square feet of real property (Metro JD Property) next to the Vermont/Santa Monica B (Red) Line Station and the construction and operation of a mixed-use, affordable housing project (Project) on the Metro JD Property and adjacent Developer-owned property (collectively, Site), subject to Federal Transit Administration (FTA) and California Transportation Commission (CTC) concurrence;
- B. ADOPTING the attached resolution (Attachment D) authorizing the CEO or his designee to apply for, receive an allocation of funds, and to enter into, execute, and deliver a State of California Standard Agreement, and any and all other documents required or deemed necessary related to the California Department of Housing and Community Development Transit-Oriented Development (TOD) Housing Program in an amount not to exceed \$5,000,000 (TOD Grant) to fund station plaza improvements in support of the Project; and
- C. FINDING that the Project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15332/Class 32 (In-Fill Development Projects) of the CEQA Guidelines, and statutorily exempt pursuant to Public Resources Code Section §21080.27(a)(3) and Section §21080.27(b)(2) and to authorize the CEO to file a Notice of Exemption for the Project consistent with such exemptions.

ISSUE

In January 2017, Metro received an Unsolicited Joint Development Proposal from the Developer which contemplated joint development of Metro-owned property and adjacent privately-owned parcels at the Vermont/Santa Monica B (Red) Line Station. In March 2018, the Metro Board of Directors approved entering into an Exclusive Negotiation Agreement and Planning Document (ENA)

with the Developer, which will expire in September 2020. The ENA has allowed staff and the Developer to explore the feasibility of the proposed Project, conduct community outreach, undertake CEQA clearance and negotiate the key terms and conditions of a Purchase and Sale Agreement (PSA) that will ultimately provide for the Developer's construction and operation of the Project on the Site. Since these efforts have concluded favorably, staff recommends executing a PSA subject to the closing conditions further described below.

BACKGROUND

Site Description

The Site is located in the City of Los Angeles East Hollywood community and is surrounded by several prominent neighborhoods, including Hollywood, Silver Lake, and Los Feliz. Metro currently owns four (4) parcels at the Site with a total area of 46,105 square feet (1.05 acres). Portions of the Metro property are currently leased by adjacent businesses for parking. The PSA would transfer ownership of the approximately 33,682 square feet (0.77 acres) Metro JD Property to the Developer. Metro would retain ownership of the remaining approximately 12,423 square feet (0.27 acres) which includes the station plaza and portal. The Developer owns four adjacent parcels totaling 20,499 square feet (0.47 acres) and, when combined with the Metro JD Property, make for a total of 54,181 square feet (1.24 acres) and creates a more regular street-to-street lot suitable for mixed-use development (see Attachment A - Site Map).

A study was conducted in December 2015 to determine the feasibility of development on just the Metro-owned properties at the Vermont/Santa Monica Station. The analysis concluded that, due to the constraints of the irregularly shaped parcels and location of the station's portal and plaza, the only potentially feasible development scenario would be limited to a small single-story 20,000 square foot shopping center with 37 surface parking spaces. While technically feasible, this scenario with solely the Metro-owned parcels was not deemed to be the highest and best use for this high traffic urban corridor and staff decided to not actively pursue joint development of the site at that time.

Project Description

The Project consists of a total of one hundred and eighty-five (185) affordable rental units including ninety-one (91) units restricted to households earning 50% of Area Median Income (AMI) or less and ninety-four (94) special needs units restricted to households earning 30% of AMI or less. There will be two (2) unrestricted managers' units and sixty-nine (69) parking spaces. Metro's Joint Development Policy seeks to facilitate construction of affordable housing units such that 35% of the total housing units in the Metro Joint Development portfolio are affordable for residents earning 60% or less of AMI. This Project would support that goal by bringing the total affordable units completed, in construction and/or in negotiations to 37%. Though these units may sit on adjacent private property, they are developed in partnership with Metro through its Joint Development program.

Approximately 22,000 square feet of ground floor commercial space would be provided, along with on-site supportive services, community space and a federally-qualified health clinic. LTSC's Small Business Program, in partnership with local East Hollywood organizations, intends to recruit longtime area businesses to rent space in the proposed food hall that would surround the plaza. In order to enhance the overall pedestrian experience and connect with the existing neighborhood fabric, the Project includes transit-related infrastructure and pedestrian amenities including new landscaping, a

self-service Metro Bike Hub, upgraded lighting, and street furniture.

The Developer has secured Affordable Housing and Sustainable Communities (AHSC) funding as part of its capital sources for the Project. The AHSC Program is a competitive funding program that uses State Cap and Trade funds to finance infill and compact development projects that reduce greenhouse gas emissions through new transportation improvements. In partnership with the City of Los Angeles, a portion of the AHSC award will be used to purchase new electric DASH buses, bus shelters, streetlights, installation of new crosswalks and sidewalks and closing of gaps in the area's bike network. See Attachment B for a Project rendering and site plan.

Community Engagement

Since entering into an ENA with Metro in March 2018, the Developer has engaged with more than 500 local stakeholders and two dozen local organizations. Initial outreach was conducted via door-knocking and in-depth conversations with neighbors surrounding the Site. Community engagement progressed to meetings with area institutions including Los Angeles City College, the Blind Children's Center, the Braille Institute, John Wesley Community Health Center, Children's Hospital Los Angeles, Kaiser Permanente, and the Los Angeles LGBT Center. The East Hollywood Business Improvement District and East Hollywood Neighborhood Council voted to formally support the Project at their fall 2019 meetings. Outreach efforts will continue throughout the term of the PSA to keep the community informed of the Project's development progress.

DISCUSSION

Sale of Property

Metro Joint Development projects typically utilize long-term ground leases. Through the ENA period, Metro staff and the Developer determined that entitling a project across multiple ownerships would create insurmountable obstacles to securing planning and land use entitlements from the City of Los Angeles. Given the configuration of the parcels, it was infeasible to design the buildings in a way that would not cross over property lines with differing ownership. In addition, in order to adequately protect Metro's interest in the event of ground lease default, Metro would be required to retain rights to automatically acquire the Developer's property to ensure continuous operation of the Project. Such an acquisition would present challenges, including securing funds within a short period of time to purchase the Developer's improvements on the Metro JD Property in the event of a default under a ground lease. It was thus determined that a ground lease structure would not be possible. Instead, staff recommends fee simple sale of portions of the currently underutilized Metro JD Property to the Developer while retaining certain rights that will unequivocally safeguard and preserve Metro's ability to operate, maintain, and access the adjacent public transit facilities, as further described below.

Although the contemplated transaction will be a fee simple sale of the Metro JD Property to a third party, Metro entered into the ENA prior to September 30, 2019 and the PSA requires that the sale be completed by December 31, 2022; therefore Metro is not required to follow the procedural steps of the amended Surplus Land Act (Cal. Gov. Code §§ 54220 *et seq.*) (SLA) that became effective January 1, 2020 (See: Cal. Gov. Code Sec. 54234). The procedural requirements of the prior version of the SLA also do not apply because the sale is not a sale of "surplus" land that is not needed for Metro's use (See: Cal. Gov. Code § 54221(b) in effect prior to January 1, 2020). Metro's authority to jointly develop the Project is within Metro's express statutory authority (see: Cal. Pub. Util. Code §

30634) and the Project clearly advances Metro's policy goals of providing for affordable housing and promoting transit oriented communities. Metro will ensure that the Metro JD Property will continue to be used for agency uses following completion of the sale by recording against the Site a set of CCRs (described below) containing enforcement rights for Metro.

As the Site was acquired in the early 1990s using funding from both the Federal Transit Administration (FTA) and State bonds, Metro submitted the terms of the PSA to the FTA and the California Transportation Commission (CTC). CTC and FTA concurrence of the Project and sale of portions of the Metro property are expected in August 2020.

Purchase Price Discount

The Metro Joint Development Policy adopted in 2016 allows Metro to discount joint development dispositions below the fair market value in order to accommodate affordable housing for households earning 60% or less of AMI. The proportional discount may not be greater than the proportion of affordable units to the total number of housing units in the project, with a maximum discount of 30%. The Metro JD Property was appraised at approximately \$10,200,000. Since 100% of the Project's units will be limited to households earning 30-50% of AMI, the purchase price has been discounted by 30% (\$3,060,000) resulting in a price of \$7,140,000. As soil contamination has been identified on a portion of the Metro property, a maximum of \$375,000 of the \$7,140,000 will be held in escrow to cover potential expenses related to environmental clean-up. Any unused escrow funds will be released to Metro at the conclusion of construction.

PSA Terms

Attachment C provides the summary of key terms and conditions for the PSA. The terms of the PSA Closing Conditions are focused on the Developer bringing the Project through full financing and construction readiness whereupon, if all the conditions included in the PSA are satisfied, the parties would close on the transaction and transfer the Metro JD Property. Key PSA Closing Conditions include:

- Escrow period of two (2) years, with the option to extend an additional three (3) years
- Developer must demonstrate to Metro that they have the financial resources sufficient to design, construct and operate the Project
- Developer has received all required governmental approvals (including Metro approval of final construction documents)
- Metro has received a payment of \$7,140,000 (with \$375,000 held in escrow for environmental cleanup, if required)
- Covenants, Conditions and Restrictions (CCRs), as described further below, will be concurrently recorded on the properties

Upon closing and transfer of the Metro JD Property, the CCRs will govern the ongoing relationship between Metro and the Developer, similar to a ground lease. Key terms in the CCRs include:

- Requirement that all units remain affordable for a period of ninety-nine (99) years
- Ninety-one (91) units shall be restricted to households earning no more than 50% of AMI and ninety-four (94) units shall be restricted to households earning no more than 30% of AMI for a minimum of 55 years
- For 55 - 99-years, all 185 units shall be reserved for occupancy by households with an

- adjusted income that does not exceed sixty percent (60%) of AMI
- Retained rights to maintain public access to the public transit facilities
- Metro's right to review, inspect and approve any changes to the Project's design, and review/approve major improvements to the Project
- LEED Silver sustainability construction standards
- Requirement to comply with Metro's Project Labor Agreement and Construction Careers Policy
- If the Developer fails to complete construction of the Project within four years, Metro would retain the right to rescind the Metro JD Property transfer and concurrently acquire the Developer property at Fair Market Value
- Maintenance and operations standards
- Requirements for permitted transferees
- Use restrictions

California Department of Housing and Community Development TOD Housing Program

In April 2020, the California Department of Housing and Community Development (HCD) released a Notice of Funding Availability (NOFA) for approximately \$141 million in funds for the Transit-Oriented Development (TOD) Housing Program. This funding provides low-interest permanent loans up to \$10 million per rental housing project and grants up to \$5 million per locality/public transit agency for infrastructure projects necessary for housing developments, or to facilitate connections between these developments and a transit station. In July 2020, the Developer submitted a TOD Housing Program application to fund additional improvements to the Metro plaza area such as more expansive landscaping and hardscaping upgrades, seating areas and wayfinding/signage.

As a condition of Developer's application, HCD requires that the Metro Board adopt a resolution authorizing the CEO or his designee to apply for, receive the allocated infrastructure grant funds, and to enter into, execute, and deliver a State of California Standard Agreement for such funding, and any and all other documents required or deemed necessary related to the TOD Housing Program infrastructure grant in support of the Project. HCD requires this resolution be adopted and submitted by August 31, 2020. See Attachment D for the resolution.

CEQA Actions

The City of Los Angeles, as the lead agency under CEQA, has determined that the Project is statutorily exempt pursuant to Public Resources Code Section §21080.27(a)(3) and §21080.27(b)(2) and categorically exempt from CEQA pursuant to California Public Resources Code Section 15332/Class 32 (In-Fill Development Projects) as described in Attachment E.

