COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles
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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

May 8, 2007

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

APPROVE AMENDMENT TO LOAN AGREEMENT WITH GAGE VILLAGE RESIDENTIAL DEVELOPMENT, LLC TO REDUCE HOME PROGRAM FUNDS, AND ALLOCATE CITY OF INDUSTRY HOMEOWNERSHIP PROGRAM FUNDS FOR NINE AFFORDABLE HOMEOWNERSHIP UNITS IN UNINCORPORATED FLORENCE (1)
(3 Vote)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve Amendment No. 1 to the Loan Agreement (Agreement) presented in substantially final form, between the Community Development Commission (Commission) and Gage Village Residential Development, LLC (Developer) to decrease the HOME Investment Partnerships Program (HOME) loan funds for eleven homebuyers at Gage Village, by $5,087, from $1,938,472 to $1,933,385.

2. As part of Amendment No. 1 to the Agreement, provide secondary financing in a maximum aggregate amount of up to $575,000 in City of Industry Homeownership Program (Industry) funds, for the qualified buyers of nine Gage Village homes.

3. Authorize the Executive Director to execute the Amendment No. 1 to the Agreement, and all related documents necessary to complete the secondary financing of the homes, to be effective following approval as to form by County Counsel and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to amend the Agreement between the Commission and the Developer to increase the amount of homebuyer assistance available and to expand the Commission's homebuyer assistance to four additional homes. The total number of assisted units in Gage Village will increase from eleven to fifteen. This action also provides a small reduction in the amount of HOME funds previously approved by your Board.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund.

With this Amendment, the number of homebuyers receiving assistance from the Commission in this project will increase to a total of fifteen. Six homebuyers will receive HOME funds, four will receive Industry funds, and five will receive both HOME and Industry funds.

Under the original Agreement, $1,938,472 in HOME funds were approved for assistance for eleven homebuyers, as 30-year, zero interest deferred payment loans, evidenced by a Promissory Note and secured by a subordinated Deed of Trust. The loans are repayable upon sale or transfer of the home, and are forgivable if the original homebuyer owns the home for thirty years. The HOME assistance is now being reduced by $5,087 to a maximum of $1,933,385, and the maximum HOME loan will not exceed $186,277 per homebuyer.

Industry funds in an amount not to exceed $575,000 are being allocated to assist nine homebuyers, as 45-year, zero interest deferred payment loans, evidenced by a Promissory Note and secured by a subordinated Deed of Trust. The Industry loans are repayable upon sale or transfer of the home, and are forgivable if the original homebuyer owns the home for forty-five years. Five of the HOME-assisted buyers will be eligible to also receive Industry assistance, and four other homebuyers will receive Industry assistance only. Industry assistance will not exceed $100,000 per homebuyer.

A Financial Analysis is provided as Attachment A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

A Loan Agreement was entered into between the Commission and the Developer on June 24, 2005, to provide up to $1,938,472 in HOME funds to help finance the sale of single family homes to low-income homebuyers at the Gage Village development. This

Agreement is now being amended to provide additional funding and to increase the number of homebuyers being assisted.

City of Industry Redevelopment Housing Set-Aside Funds (Industry Funds) consist of tax increment funds collected by the City of Industry's Redevelopment Agency that have been transferred to the Housing Authority of the County of Los Angeles (HACOLA) to administer for the development of low-income housing. It was previously necessary for HACOLA to enter into loan agreements for the Industry funds. However, on December 20, 2005, your Board and the Board of Commissioners for HACOLA authorized the Commission to administer Industry funds on behalf of HACOLA, for projects being funded with a minority of Industry funds.

The amount of the proposed loan of Industry funds for Gage Village is less than the HOME funds in the project; therefore, the Commission's Agreement for HOME funds dated June 24, 2005, is being amended to add Industry funds to the project. The Commission will administer all funds in the project, while HACOLA will monitor the project for adherence to Industry regulations and requirements.

The Amendment to the Agreement will also decrease the HOME funds for the eleven HOME-assisted homebuyers at Gage Village by $5,087, from $1,938,472 to $1,933,385, due to the addition of Industry funds to the project.

Gage Village Residential Development will consist of 32 single family homes, to be located at 1503-1641 East Gage Avenue in unincorporated Florence. The 1.64-acre site is currently vacant. Fifteen (15) homes receiving homebuyer assistance will be set aside for qualified first-time homebuyers with household incomes that do not exceed eighty percent (80%) of the Area Median Income (AMI), as defined by the U.S. Department of Housing and Urban Development (HUD) for the Los Angeles-Long Beach Metropolitan Statistical Area. The remaining seventeen (17) homes will be sold at the market rate as determined by a third party appraisal approved by the Commission. All homes will be 1,389-square-feet in size and have three bedrooms, two-and-one-half bathrooms, and a two-car attached garage.