Metro staff concurs with the City's determination and finds that Project is statutorily exempt pursuant to Public Resources Code Section §21080.27(a)(3) and Section §21080.27(b)(2); and categorically exempt under CEQA pursuant to California Public Resources Code Section 15332/Class 32 (In-Fill Development Projects) of the CEQA Guidelines. Staff is requesting that the Metro Board make a similar determination as a responsible agency consistent with the requirements for exemption set forth in Attachment E. Staff is also requesting authorization to file a Notice of Exemption for the Project consistent with such determination.

Equity Platform

Consistent with the Equity Platform pillar “listen and learn,” the Project undertook a lengthy community engagement process. The Developer was required to engage with stakeholders and refine the Project in response to feedback. Furthermore, the Project is an opportunity to “focus and deliver” by adding much needed, transit-oriented affordable housing, support services and other community benefits in the East Hollywood community.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety. Staff will continue to oversee the development and construction of the Project on the Site to ensure that it does not adversely impact Metro property or the continued safety of staff, contractors and the public. In addition, the implementation of this Project at the Vermont/Santa Monica Station will offer opportunities to improve safety for transit riders through better pedestrian and bicycle connections and improvements to the existing plaza at the station entrance.

FINANCIAL IMPACT

Pursuant to the PSA, certain staff and consultant costs are reimbursed through a developer deposit, and execution of a PSA will provide a source of revenues going forward. No new capital investment or operating expenses are anticipated to implement the Project.

Impact to Budget

Continued work under the PSA is included in the proposed FY21 budget in Cost Center 2210 (Joint Development) under Project 401004 (Vermont/Santa Monica Joint Development). Staff and consultant costs are proposed in the FY21 budget to review design and other projects documents.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports the Strategic Plan Goal to “enhance communities and lives through mobility and access to opportunity”, specifically Initiative 3.2 which states “Metro will leverage its transit investments to catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made.” The proposed Project will deliver a number of community benefits, including transit-accessible, low-income housing and new commercial/community space.

ALTERNATIVES CONSIDERED

The Board could choose not to authorize execution of the PSA. Staff does not recommend this option because the proposed Project is the product of extensive negotiations and community engagement and is consistent with the goals of Metro’s Joint Development Policy including the development of affordable housing. Electing not to authorize execution of the PSA would unnecessarily delay development of the Site.

The Board may choose not to approve the resolution in Attachment D. Staff does not recommend this alternative because Metro would not be able to accept the infrastructure grant (if awarded) to support

improvements to the Vermont/Santa Monica Station plaza.

NEXT STEPS

Upon approval of the recommended actions, staff and the Developer will work to satisfy the Closing Conditions. The PSA will be executed thereafter in substantial accordance with the terms and conditions set forth in Attachment C. HCD TOD Housing Program awards will be announced in October 2020. It is anticipated that construction will commence in spring 2021 with completion in mid-2023.

ATTACHMENTS

- Attachment A - Site Map
- Attachment B - Project Rendering and Site Plan
- Attachment C - PSA Terms and Conditions
- Attachment D - HCD TOD Grant Resolution
- Attachment E - Qualifying Criteria for CEQA Exemption

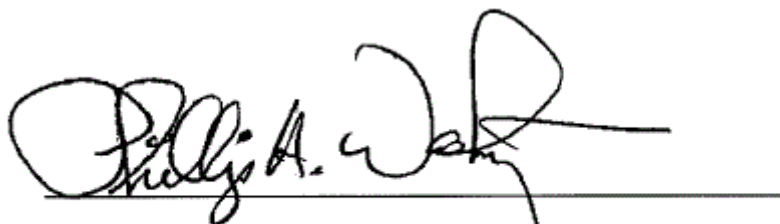
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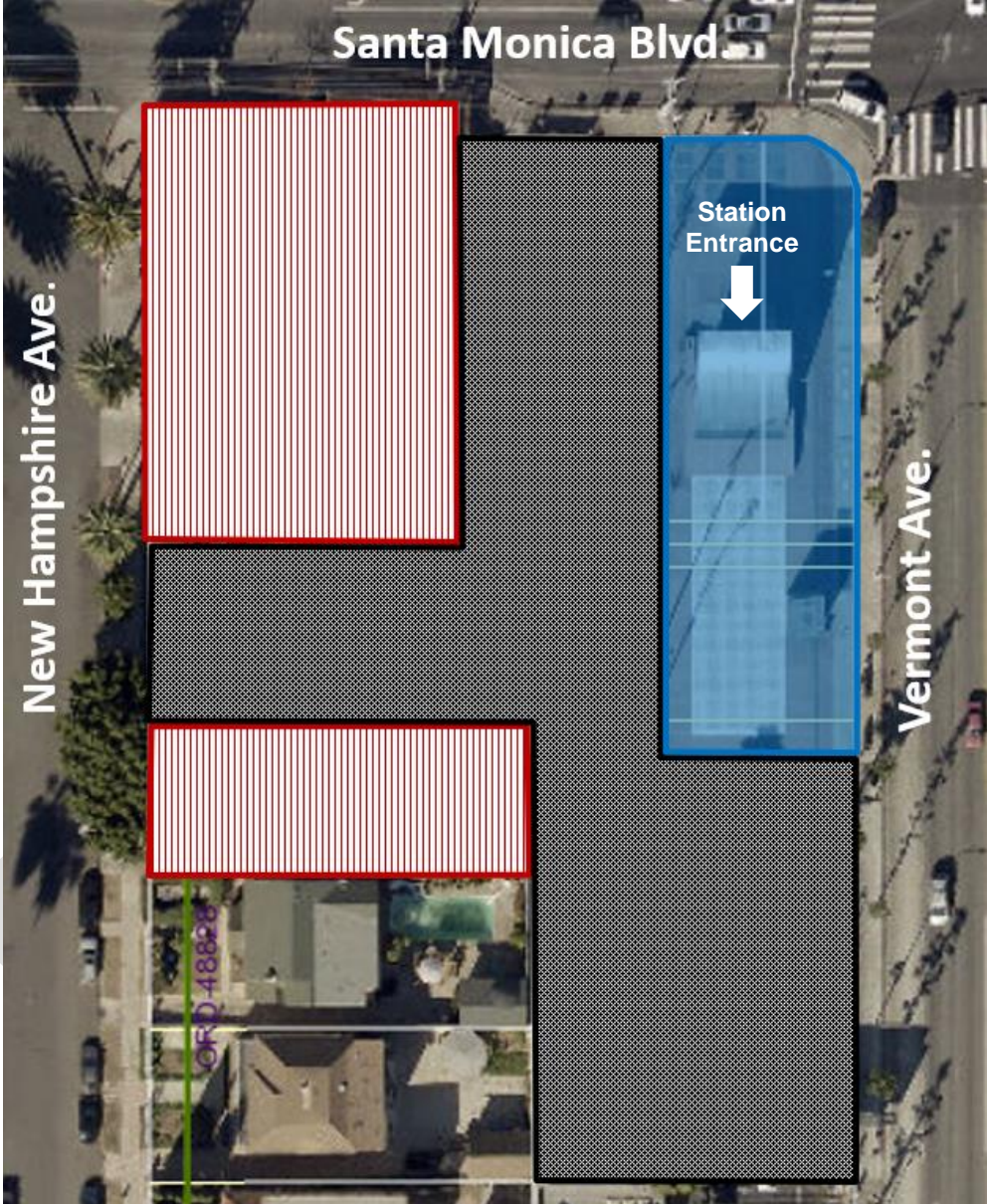
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Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920

A handwritten signature in black ink, appearing to read "Phillip A. Washington", written over a horizontal line.

Phillip A. Washington
Chief Executive Officer

SITE MAP



	Metro Property to be transferred
	Metro Property to be retained
	Developer Property

PROJECT RENDERING AND SITE PLAN



ATTACHMENT B (CONT.)



ATTACHMENT B (CONT.)



RESIDENT COURT



RESIDENT ENTRY COURT



CAFE TERRACE



VERMONT STREETScape



CAST IN PLACE CONCRETE W/
TOPCOAT FINISH



ARCHITECTURAL
CONCRETE PANELS



STONE PINES



PEA GRAVEL



CURVED STEEL
PLANTER EDGE



METRO
TREE GRATE



NEW HAMPSHIRE STREETScape



DINING TERRACE



RETAIL ENTRY



METRO PLAZA

**SUMMARY OF KEY TERMS AND CONDITIONS OF
JOINT DEVELOPMENT TRANSACTION AND PURCHASE AND SALE AGREEMENT
FOR
VERMONT/SANTA MONICA STATION JOINT DEVELOPMENT
(Dated: August 6, 2020)**

General Description

Developer/Project: SMV Housing, L.P., a California Limited Partnership (“**Developer**”) which is a development entity owned (directly and/or indirectly) and controlled by LTSC Community Development Corporation (“**LTSC**”) and which was created for purposes of the Vermont/Santa Monica Station Joint Development project (“**Project**”). LTSC and the Los Angeles County Metropolitan Transportation Authority (“**LACMTA**”) entered into an Exclusive Negotiation Agreement and Planning Document dated as of March 22, 2018, and an Amendment No. 1 to Exclusive Negotiation Agreement and Planning Document dated as of August 21, 2019 (collectively, the “**ENA**”). The ENA contemplates that Developer and LACMTA will enter into this Summary of Key Terms and Conditions of Joint Development Transaction and Sale Agreement (this “**Term Sheet**”) to set forth the key terms and conditions of a purchase and sale agreement, declaration of covenants, conditions, restrictions and easements and associated Project documents necessary to design and develop the Project, as more specifically described herein. The Parties initially considered a ground lease structure, but, pursuant to the negotiations under the ENA, have determined that a more beneficial structure for the transaction is a sale of the fee interest of a portion of the LACMTA Property (defined below) to Developer for development of the Project. Developer and LACMTA are sometimes referred to individually in this Term Sheet as a “**Party**” and collectively as the “**Parties**”.

Development Site: LACMTA is the fee owner of the land described on Attachment A, attached hereto and incorporated herein by this reference (the “**LACMTA Property**”), which consists of approximately 1.06 acres of real property located at the southwest corner of Santa Monica Boulevard and Vermont Avenue in the City of Los Angeles (“**City**”), County of Los Angeles. An approximately 0.54 acre portion of the LACMTA Property is currently improved with and used as parking lots and an approximately 0.52 acre portion

of the LACMTA Property is currently improved with the LACMTA station commonly known as the Vermont/Santa Monica B (Red) Line Station (the “**Station**”) which includes a public plaza and entrance portal for the Station (the “**Station Plaza**”).

Developer is the fee owner of approximately 0.47 acres of real property with Assessor Parcel Numbers (APNs) 5538-022-002, 004, 023 and 5538-022-016, commonly known as 4718-4722 Santa Monica Boulevard and 1020 N. Hampshire Avenue, in the City and County of Los Angeles, as depicted in Attachment B attached hereto and incorporated herein by this reference (the “**Developer Property**”).

The Parties propose to enter into a sale transaction pursuant to which LACMTA would convey to Developer a fee interest in approximately 0.77 acres of the LACMTA Property, as depicted on Attachment C, attached hereto and incorporated herein by this reference (the “**LACMTA Sale Property**”). The portions of the LACMTA Property which shall not be conveyed to Developer in fee shall be referred to herein as the “**LACMTA Retained Plaza**” as depicted in Attachment D.

The proposed development site consists of the LACMTA Sale Property, which will be conveyed to Developer at Closing as described above, together with the entire Developer Property (collectively, the “**Site**”).

Proposed Project: The proposed Project will be constructed on the Site by Developer, at Developer’s sole cost and expense. The Project will consist of a mixed-use development that includes, without limitation, 185 affordable rental apartments, 2 unrestricted property manager’s apartments, approximately 20,000 square feet of commercial space, approximately 2,000 square feet of tenant services space and 69 parking spaces.

To ensure LACMTA’s ability to maintain and operate the Vermont/Santa Monica B (Red) Line Station and LACMTA Retained Plaza on an ongoing basis, no structures or improvements, other than ADA-compliance hardscaping and landscaping, shall be built in the portion of the LACMTA Sale Property depicted in Attachment E (the “**Circulation Area**”). The Circulation Area can be used for pedestrian circulation between the Project and the Station Plaza. The restrictions described in this paragraph shall be included in covenants, conditions and restrictions to be recorded on the LACMTA Sale Property and the Developer Property.

A site plan and renderings detailing the proposed Project are included as Attachment F and are subject to modification and revision as set forth herein.

LACMTA shall have a right of first offer to lease, for rent calculated at a commercial fair market value, an approximately 966 square foot retail space (“**Bike Hub**”) in the ground floor of the Project. The right of first offer shall expire two (2) years after the issuance of the last certificate of occupancy for the entire Project. If LACMTA exercises the right of first offer for the Bike Hub, then the Parties shall agree at that time to undertake the design, build out and delivery of the Bike Hub in one of the following two (2) ways:

(a) The Bike Hub shall be provided to LACMTA in “cold shell” condition subject to the same general terms and conditions as provided to similar retail space within the Project. LACMTA shall undertake the build-out and Developer shall provide LACMTA a tenant improvement allowance of not more than Four Hundred and Twenty-Five Dollars (\$425) per square foot.

or

(b) Developer shall design and undertake the work to build-out the Bike Hub (the “**Bike Hub Work**”), in which event, LACMTA shall provide to Developer a detailed description of the tenant improvements needed in the Bike Hub, after which time Developer shall prepare the plans, specifications and an estimated budget for the Bike Hub Work and shall present such plans, specifications and budget estimates to LACMTA for review and approval, in its sole and absolute discretion, which, after approved by LACMTA, shall be the “**Bike Hub Work Approved Plans and Budget.**” Developer shall perform the Bike Hub Work in a good and workmanlike manner, consistent with generally recognized standards of performance in the construction industry in conformity with the Bike Hub Work Approved Plans and Budget. When Developer believes that it has completed the Bike Hub Work, it shall provide to LACMTA all drawings, documents and other materials for such work and LACMTA shall evaluate such drawings, documents and materials and inspect the work to determine whether LACMTA accepts the Bike Hub Work. If LACMTA determines that the Bike Hub Work is not complete or it has defects, Developer shall make such corrections as LACMTA deems necessary in order for LACMTA to accept the Bike Hub Work. The Bike Hub shall be provided to LACMTA in final, built-out condition subject to the same general terms

and conditions as provided to similar retail space within the Project.

Phased

Development: The Project will be constructed in a single phase.

General Conditions

Dedications: LACMTA will reasonably consider any dedications and grants of LACMTA real property rights to the City or other public or quasi-public entities as are reasonably necessary to support the development and construction of the Project, subject to receiving acceptable compensation in LACMTA's sole discretion.

Federal, State and
Local Funding
Source Approval:

Initial investigation by LACMTA indicates that the LACMTA Property was acquired by LACMTA using federal and state funds and the Metro B (Red) Line subway and the Station were constructed using similar funding sources. Accordingly, the transactions contemplated in this Term Sheet are subject to: (a) applicable Federal Transportation Administration ("**FTA**") approvals/concurrence, (b) LACMTA confirmation that such actions will not violate any bond funding related requirements or restrictions imposed on LACMTA, the LACMTA Property or the Metro B (Red) Line, (c) applicable bond trustee and bond holder approval, and (d) applicable State of California ("**State**") approval/concurrence. LACMTA will seek the required FTA and State of California concurrence with the terms of this Term Sheet as soon as possible.

Development
Entitlements and
Other Legal Requirements:

Developer has or will have, at its sole cost and expense obtained all required entitlements for the Project, including adoption of CEQA findings (in the event environmental review under CEQA is required), in accordance with the terms and conditions of the ENA, and any applicable period for the filing of an administrative appeal, judicial challenge, referendum petition, request for reconsideration or other protest being taken, or if any appeal, challenge, petition, request or other protest has been taken, or any challenge to the approval is made, the body ruling on the appeal or challenge shall

have made a formal, final finding upholding approval of such entitlements in a form and content, and subject to conditions of approval, reasonably acceptable to Developer and LACMTA, and all further appeal periods have expired without further appeal being taken. Developer shall comply with all applicable City zoning and planning requirements and other legal requirements related to the development, construction and operation of the Project.

On the terms and conditions set forth herein, LACMTA will convey to Developer the LACMTA Sale Property as separate legal parcels and LACMTA will retain the LACMTA Retained Plaza. Prior to entering into the PSA (as defined below), the LACMTA Board of Directors ("**LACMTA Board**") will need to make the requisite findings as a responsible agency pursuant to CEQA requirements, to the extent required, as more particularly set forth in the ENA.

As-Is Condition: Developer shall acquire the LACMTA Sale Property on an "as is, where is, with all faults" basis, and shall acknowledge that it has conducted its own due diligence and investigations with respect to the Site. LACMTA has entered into a right of entry agreement with Developer granting Developer a right of entry onto the LACMTA Sale Property to conduct investigations of such property for soil conditions and to perform any environmental testing deemed necessary.

Key Purchase and Sale Agreement ("PSA") Terms:

PSA - Generally: After (i) LACMTA Board approval and Developer acceptance of this Term Sheet, (ii) any required FTA and State approval of the Project/Sale transaction, (iii) Developer has met all CEQA requirements, if any (as further described below in the Closing Conditions), and (iv) the LACMTA Board has made the requisite findings as a responsible agency pursuant to any applicable CEQA requirements, then LACMTA and Developer will enter into a Purchase and Sale Agreement ("**PSA**") containing terms and conditions that are substantially consistent with those set forth in this Term Sheet, subject to any modifications as directed by the LACMTA Board (and as approved by Developer).

PSA Term: The PSA shall be effective upon execution by LACMTA and Developer (the "**PSA Effective Date**"). Concurrent with the PSA Effective Date, LACMTA and Developer will enter into an escrow with Cheryl Greer of Commonwealth Land Title Insurance Company pursuant to the PSA. The closing of such escrow shall be subject to satisfaction or waiver of certain conditions precedent (the "**Closing Conditions**") set forth in the PSA. The term of the

PSA shall be mutually agreed upon by the Parties, provided that closing shall occur no later than December 31, 2022. LACMTA shall have the option, in its sole discretion, following a request by Developer, to extend to extend the Closing for a date to occur no later than five (5) years after the PSA Effective Date.

Option Fee:

As partial consideration for the rights to be granted to Developer under the PSA, commencing with the PSA Effective Date and continuing throughout the PSA term, Developer will pay LACMTA a monthly non-refundable option fee of Two Thousand Five Hundred Dollars (\$2,500) ("**Option Fee**") on the first day of each month for the entire PSA term (including any extensions terms, if applicable) commencing on the PSA Effective Date. The Option Fee paid by Developer shall be applicable to the Purchase Price payable by Developer at the Closing. If Developer fails to pay the Option Fee for any month and such failure continues for ten (10) days after written notice, LACMTA will have the right to terminate the PSA term by written notice to Developer.

Ownership of Entitlements:

If Developer fails to proceed with the development of the Project by the expiration of the Construction Period (defined below), Developer will retain any entitlements or development rights related to the Developer Property, and LACMTA will retain any entitlements or development rights related to the LACMTA Sale Property, to the extent the same can be separated between the properties. In the event that Developer subsequently desires to transfer the Developer Property to a third party, LACMTA will consider transferring the entitlements or development rights related to the LACMTA Sale Property to such proposed transferee, subject to LACMTA's approval (in its sole discretion) of the proposed transferee.

Conditions to Closing:

The PSA will address matters occurring from the PSA Effective Date through the date that the Closing Conditions have been satisfied or waived by the applicable Party, at which time the Parties will close the purchase and sale of the LACMTA Sale Property (the "**Closing**").

The "Closing Conditions" will require, among other things, that (a) Developer has delivered to LACMTA evidence and assurances demonstrating that Developer has the financial resources (which may include commitments for financing) sufficient to design, construct and operate the Project ("**Financial Assurances**"),

including (i) a performance bond in a sum of not less than one hundred percent (100%) of an amount reasonably calculated to make LACMTA whole if Developer fails to complete the portions of the Project that benefit LACMTA's transit patrons, which shall amount include, without limitation, the projected costs (A) to complete any offsite improvements benefitting LACMTA and (B) to restore the Circulation Area and LACMTA Retained Plaza to the condition it was in before the Developer broke ground on the Project except that any such restoration must also take into account the then-current ADA standards and (ii) a payment bond in a sum equal to the sum of the performance bond, each such bond issued by a licensed surety company and in a form acceptable to LACMTA, which approval shall not be unreasonably withheld or conditioned; (b) Developer shall have applied for and received all governmental approvals necessary for the development and construction of the Project (including all City and LACMTA approvals, which shall include LACMTA approval of the final construction documents for the Project) and, as necessary, shall obtain prior to such time as they are required, any permits or approvals required for the operation of the Project; (c) all necessary and applicable CEQA documents for the Project have been approved/certified by the applicable governmental authorities, all applicable statutes of limitation have run, and either a lawsuit challenging the CEQA approval/certification has not been timely filed or, if such a lawsuit has been filed, then final adjudication or dismissal with prejudice of such lawsuit has occurred, upholding the approvals/ certifications; (d) Developer has received a "ready to issue" letter from the City Department of Building and Safety; (e) Developer shall have executed and delivered to escrow all Closing documents as contemplated by the Parties and other transaction documents as determined between Parties (including, without limitation, the Permanent Covenants, Conditions and Restrictions and the Construction Covenants, Conditions and Restrictions, as hereinafter defined, the key terms of which are outlined below (collectively, the "**CCRs**"); (f) Developer shall have obtained an acceptable title commitment from a mutually acceptable title company (the "Title Company") for an owner's title policy in the amount of the Purchase Price for the LACMTA Sale Property; and (g) LACMTA shall have received all other assurances it requires that the development of the Project will proceed and Developer is ready to commence construction of the Project.

All construction funding sources will be fully committed to the satisfaction of the LACMTA Board.

Design Review:

The PSA will include as an exhibit, or otherwise reference, the Schematic Design Drawings as defined in the ENA, which shall

have been approved by LACMTA in accordance with the ENA (or the Parties may elect to attach a subsequent level of Schematic Design Drawings that have been prepared by Developer and approved by LACMTA prior to the execution of the PSA if both LACMTA and Developer so agree).

During the PSA term (and escrow term), LACMTA will have the right to review and approve any changes to the Schematic Design Drawings; provided that LACMTA may only disapprove such a change if it is either not a Logical Evolution (as defined in the ENA) to the Schematic Design Drawings or if it creates a material impact on the LACMTA Development-Related Concerns. Notwithstanding the above, if Developer's submittal of changes to the Schematic Design Drawings contains a Deemed Approval Notice and LACMTA has not responded to the request for approval within forty-five (45) business days of receipt, then the change for which LACMTA approval is being sought shall be deemed approved by LACMTA. A "Deemed Approval Notice" shall be a letter containing the following text prominently displayed in bold faced capital letters in at least fourteen (14) point font: ENCLOSED WITH THIS LETTER IS A REQUEST FOR APPROVAL OF CHANGES TO SCHEMATIC DESIGN DRAWINGS FOR THE VERMONT/SANTA MONICA JOINT DEVELOPMENT PROJECT. IF LACMTA DOES NOT NOTIFY DEVELOPER OF ITS DISAPPROVAL OR REQUIRED CHANGES TO SUCH SCHEMATIC DESIGN DRAWINGS WITHIN FORTY-FIVE (45) BUSINESS DAYS AFTER LACMTA'S RECEIPT OF THIS LETTER, THEN SUCH SCHEMATIC DESIGN DRAWINGS WILL BE DEEMED APPROVED BY LACMTA.