ENVIRONMENTAL DOCUMENTATION:

An Environmental Assessment was prepared for this project pursuant to the requirements of the National Environmental Policy Act of 1969 (NEPA). Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Certifying Official of the Community Development Commission on July 21, 2003. Following the required public comment period, the U.S. Department of Housing and Urban Development issued a Release of Funds for the

project on September 19, 2003. The HUD NEPA process does not require an action by the Board of Commissioners.

Pursuant to the requirements of the California Environmental Quality Act (CEQA), and consistent with CEQA Guidelines, an Environmental Assessment/Mitigated Negative Declaration (EA/MND) was prepared for this project followed by the required public comment period. The Board of Commissioners' adoption of the EA/MND and the Mitigation Monitoring Plan on June 21, 2005 and filing of a Notice of Determination, meets the requirements of CEQA. Approval of the EA/MND was done in conjunction with the Board of Commissioner's approval of the original HOME Loan Agreement.

IMPACT ON CURRENT PROJECT:

Approval of the Agreement will increase homeownership opportunities for low-income buyers in the County.

Respectfully submitted,

Bobbette A. Glover

for CARLOS JACKSON
Executive Director

Attachments: 2
CJ:JC

ATTACHMENT A
FINANCIAL ANALYSIS

Gage Village
1503-1641 East Gage Avenue, unincorporated Florence

The project consists of 32 single-family for-sale units in the Florence area of the unincorporated County. Fifteen units will be reserved for families with household income not exceeding 80 percent of the area median income (AMI) for the Los Angeles/Long Beach Metropolitan Statistical Area (MSA), adjusted for family size. Nine of these fifteen units will receive assistance from City of Industry Homeownership Program secondary financings (Industry Assisted Units), which make homeownership feasible for the targeted families without a sizable down payment. Eleven affordable units will receive assistance from the HOME Investment Partnerships Program (HOME).

Construction Phase

	HOME Units*	Mixed Units**	Industry Units***	Total Units
# of Units	6	5	4	15
Sources	Per Unit	Per Unit	Per Unit	Total
Developer Equity	$22,217	$22,217	$22,217	$333,255
Construction Loan	$262,957	$262,957	$262,957	$3,944,355
Deferred Cost and Dev Fee	$36,403	$36,403	$36,403	$546,045
TOTAL	$321,577	$321,577	$321,577	$4,823,655

Permanent Phase

	HOME Units	Mixed Units	Industry Units	Total Units
# of Units	6	5	4	15
Sources	Per Unit			
Homebuyer Contribution	$154,643	$154,643	$153,549	$2,315,269
HOME secondary financings	$167,000	$186,277		$1,933,385
INDUSTRY tertiary financings		$35,000	$100,000	$575,000
TOTAL	$321,643	$375,920	$253,549	$4,823,655

* HOME Units: These units only include a subsidy from the HOME program

**Mixed Units: These units include subsidies from both the HOME and Industry programs

***Industry Units: These units only include a subsidy from the Industry program

LOAN AGREEMENT
BETWEEN THE COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES AND
GAGE VILLAGE RESIDENTIAL DEVELOPMENT, LLC

AMENDMENT NO. 1

This Amendment No. 1 (the "Amendment") to the Loan Agreement ("Agreement") is made and entered into this _____ day of _____, 20____ by and between the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic, ("Commission"), and GAGE VILLAGE RESIDENTIAL DEVELOPMENT, LLC, a California Limited Liability Corporation ("Developer").

WHEREAS, at its meeting of June 21, 2005, the Board of Commissioners of the Commission authorized the Executive Director of the Commission to negotiate and enter into agreements necessary to provide HOME Investment Partnerships Program (HOME) loan funds to help finance the development and sale of affordable single family home units in unincorporated Florence, called Gage Village ("Project"); and

WHEREAS, on June 24, 2005, the Commission and the Developer entered into the Agreement to provide for the commitment of HOME loan funds, subject to the conditions set forth therein; and

WHEREAS, the Commission desires to reduce the HOME funding maximum amount to $1,933,385; and

WHEREAS, on February 21, 2006, the Developer submitted an application to the Housing Authority of the County of Los Angeles ("HACOLA") for $575,000.00 of funds from the City of Industry Homeownership Program (Industry) for additional financing for the Project ("Industry Funds") and received its Industry Funds under the year-round Industry Homeownership open Request For Proposals ("RFP"); and

WHEREAS, both the Industry Funds and the HOME Funds will be administered by the Commission in accordance with authorization granted by the Board of Supervisors of the County of Los Angeles and the Board of Commissioners of the Commission on December 20, 2005; and

WHEREAS, the Commission and the Developer desire to amend the Agreement as provided herein to incorporate the terms and conditions of the Industry Funds;

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree as follows:

Recitals shall be amended as follows:

1. Transaction Summary shall be amended as follows:

Use of Industry funds: 45-year subordinated shared appreciation loans to unit buyers.