"LACMTA Development-Related Concerns" means, collectively, (a) LACMTA's operations on the LACMTA Retained Plaza, (b) LACMTA's exercise of its Retained Rights, (c) public health and safety (however, except where the design will reasonably impact a Retained Right, the determination of public health and safety issues shall be determined by the City and the State permitting and plan check process), (d) any public transit facilities adjacent to the Site and access to or from the same, and (e) (as applicable) any lateral and subjacent support of the LACMTA Retained Plaza, any public transit facilities adjacent to the Project, and any area providing support necessary for LACMTA to exercise its Retained Rights.

Circulation Area Work:

LACMTA and Developer shall collaborate in good faith to create the design and budget for the Circulation Area Work, with the goal of designing an integrated public plaza that meets Developer's

and LACMTA's needs for access, safety, and operations and ensures the delivery of a high-quality public realm.

Accordingly, Developer shall prepare the plans and specifications for and allocate a portion of the Project budget to the Circulation Area Work and shall present such plans and specifications and budget allocations to LACMTA no later than sixty (60) days prior to Closing for review and approval, in its sole and absolute discretion, which, after approved by LACMTA, shall be the "**Circulation Area Work Approved Plans and Budget.**" In accordance with the Construction CCRs, Developer shall perform the Circulation Area Work during the construction of the Project in a good and workmanlike manner, consistent with generally recognized standards of performance in the construction industry in conformity with the Circulation Area Work Approved Plans and Budget. When Developer believes that it has completed the Circulation Area Work, it shall provide to LACMTA all drawings, documents and other materials for such work and LACMTA shall evaluate such drawings, documents and materials and inspect the work to determine whether LACMTA accepts the Circulation Area Work. If LACMTA determines that the Circulation Area Work is not complete or it has defects, Developer shall make such corrections as LACMTA deems necessary in order for LACMTA to accept the Circulation Area Work. As the owner of the Circulation Area, the Developer will be responsible for ongoing maintenance and operation of the Circulation Area Work.

Retained Plaza Work:

LACMTA and Developer shall collaborate in good faith with each other to create the design and budget for the Retained Plaza Work, with the goal of designing a plaza that meets Developer's and LACMTA's needs for access, safety, and operations and ensures the delivery of a high-quality public realm.

Accordingly, Developer shall cooperate with LACMTA to prepare the plans and specifications for and allocate a portion of the Project budget to the Retained Plaza Work and shall no later than sixty (60) days prior to Closing present such plans and specifications and budget allocations to LACMTA for review and approval, each in its sole and absolute discretion, which, after approved by LACMTA, shall be the "**Retained Plaza Work Approved Plans and Budget.**" Developer shall perform the Retained Plaza Work during the construction of the Project in a good and workmanlike manner, consistent with generally recognized standards of performance in the construction industry in conformity with the Retained Plaza Work Approved Plans and Budget. When Developer believes that it has completed the

Retained Plaza Work, it shall provide to LACMTA all drawings, documents and other materials for such work and LACMTA shall evaluate such drawings, documents and materials and inspect the work to determine whether LACMTA accepts the Retained Plaza Work. If LACMTA determines that the Retained Plaza Work is not complete or it has defects, Developer shall make such corrections as LACMTA deems necessary in order for LACMTA to accept the Retained Plaza Work. Developer will not be responsible for ongoing maintenance or operation of the Retained Plaza Work.

Cost of Project:

Developer shall be solely responsible for the cost of designing and constructing the Project, including, without limitation, the Circulation Area Work and Retained Plaza Work. In the event that the Project results in the removal, relocation, or other modifications to LACMTA's facilities, Developer shall be responsible for the cost of any replacements or modifications reasonably required by LACMTA resulting from such work. Notwithstanding the foregoing, LACMTA shall collaborate with Developer to identify and apply for grants from public agencies and other similar sources of funding for a portion of the Project. Developer will not be responsible for the cost of any improvements to the Project made by LACMTA in the exercise of its Retained Rights except for maintenance, repair or mitigation arising from the Project or the negligent or willful misconduct of Developer, its tenants, contractors, agents, subcontractors or invitees.

Closing:

The PSA Closing will occur upon satisfaction or waiver by the appropriate Party of all the Closing Conditions. At Closing, LACMTA will convey to Developer by Grant Deed the LACMTA Sale Property to Developer, subject to the CCRs, in exchange for the payment of the Purchase Price to be paid under the PSA. Documents related to Closing, including, without limitation, the Grant Deed, will be executed by the Parties as is necessary to properly effectuate the Closing.

Transfers, Assignment
and Subletting:

Except as otherwise approved in writing by LACMTA in its sole and absolute discretion, Developer shall not transfer or assign its rights or obligations under the PSA or any portion thereof prior to the Closing, except to a limited partnership of which Developer, or an entity controlled by Developer, is the general partner (a "Purchaser Assignee") so long as (i) Developer notifies LACMTA not less than five (5) business days prior to closing of such

assignment (including the name and signature block of the proposed transferee), and (ii) Developer and the Purchaser Assignee execute and deliver an assignment and assumption agreement in form reasonably satisfactory to LACMTA, pursuant to which Purchaser Assignee remakes all of Developer's representations and warranties set forth in the PSA and (iii) the transferor shall not be released from the obligations of "Purchaser" under the PSA. Transfers after the Closing shall be subject to the Permanent CCRs.

Key PSA Terms:

Purchaser: Developer shall be the purchaser.

Generally: At Closing, LACMTA, as seller, will convey a fee interest in the LACMTA Sale Property to Developer, as purchaser. Developer will pay the full Purchase Price to LACMTA in cash, together with the escrow fees, title insurance premiums, recording fees and documentary transfer taxes, so that the Purchase Price will be net to LACMTA. The Parties will record the Construction CCRs and the Permanent CCRs on the title to the LACMTA Sale Property, the LACMTA Retained Plaza and the Developer Property at the Closing, an outline of terms of which are stated below.

Purchase Price

Purchase Price:

Upon the Closing, Developer shall pay LACMTA a purchase price for the LACMTA Sale Property equal to Seven Million One Hundred and Forty Thousand Dollars (\$7,140,000). A portion of the Purchase Price, in the amount of Three Hundred Seventy-Five Thousand Dollars (\$375,000) (referred to herein as the "Environmental Escrow Amount"), shall be held in escrow with Title Company (the "Environmental Escrow") to pay for the environmental cleanup of the Property (the "Environmental Work") by Walton General Contractors ("Contractor"). After the Closing, Title Company shall release amounts from the Environmental Escrow to either (i) reimburse Developer for the actual out-of-pocket costs incurred by Developer to pay Contractor for performance of the Environmental Work, upon submission by Developer of invoices from Contractor together with receipts for payments of costs for the Environmental Work by Developer to Contractor, or (ii) to Contractor for payment for performance of the

Environmental Work, upon submission of a request for disbursement by Developer and a certification by Developer of the performance of the Environmental Work under the invoice from the Contractor attached to said certification. Developer shall submit a copy of each request for disbursement from the Environmental Escrow to both Title Company and to LACMTA. Any of the Environmental Escrow Amount remaining undisbursed after the earlier to occur of (i) completion of the Environmental Work, or (ii) twelve (12) months after Closing, shall be released by Title Company to LACMTA. LACMTA's agreement to provide the Environmental Escrow Amount constitutes LACMTA's sole obligation with respect to the Environmental Work, and LACMTA shall have no obligation whatsoever to contribute additional funds or perform additional work, regardless of whether the scope of the Environmental Work increases or otherwise changes after the date of the PSA.

Key CCR Provisions (including Retained Rights)

- CCRs, Generally: The CCRs shall be senior to any lien for a financing recorded on the title to the LACMTA Sale Property and the Developer Property so that any lender taking title to the Project through foreclosure or deed in lieu, and any subsequent owner of the Project, shall be bound by the CCRs. There shall be two (2) sets of CCRs recorded, one of which shall govern the construction of the Project (the "Construction CCRs"), while the other shall govern the ongoing operation and maintenance of the Project (the "Permanent CCRs") as an affordable housing project with ancillary retail (as described above). The Construction CCRs shall terminate upon completion of the Project. Both sets of CCRs shall be recorded against the LACMTA Sale Property, the LACMTA Retained Plaza and the Developer Property at the closing, shall bind each owner of the Project, and shall contain such provisions as are required by LACMTA in accordance with its policies and requirements for joint developments and adjacent property developments, including, without limitation, the Retained Rights (which shall be included in the Permanent CCRs) and the other provisions outlined below. The CCRs shall contain entry rights as are necessary for the development and operation of the Project.
- Construction Period: Construction of the Project (including demolition of existing improvements and grading/excavation of the Site) shall commence within forty-five (45) days after the Closing Date ("**Commencement Date**"). Completion of the Project (defined as Developer's completion of construction of the Project subject only to typical punch list items, free of all liens and encumbrances and

substantially in accordance with the Plans and Specifications approved by LACMTA, and the issuance of a temporary or permanent certificate of occupancy on the entire Project by the City) shall occur by the day preceding the third (3rd) anniversary of the Commencement Date, subject to extension for (a) force majeure delays or (b) a Developer Completion Delay (such period being the “**Construction Period**”). The Construction CCRs shall apply only during the Construction Period.

A “**Developer Completion Delay**” is delay in completion of the Project that does not qualify as a force majeure delay but that occurs despite Developer’s best efforts to complete the Project within the period stated in the preceding paragraph. Any extension of the Construction Period due to Developer Completion Delay shall extend only for so long as Developer continues to use best efforts to complete the Project and shall not exceed one (1) year.

Design Review:

During the Construction Period, LACMTA will have the right to review, inspect and approve any changes to the Project’s design; provided that LACMTA may only disapprove such a change if (a) it is a change to the design of building exterior visible from the Station that is not a Logical Evolution (as defined in the ENA) from the Schematic Design Drawings or if (b) it creates a material impact on the LACMTA Development-Related Concerns (either of (a) or (b) being a “**Material Design Change**”). In the event the Developer believes that a change to the Project design is not a Material Design Change, Developer shall provide notice to LACMTA of said Project design change, which notice shall provide a reasonable description of why said change is not a Material Design Change (the “**Change Notice**”). After receipt of a Change Notice, LACMTA will have three (3) Business Days to respond to indicate it either agrees with Developer that the change is not a Material Design Change or disagrees, in which event LACMTA shall then proceed to review inspect and approve such change. If LACMTA has not responded to a Developer’s Change Notice within 3 Business Days of said notice, then LACMTA shall have been deemed to consent to Developer’s determination that the Project design change shall not be subject to disapproval by LACMTA. After completion of the Construction Period, LACMTA will retain the same design approval rights for any substantive building improvements later sought to be added. Notwithstanding the above, if Developer’s submittal of changes to the design are in fact a Material Design Change, and such notice contains a Deemed Approval Notice and LACMTA has not responded to the request for approval within twenty (20) business days of receipt, then the change for which LACMTA approval is being sought shall be deemed approved by LACMTA.

Construction Contract

Requirements:

Any construction contract that Developer executes with one or more contractors for the Project shall include the following:

- (1) Subject to the provisions of California Civil Code Section 2782, obligations of the contractor to indemnify, reimburse, defend and hold harmless Developer and LACMTA against actions, proceedings, suits, demands, claim, liabilities, losses, damages, penalties, obligations, costs and expenses (including attorneys' and expert witness' fees and costs) arising from the acts and omissions of such contractor on the Site or in connection with performance of its obligations under the construction contract;
- (2) Obligations of the contractor to comply with all applicable laws and code restrictions, licenses, policies, permits and certificates required in connection with performance of its services; and
- (3) LACMTA being named as an additional insured under any applicable insurance policies carried by any contractor performing work that impacts any LACMTA Development-Related Concern.

Sustainability Standards:

The Project shall be built in a manner at least equivalent to the standards of the United States Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) Silver standards.

Maintenance and Operations:

Developer shall maintain and operate the publicly-accessible areas of the Project, including the portion of the Public Plaza located in the Circulation Area, at its sole cost and expense in accordance with first class standards for maintenance and operation of comparable privately-owned public open space in the County of Los Angeles. (As of the date of this Term Sheet, examples of comparable public open spaces include the plazas at FIGat7th located at 735 S. Figueroa Street, the Bloc LA located at 700 S. Flower Street, California Plaza Watercourt located at 350 S. Grand Avenue, and City National Plaza located at 515 S. Flower Street, all in the City of Los Angeles.) Developer shall maintain and operate all portions of the Project at its sole cost and expense in accordance with first class standards for the maintenance and operation of comparable mixed use residential and commercial projects in the County of Los Angeles. Specific maintenance and operations standards may be set forth in an unrecorded operations and maintenance agreement by and between the Parties. Developer shall not be responsible for the cost or performance of any development, or maintenance to any improvements to the Project made by LACMTA in the exercise of

its Retained Rights except for maintenance, repair or mitigation arising from the Project or the negligent or willful misconduct of Developer, its tenants, contractors, agents, subcontractors or invitees.

Retained Rights: The “**Retained Rights**” defined on Attachment G shall be included in the CCRs.

Prevailing Wages
and
Project Labor Agreement:

During the entire period of construction of the Project, Developer shall comply with LACMTA’s adopted requirements with respect to project labor agreements for construction jobs and payment of prevailing wages for construction jobs, and the applicable policies related thereto. Notwithstanding the foregoing, Developer may negotiate an alternate form or forms of project labor agreement(s) directly with the applicable unions and upon finalizing such form(s) shall provide such form(s) to LACMTA for its review and approval. Upon such approval, Developer shall comply with the requirements in such approved form(s) of project labor agreement(s). Developer shall cause all contractors and other permittees performing any work of improvement on behalf of Developer to comply with any applicable requirements of California Labor Code Sections 1720-1780.

Affordable Housing
Covenants:

91 of the 185 affordable rental apartments units shall be reserved for occupancy by households with an adjusted income that does not exceed fifty percent (50%) of AMI, and 94 units shall be reserved for occupancy by households with an adjusted income that does not exceed thirty percent (30%) of AMI for no less than 55 years. For the remaining 99-year term of the CCRs, all 185 units shall be reserved for occupancy by households with an adjusted income that does not exceed sixty percent (60%) of AMI. Notwithstanding the foregoing, if rental assistance provided by the Housing Authority of the City of Los Angeles is terminated through no fault of Developer, alternative funding is not available, and certain other conditions are met, then Developer shall not be in default under the CCRs.

Developer shall encumber the Site with affordable housing and other covenants required by affordable housing funding sources and the City, as a condition to granting Project entitlements and

building permits, which covenants shall be subject to LACMTA's review and reasonable approval.

By not later than December 31 of each year, Developer shall provide LACMTA with a duly executed Annual Reporting Certificate certifying (a) the number of for-rent residential apartments in the Project and the affordability level of each such apartment, (b) that Developer either maintains workers' compensation and employers' liability insurance and has provided evidence therefor or that Developer has no employees and has elected not to obtain workers' compensation and employers' liability insurance, and (c) such other matters as LACMTA may reasonably require, from time to time, by giving reasonable advance written notice to Developer. LACMTA and its representatives shall have the right, at all reasonable times, upon reasonable advance notice to Developer, to audit and examine Developer's books of account and records for the purpose of determining (a) the accuracy of Developer's Annual Reporting Certificates, and (b) Developer's compliance with the terms of the CCRs and all Applicable Laws.

Federal Civil Rights
Covenants:

Developer and each subsequent owner of the Project shall comply with all applicable non-discrimination rules and regulations at the state, local and federal level, including, without limitation, applicable sections of Title 49 of the Code of Federal Regulations

Transfers:

Developer shall not transfer the Site, directly or indirectly, (each, a "**Transfer**"), except pursuant to a Permitted Transfer, as defined in Attachment G (Retained Rights). Additionally, the requirements set forth in Section 5 (Transfers) of Attachment G shall apply to any Transfer.

Use Restrictions:

Under no circumstance may any portion of the Site be used for (a) any industrial use, (b) any use that involves an "Adult Entertainment Business" (as defined in Section 12.70B of the Los Angeles Municipal Code as of the date hereof), (c) any use that involves the sale of firearms or ammunition, (d) any "off-site sign" (as defined in Section 14.4.2 of the Los Angeles Municipal Code as of the date hereof), or (e) any use that involves the sale or transfer of marijuana (whether or not such sale or transfer is permitted under the California Public Health and Safety Code or any other statute). Developer shall not utilize any street, sidewalk, bike path, or access route to the Transit Hub in a manner that interrupts the free flow of pedestrian or vehicular traffic. The "Transit Hub" means the Station and such future transportation

amenities as may be implemented in the vicinity of the Station from time to time, together with the following existing or planned public transportation-related amenities: (i) a major transfer point for transit buses; (ii) a future bus rapid transit line station; (iii) passenger pickup and drop off points; (iv) a Metro bike hub; (v) Metro bike share; and (vi) a future commuter shuttle stop for a major employer.

Remedies:

LACMTA shall have such remedies as are necessary and appropriate to enforce the CCRs, including, without limitation:

(a) injunctive relief for specific performance for, among other things, (i) completion of the Project, and (ii) actions or failures to act that pose a credible threat to the health, safety or security of LACMTA patrons or the LACMTA facilities; and

(b) If Developer fails to cause Completion of the Project to occur by the end of the Construction Period, then within 12 months after the end of the Construction Period, if Completion of the Project has still not occurred at such time, LACMTA shall have a right of reverter with respect to the LACMTA Sale Property. If LACMTA exercises such right of reverter by a notice to Developer ("**Reverter Notice**") within said 12 month period, LACMTA shall have the right to rescind the transfer of the LACMTA Sale Property to Developer, in return for which LACMTA shall refund the purchase price paid by Developer for the LACMTA Sale Property, without interest. Furthermore, if LACMTA delivers the Reverter Notice, LACMTA shall acquire the Developer Property from Developer for a price equal to the fair market value (as such term shall be defined in the PSA) of the Developer Property. Within thirty (30) days of receipt of the Reverter Notice, Developer shall give LACMTA written notice of Developer's good faith estimate of the fair market value for the Developer Property (the "**FMV Estimate Notice**"). LACMTA shall have ninety (90) days after receipt of the FMV Estimate Notice within which to accept or reject Developer's determination of the fair market value set forth in the FMV Estimate Notice. LACMTA's failure to respond within such 90-day period shall be deemed LACMTA's rejection of the fair market value set forth in the FMV Estimate Notice. In the event of LACMTA's rejection (or deemed rejection) of Developer's determination of the fair market value, Developer and LACMTA shall engage in good faith discussions for a period of 30 days to attempt to agree on the fair market value for the Developer Property; if the parties fail to agree within said 30 day period, then each party shall, on the 15th day after the expiration of said 30 day period, simultaneously submit to the other in writing its good faith estimate of the fair market value. If the higher of said estimates is not more than one hundred and five percent

(105%) of the lower of such estimates, the fair market value shall be deemed to be the average of the submitted rates. If otherwise, then the fair market value shall be determined by arbitration.

LACMTA shall provide notice and cure rights to Developer (or a future Owner of the Project) before exercising its remedies. The right of reverter shall apply only after all cure periods have been exhausted, including cure periods applicable to Developer's mortgagee. If Developer has given LACMTA written notice of the names and addresses of those holding at least a 25% interest in Developer (together with reasonable evidence of same, such as a copy of Developer's limited liability company agreement), then LACMTA shall give such designated investors the same notice and cure rights as Developer prior to LACMTA's exercise of the right of reverter.

Other Terms and Conditions:

Supersedure: This Term Sheet supersedes and replaces any and all term sheets or summaries of key terms and conditions relating to the Site, the Project or any joint development agreement, ground lease or disposition dated prior to July 24, 2020; provided that this Term Sheet does not supersede or replace the ENA.

Representations and Warranties:

The Parties shall make customary representations and warranties for a transaction of this size and type including (a) organization and good standing, (b) authority and enforceability, (c) non-contravention, (d) compliance with law, (e) status as a non-foreign person, (f) absence of litigation, and (g) brokers.

Other: Other customary provisions contained in recent LACMTA sales or ground leases will be included in the PSA, including, without limitation, provisions relating to (a) assumption of risk related to the Project's proximity to rail and other transit operations, (b) insurance, and (c) indemnity.

LACMTA Transaction Costs

During PSA Term: LACMTA has incurred and will incur certain costs related to any of the following: (a) the review of Developer's design, development and planning (including planning related to construction methods

and logistics) of the Project; (b) the protection of LACMTA Property, facilities and operations from Project impacts; (c) the avoidance and mitigation of such Project impacts; (d) oversight and support of geotechnical and hazardous substances investigations; (e) CEQA compliance; and (f) coordination and cooperation with Developer in connection with the Project entitlements. These costs will be known collectively as **“LACMTA Transaction Costs.”** LACMTA Transaction Costs may include, without limitation, the actual cost of in-house staff time (including LACMTA overhead and administrative costs) and third party consultation fees (including, but not limited to, consultants, engineers, architects, and advisors) for the performance of financial analyses, design review, development, planning, and engineering services, services related to construction safety, construction management, construction support, construction logistics and inspection, negotiations, appraisals, and other reasonable services related to the Project and the transactions contemplated under the PSA; but will exclude the cost of LACMTA Joint Development staff, and in-house and outside legal counsel to LACMTA.

Developer will provide Fifty Thousand Dollars (\$50,000) to LACMTA on the PSA Effective Date (the **“Deposit”**) for LACMTA to apply to LACMTA Transaction Costs (whether accruing prior to or after the PSA Effective Date). Any unspent funds provided by Developer under the ENA shall be carried over towards the Deposit. In the event the Deposit is not utilized by LACMTA in connection with the Project, any remaining balance will be credited towards LACMTA Transaction Costs incurred after the Closing in connection with the construction of the Project requiring LACMTA review/approval pursuant to the Construction CCRs. LACMTA staff will provide documentation of the LACTMA Transaction Costs to Developer upon written request.

Post-Closing:

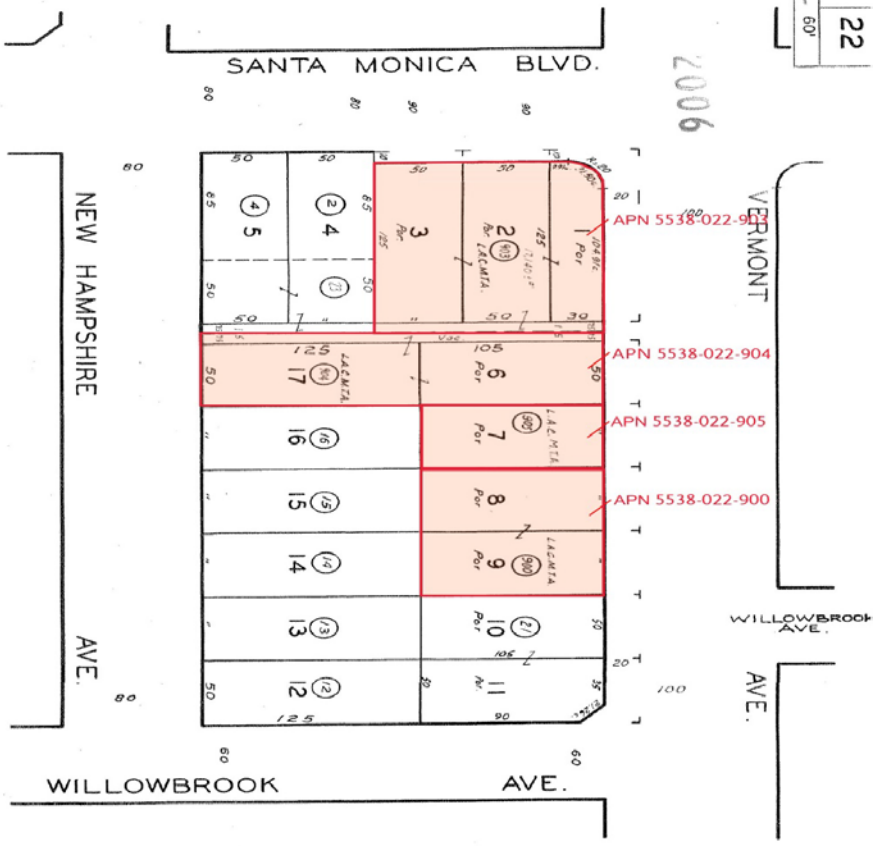
Developer will provide LACMTA with additional Deposit funds on the Closing, in the amount of Fifty Thousand Dollars (\$50,000), for LACMTA Transaction Costs after the Closing in connection with the construction of the Project requiring LACMTA review/approval. In the event that such Deposit is applied pursuant to the foregoing such that the amount of the Deposit is depleted to less than Twenty-Five Thousand Dollars (\$25,000), Developer shall, within five (5) days after written demand therefor, deposit cash with LACMTA in an amount sufficient to restore the Deposit to Twenty-Five Thousand Dollars (\$25,000), and Developer's failure to do so shall be a default under the PSA. In the event the Deposit funds are not utilized by LACMTA for the Project during the Construction Period, any remaining balance will be refunded to Developer.

LACMTA staff will provide documentation of the LACTMA
Transaction Costs to Developer upon Developer's written request.

Attachment A

5538 22
SCALE 1" = 60'

LACMTA Property



2006

CODE 13
WESTMORELAND
PARK TRACT
M.B. 10-133

FOR PREP. ASSMT. SEE: 1698-22

REVISIO
12-28-64 10-28-63 P
640227 8-24-64
719330222
KALIC2407
91210222101-25
91210222102-25
91210222103-25
91210222104-25
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2005/12/10/0222101-25



LACMTA Property

EXHIBIT "A"

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

PARCEL A:

LOTS 1, 2 AND 3 OF WESTMORELAND PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 133 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND ALL MINERALS, IN UNDER AND THAT MAY BE PRODUCED FROM DEPTH BELOW 500 FEET OF THE SURFACE OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT OF ENTRY UPON THE SURFACE THEREOF, AS RESERVED BY PHILLIPS PETROLEUM COMPANY, A CORPORATION, IN THE DEED RECORDED DECEMBER 26, 1975 AS INSTRUMENT NO. 280, OFFICIAL RECORDS.

TOGETHER WITH THE NORTHERLY HALF OF THAT CERTAIN ALLEY, 15 FEET WIDE ADJOINING SAID LOTS 1, 2 AND 3, OF WESTMORELAND PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 133 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; BOUNDED WESTERLY BY THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 3 AND BOUNDED EASTERLY BY THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 1, AS VACATED BY THAT CERTAIN RESOLUTION TO VACATE NO. 00-1400450, RECORDED NOVEMBER 29, 2000 AS INSTRUMENT NO. 00-1858369 OF OFFICIAL RECORDS, WHICH WOULD PASS BY THE OPERATION OF LAW WITH THE FEE CONVEYANCE OF SAID LAND.

PARCEL B:

LOTS 6 AND 17 OF WESTMORELAND PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 133 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THE SOUTHERLY HALF OF THAT CERTAIN ALLEY, 15 FEET WIDE ADJOINING LOTS 6 AND 17, OF WESTMORELAND PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 133 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; BOUNDED WESTERLY BY THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 17 AND BOUNDED EASTERLY BY THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 6, AS VACATED BY THAT CERTAIN RESOLUTION TO VACATE NO. 00-1400450, RECORDED NOVEMBER 29, 2000 AS INSTRUMENT NO. 00-1858369 OF OFFICIAL RECORDS, WHICH WOULD PASS BY THE OPERATION OF LAW WITH THE FEE CONVEYANCE OF SAID LAND.

PARCEL C:

PARCEL 1:

LOT 7 OF WESTMORELAND PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 133 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE EAST 20 FEET THEREOF, CONDEMNED FOR WIDENING OF VERMONT STREET.

PARCEL 2:

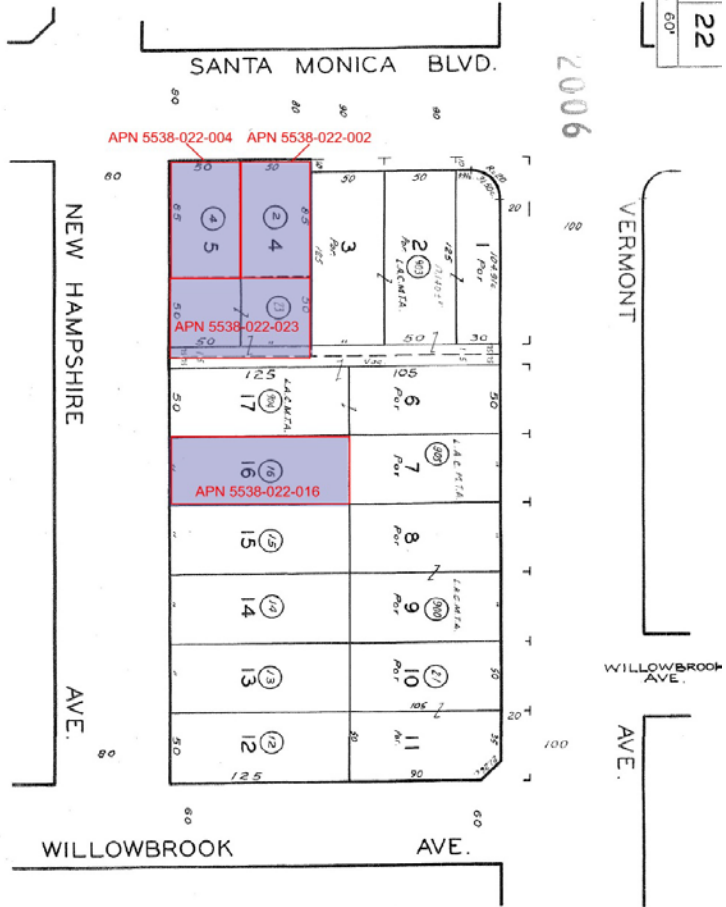
AN EASEMENT OVER THE WESTERLY 12 FEET OF LOT 6 OF WESTMORELAND PARK TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 133 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL D:

Attachment B

Developer Property

5538 22
SCALE 1" = 60'



FOR MEV. ASMT. SEE: 1668 - 22

CODE 13

WESTMORELAND
PARK TRACT
M.B. 10-133

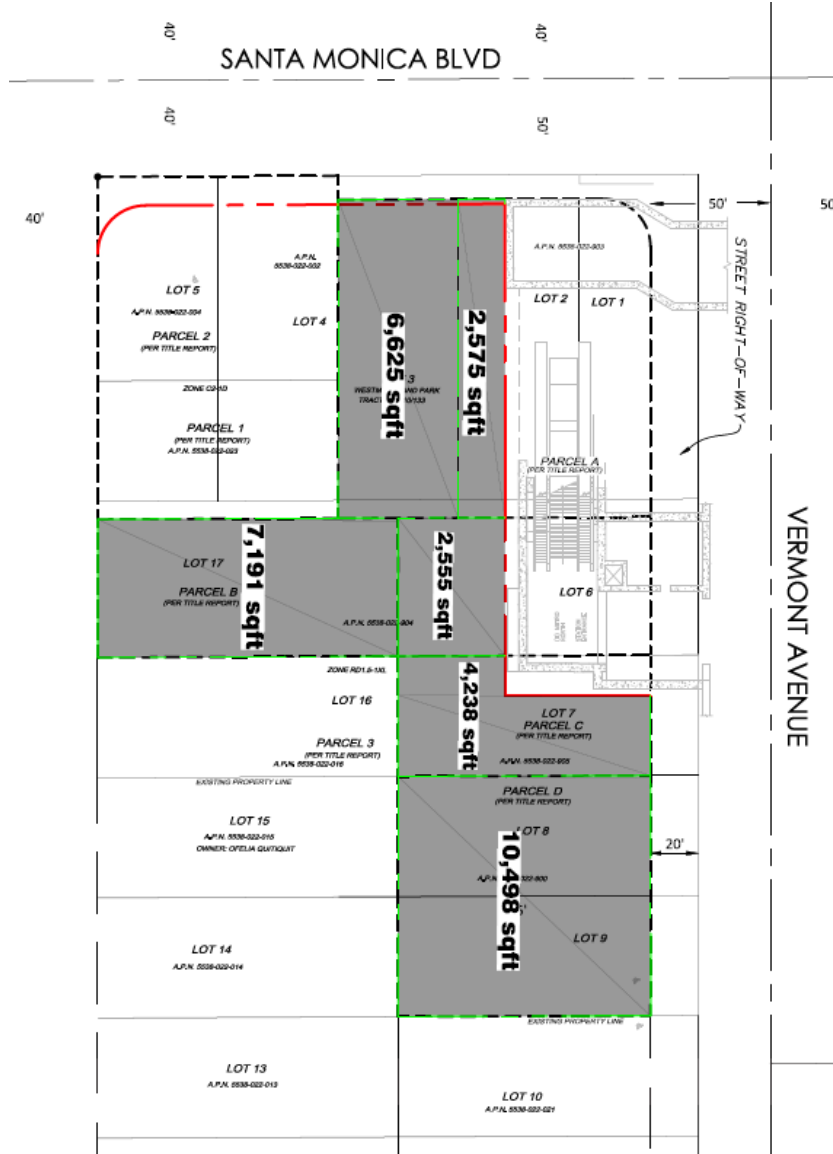
 Developer Property

REVISED
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8-24-64
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9210705023071 42
9210705023071 42
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2002/0210202440/15

ASSASSIN'S MAP
COUNTY OF LOS ANGELES, CALIF.

Attachment C

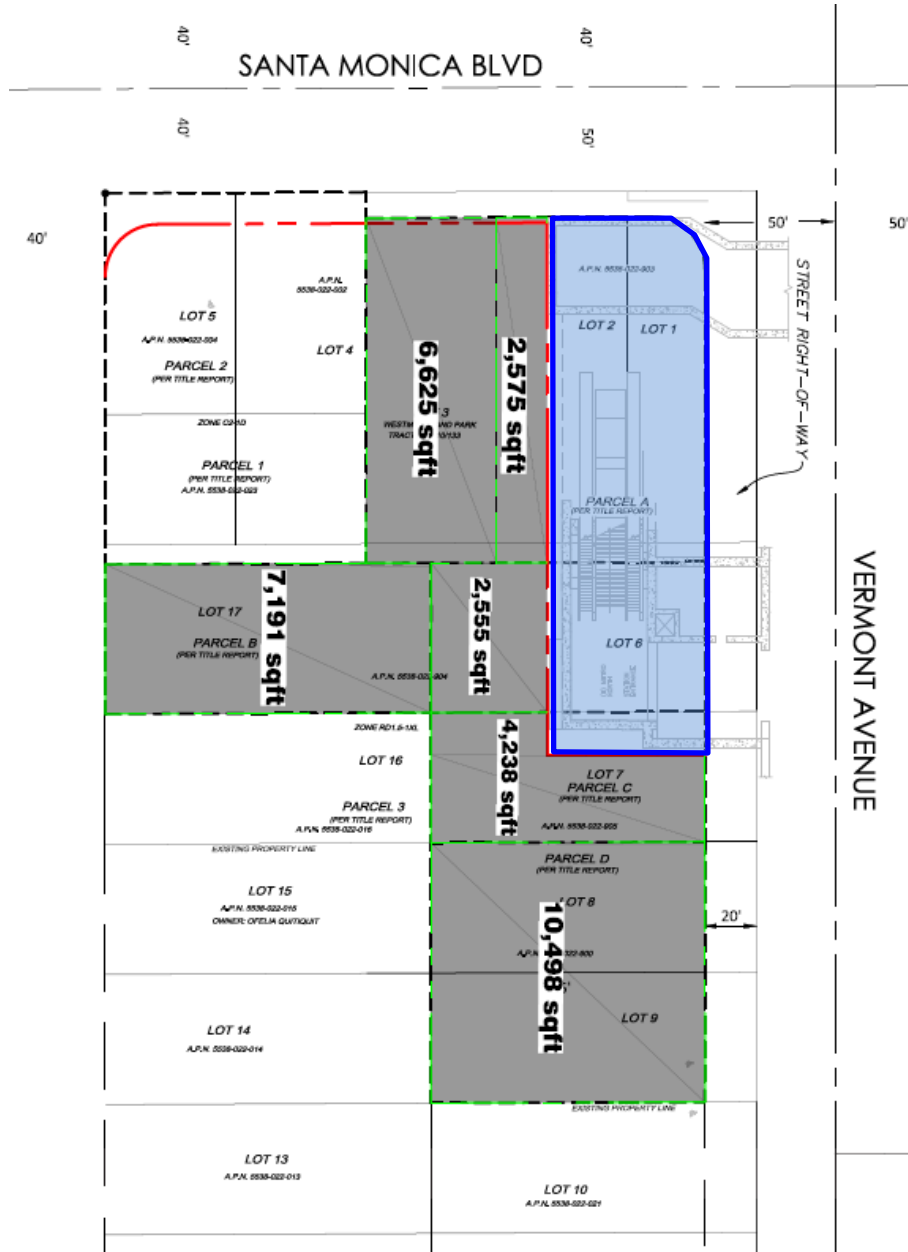
LACMTA Sale Property



- - - - - PROPOSED PROPERTY LINE
 - - - - - EXISTING PROPERTY LINE
 - _ _ _ _ _ ORIGINAL LOT LINE
 - METRO OWNED PROPERTY TO BE TRANSFERRED
- TOTAL AREA = 33,682 SQ.FT. ±
0.773 ACRES ±

Attachment D

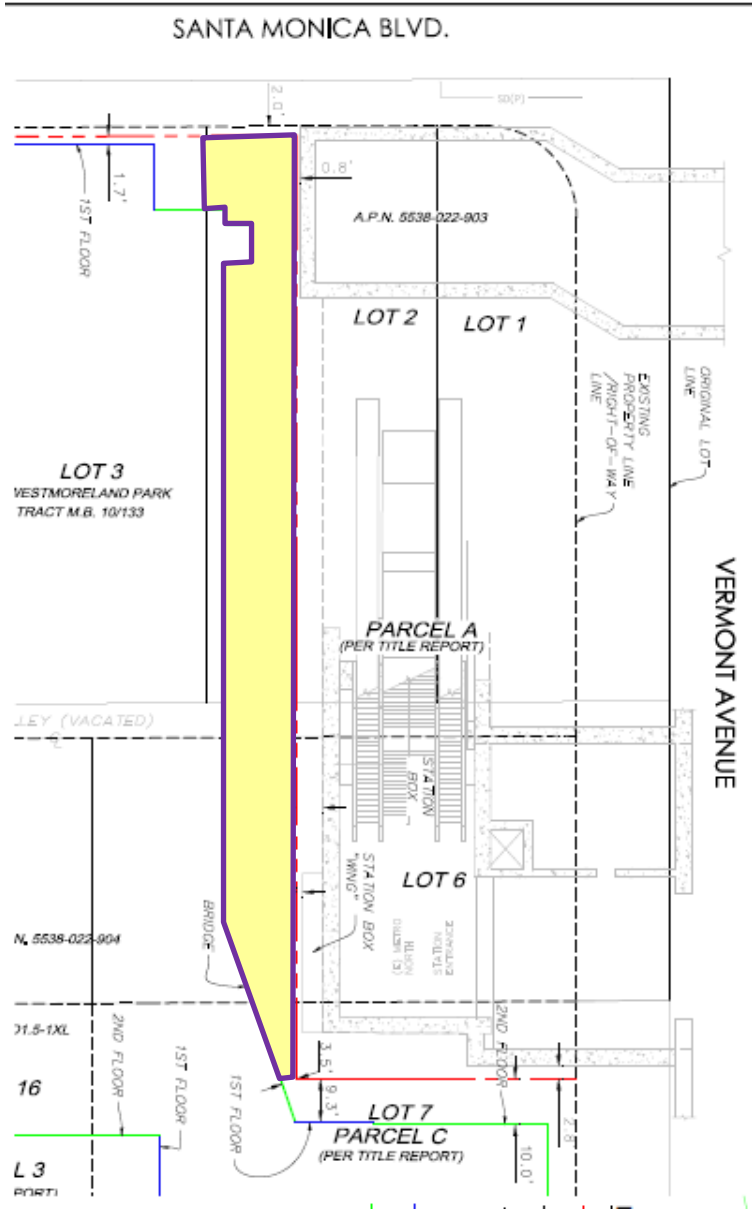
LACMTA Retained Plaza



 LACMTA Retained Plaza

Attachment E

Circulation Area



 Circulation Area

Attachment F

Site Plan and Renderings

Attachment G

Retained Rights

The Retained Rights are, collectively, the following rights, which LACMTA shall retain for its own benefit and for the benefit of the FTA, and which shall be contained in the CCRs:

1. LACMTA shall have (a) the right to access the Circulation Area to install, construct, inspect, operate, maintain, repair, expand and replace public transit facilities, LACMTA signage, and LACMTA equipment such as map cases, ticket machines, and seating as LACMTA may deem necessary, (b) the right to use sidewalk areas and the LACMTA Retained Plaza for any lawfully permissible purposes associated with the operation of public transit facilities, , (c) the right to enter the subterranean and ground-floor level portions of the Project at any time during normal business hours, with reasonable prior notice to the owner of the Project and subject to tenants' rights under California law, for purposes of conducting normal and periodic inspections of the Project and to confirm Developer's compliance with the terms and conditions of the CCRs, and (d) the right to attach LACMTA signage on the exterior portions of the Project and to maintain, repair and replace such signage with the consent of the Developer, which consent will not be unreasonably withheld.

2. Developer and each subsequent owner of the Project shall comply with non-discrimination rules and regulations at the state, local and federal level.

3. Developer and each subsequent owner of the Project, and each of their agents, contractors, subcontractors, managers, and subtenants shall not threaten, endanger, interrupt, impair, interfere with or unreasonably inconvenience in any way the maintenance or the safe and efficient operation of LACMTA's transit facilities and activities.

4. If any construction or other activity on the Site performed by, or on behalf of, Developer, the Project's owner or its tenants interrupts or threatens to impact operations of LACMTA's transit activities or facilities, as reasonably determined by LACMTA operations personnel, LACMTA will have the right to immediately enter the impacted portions of the Site to undertake remedial activity to the extent reasonably necessary to allow safe and efficient operation of LACMTA's transit activities or facilities, at such owner's cost. If such interference is non-critical in LACMTA's sole discretion, then LACMTA may notify the Project's owner and provide a reasonable opportunity to remediate the disturbance. LACMTA will be reimbursed by the Project's owner for all costs LACMTA incurs in remediating any such interference within thirty (30) days of written demand.

5. Transfers

(a) Developer shall not Transfer the Site except in the following ways (each, a "**Permitted Transfer**"):

(i) Prior to completion of the Project, a Transfer of the general partnership interest, except in the event of a removal by the equity limited partner.

(ii) After completion of the Project, to an affordable housing owner/operator in accordance with transfer criteria established by LACMTA in its reasonable discretion, which criteria shall include, without limitation, (A) satisfying LACMTA's minimum creditworthiness criteria, (B) at least five (5) years' experience in the business of owning and operating affordable housing projects and has developed at least 500 units of affordable housing in California (C) at least five (5) years' experience in the business of operating retail or mixed-use properties in California with at least 25,000 square feet of retail square footage under current management (provided, however, the requirements of this subsection (D) may be satisfied by retainer of a professional property manager with the requisite experience), (E) such proposed transferee is not currently, nor has it been in the prior ten (10) year period, an adverse party in any litigation with the County of Los Angeles, the City of Los Angeles, LACMTA or any other local municipality in the County of Los Angeles (F) is not, and is not owned or Controlled by, directly or indirectly by, any person or entity listed on, included within or associated with any of the persons or entities referred to in Executive Order 13324 – Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as the same may amended by the United States Department of the Treasury, Office of Foreign Assets Control, or any successor or replacement agency (a “**Permitted Transferee**”).

(iii) A Transfer to a lender pursuant to a judicial or non-judicial foreclosure or enforcement of remedies under an encumbrance that was approved by LACMTA.

(b) The following additional requirements shall apply to any Transfer:

(i) Except as permitted in Section 5(a) above, no partial transfers of the Site or Project shall be permitted.

(ii) Each transferee of the Project must certify that there is no organizational conflict of interest, including a certification that such transferee has not been debarred or suspended (except as authorized by certain U.S. DOT regulations and U.S. OMB “Guidelines to Agencies on Government Wide Debarment and Suspension (Nonprocurement)” and Executive Orders Nos 12549 and 12689 “Debarment and Suspension”).

(iii) Each transferee of the Project shall not, within the three (3) year period preceding the transfer, have been convicted of or had a civil judgment rendered against them for (A) commission of fraud or a criminal offense in connection with obtaining a contract (“**Public Transaction**”) with the federal government or any state or local government, (B) violation of any antitrust statutes, (C) committing any illegal payment of a commission or gratuity, embezzlement, theft, forgery, bribery, falsification or destruction of records, (D) making a false statement, or (E) receiving stolen property. Each transferee shall not be presently indicted or criminally charged by a government entity with commission of any of the foregoing offenses and shall not, within such three (3) year period, have had one or more Public Transactions terminated for cause or default.

(iv) Each transferee shall provide the Certification of Prospective Owner in the form that is to be attached to the CCRs.

(v) Any Transfer or assignment by Developer may be subject to FTA approval.

ATTACHMENT D

Los Angeles County Metropolitan Transportation Authority Board Resolution

Authorization to apply for grant funding from the Transit-Oriented Development Housing Program in connection with the Vermont/Santa Monica Station Joint Development Project

WHEREAS, the California Department of Housing and Community Development ("Department") has issued a Notice of Funding Availability ("NOFA") dated April 30, 2020, under the Transit-Oriented Development Housing Program ("TOD Program"); and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority ("LACMTA") wishes to apply for and receive an allocation of funds through the TOD Program for the Santa Monica Vermont Apartments; and

WHEREAS, the LACMTA is an Eligible Applicant under the TOD Program and wishes to apply for a TOD Program Grant in an amount not to exceed \$5,000,000 ("TOD Grant") to develop transit station plaza improvements in support of affordable housing ("TOD Project") under the above described NOFA.

NOW, THEREFORE, BE IT RESOLVED: That the LACMTA is hereby authorized to apply for the Department's TOD Grant pursuant to the above-mentioned NOFA and to act in connection with such application.

NOW THEREFORE, BE IT FURTHER RESOLVED: That in connection with the LACMTA's TOD Grant, the LACMTA is authorized to enter into, execute, and deliver a State of California Standard Agreement, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the , in order to evidence the TOD Grant, the LACMTA's obligations related thereto, and the Department's security therefore; including, but not limited to, an affordable housing covenant, a performance deed of trust, a disbursement agreement, and certain other documents required by the Department as security for, evidence of or pertaining to the TOD Grant, and all amendments thereto (collectively, the "TOD Grant Documents").

NOW THEREFORE, BE IT FURTHER RESOLVED: That LACMTA is hereby authorized to execute the TOD Grant Documents, and any amendment or modifications thereto, on behalf of the LACMTA.

NOW THEREFORE, BE IT FURTHER RESOLVED: That LACMTA is hereby authorized to accept the TOD Grant funds and to utilize such funds to develop transit station plaza improvements at the Vermont/Santa Monica Station in support of the Santa Monica Vermont Apartments.

NOW THEREFORE, BE IT FURTHER RESOLVED: That this resolution shall take effect immediately upon its passage.

Passed and adopted, effective as of August 27, 2020 by the consent of the Board of Directors by the following vote:

___AYES

___NAYS

___ABSTAIN

___ABSENT

CERTIFICATE OF THE SECRETARY OF THE LACMTA

The undersigned, duly qualified and acting as the Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, August 27, 2020.

DATE: _____

Michelle Jackson
LACMTA Secretary

(SEAL)

Qualifying Criteria for CEQA Exemptions

SMV Housing, L.P. (Developer), an affiliate of LTSC Community Development Corporation, desires to proceed with the construction and operation of a mixed-use, affordable housing project (Project) on approximately 54,101 square feet located near the Vermont/Santa Monica B (Red) Line Station (Site). The Site is bounded by Santa Monica Boulevard to the north, N. New Hampshire Avenue to the west, N. Vermont Avenue to the east, and a commercial property to the south. The Project will include approximately 185 affordable apartments, two property manager apartments, approximately 22,000 square feet of commercial/community space and 69 parking spaces.

Metro staff have reviewed and considered the City of Los Angeles (City) Department of City Planning's Notice of Exemption (Case No. ENV-2019-5646-CE) and associated documents prepared by the Developer's environmental consultant, EcoTierra Consulting. Metro adopts the determinations made by the City of Los Angeles.

After considering the City's environmental documents and reaching its own conclusions, staff has determined that the Project is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15332/Class 32 (In-Fill Development Projects) of the CEQA Guidelines, as follows:

Section 15332/Class 32 (In-Fill Development Projects)

- (a) The Project is consistent with the City of Los Angeles applicable general plan designation and all applicable general plan policies, as well as with the applicable zoning designation and regulations.
- (b) The Project is within Los Angeles city limits and the Site is less than five acres and is surrounded by urban uses.
- (c) The Site has no value as habitat for endangered, rare or threatened species.
- (d) Approval of the Project will not result in any significant effects relating to traffic, noise, air quality or water quality.
- (e) The Site can be adequately served by all required utilities and public services.

Public Resources Code Section Code §21080.27(a)(3) and §21080.27(b)(2)

Exemption is also granted to projects in the City of Los Angeles that satisfy the definition of “supportive housing” as defined in Section 50675.14 of the Health and Safety Code, that meets the eligibility requirements of Article 11 (commencing with Section 65650) of Chapter 3 of Division 1 of Title 7 of the Government Code or the eligibility requirements for qualified supportive housing or qualified permanent supportive housing set forth in Los Angeles Ordinance No. 185,489 or 185,492, and is funded, in whole or in part, by any of the following:

(A) The No Place Like Home Program (Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code).

(B) The Building Homes and Jobs Trust Fund established pursuant to Section 50470 of the Health and Safety Code.

(C) Measure H sales tax proceeds approved by the voters on the March 7, 2017, special election in the County of Los Angeles.

(D) General bond obligations issued pursuant to Proposition HHH, approved by the voters of the City of Los Angeles at the November 8, 2016, statewide general election.

(E) The City of Los Angeles Housing Impact Trust Fund.

The Project is statutorily exempt pursuant to Public Resources Code §21080.27(b)(2) as it will have units reserved for formerly homeless/special needs residents along with supportive services for them (including dedicated office space to provide those services). The Project is partially funded with general bond obligations issued pursuant to Proposition HHH. Therefore, the Project is also statutorily exempt as a “supportive housing” project in the City of Los Angeles within the meaning of Public Resources Code §21080.27(a)(3).



Next stop: building communities.

Vermont/Santa Monica Joint Development

Planning and Programming Committee

August 19, 2020

Legistar File 2020-0279



Recommendations

CONSIDER:

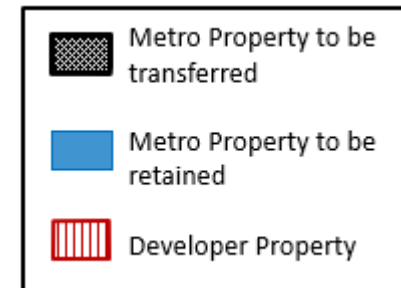
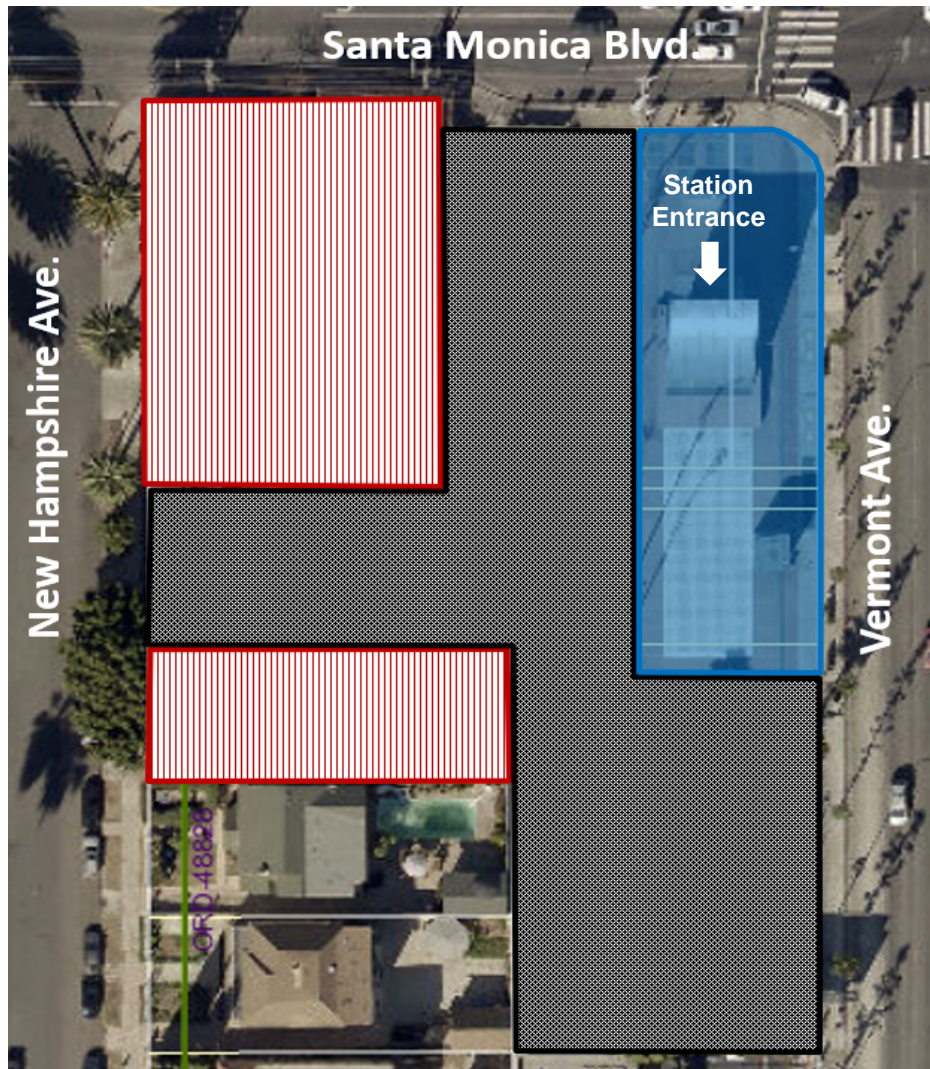
- A. AUTHORIZING the Chief Executive Officer (CEO) to execute a Purchase and Sale Agreement and agreements containing conditions, covenants, restrictions and easements with SMV Housing, L.P. (Developer), an affiliate of LTSC Community Development Corporation (LTSC), that provide for Developer's purchase from Metro of approximately 33,682 square feet of real property (Metro JD Property) next to the Vermont/Santa Monica B (Red) Line Station and the construction and operation of a mixed-use, affordable housing project (Project) on the Metro JD Property and adjacent Developer-owned property (collectively, Site), subject to Federal Transit Administration (FTA) and California Transportation Commission (CTC) concurrence;

Recommendations

- B. ADOPTING the attached resolution (Attachment D) authorizing the CEO or his designee to apply for, receive an allocation of funds, and to enter into, execute, and deliver a State of California Standard Agreement, and any and all other documents required or deemed necessary related to the California Department of Housing and Community Development Transit-Oriented Development (TOD) Housing Program in an amount not to exceed \$5,000,000 (TOD Grant) to fund station plaza improvements in support of the Project; and

- C. FINDING that the Project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15332/Class 32 (In-Fill Development Projects) of the CEQA Guidelines, and statutorily exempt pursuant to Public Resources Code Section §21080.27(a)(3) and Section §21080.27(b)(2) and to authorize the CEO to file a Notice of Exemption for the Project consistent with such exemptions.

Vermont/Santa Monica Site Overview



Project

- Extensive community engagement
- 185 affordable units
 - 91 units restricted to households earning 50% of Area Median Income (AMI) or less
 - 94 units designated for special needs tenants earning 30% of AMI or less
- 2 unrestricted managers units
- 69 parking spaces
- 22,000 square feet of ground floor commercial space
 - On-site supportive services, community space
 - Federally Qualified Health Clinic
 - Food court with opportunities for longtime area businesses

Project

- Transit-related infrastructure and pedestrian amenities
 - New landscaping
 - Metro bike storage
 - Street furniture
- Affordable Housing and Sustainable Communities (AHSC)



- California Department of Housing and Community Development Transit-Oriented Development Housing Program

Purchase and Sale Agreement Terms

- Fee simple sale with retained rights was deemed necessary due to project configuration across Metro/Developer parcels
- Appraised at \$10,200,000
- 30% discount for affordable housing = \$3,060,000
- Purchase price of \$7,140,000
- Covenants, Conditions, Restrictions and Easements (CCRs):
 - 99-year affordability restriction
 - Requirements for permitted transferees
 - Retained rights to operate, maintain repair, etc. public transit facilities
 - Access rights for plaza and pedestrian ingress and egress

Next Steps

- Late 2020: Project fully financed
- Early 2021: Secure final Metro and City of Los Angeles approvals
- Spring 2021: Construction commencement
- Mid-2023: Construction completion
- On-going: Stakeholder updates