Term of Affordability: 45 years.

Maximum HOME Fund loan allocation, all units combined: $ 1,933,385

Maximum City of Industry Fund loan allocation, all units combined: $575,000

Assisted Units:

Quantity	No. Bedrooms	Unit Sq. Feet	Max. Sale Price	Max. Amount to be loaned as Commission Unit Loans
6 HOME units targeted to 80% AMI households	Each unit has 3 bedrooms	1,390 sq. ft.	Appraised value[1]	$1,002,000 (HOME)
5 MIXED units targeted to 80% AMI households	Each unit has 3 bedrooms	1,390 sq. ft.	Appraised value[1,2]	$931,385 (HOME) $175,000 (Industry)
4 INDUSTRY units sold to 80% AMI households	Each unit has 3 bedrooms	1,390 sq. ft.	Appraised value[2]	$400,000 (Industry)

[1] Not to exceed HOME Maximum Purchase Price as established by HUD.

[2] Not to exceed the Industry Maximum Purchase Price.

2. Section 2 shall be amended to include:

The Commission agrees, subject to the terms and conditions of this Agreement and in consideration of the representations, covenants and obligations of Developer contained in this Agreement, to make the Commission Unit Loans (referred to as either HOME units, Mixed units, or Industry units) to purchasers of the Assisted Units (referred to as either HOME units, Mixed units, or Industry units) to assist in the financing of the acquisitions of the Assisted Units.

3. Section 4.1 paragraph 2 shall be amended as follows:

All of the Non-Assisted Units, which comprise 17 of the total 32 units in the Site, shall be sold at the market price.

4. Section 4.1 paragraph 5 shall be deleted: ("Moderate-Income Households")

5. Section 4.1 paragraph 8 shall be deleted: ("Qualified Buyers" for Non-Assisted Units)

6. Section 4.1 paragraph 9 is amended to read as follows:

The restrictions described in this section 4.1 shall remain for a period of 45 years.

7. Section 4.2 shall be amended to read as follows:

The Commission shall provide the Commission Unit Loans in the manner provided below to persons who are screened and approved by the Commission, or its designee, and meet the income limitations set forth in the Transaction Summary above. The Commission Unit Loans shall not exceed in the aggregate (ONE MILLION NINE HUNDRED THIRTY THREE THOUSAND THREE HUNDRED EIGHTY FIVE DOLLARS ($1,933,385) of the HOME funds and shall not exceed in the aggregate (FIVE HUNDRED SEVENTY FIVE THOUSAND DOLLARS ($575,000) of Industry funds.

Six (6) of the fifteen (15) Assisted Units will be subsidized with Commission Unit Loans and may utilize market rate mortgage revenue bond financing made available by the California Housing Finance Agency ("Agency Bond Financing") or its equivalent through participating lenders, if securable ("Commission Units"). The standard amount of each Commission Unit Loan for each Qualified Buyer of Commission Units will not exceed $167,000 per home.

Five (5) of the fifteen (15) Assisted Units will be subsidized with Commission Unit Loans, and may utilize Agency Bond Financing, if securable, and Housing Authority County of Los Angeles (HACOLA) Industry Funds ("Mixed Units"). The standard HOME amount of each Commission Unit Loan for each Qualified Buyer of Mixed Units will not exceed $186,277 per home.

Four (4) of the fifteen (15) Assisted Units will be subsidized with Commission Unit Loans. The standard amount for each Industry Loan for each Qualified Buyer of HACOLA units will not exceed $100,000 per home.

The Commission shall provide a Commission Unit Loan to a Qualified Buyer upon the initial sale of each Assisted Unit, provided that the sale is to a Qualified Buyer who and delivers to the Commission through an Escrow (as described in Section 4.9 below) at or prior to the time of sale the following duly executed documents ("the Commission Unit Loan Documents"): (i) a Shared Appreciation Note in the form of Exhibit "E" hereto in an initial principal amount equal to the amount of the Commission Unit Loan (the "the Commission Unit Note"); (ii) a second Deed of Trust in the form of Exhibit "F" hereto (the "the Commission Unit Deed of Trust"); (iii) loan agreement between the Commission and Qualified Buyer in the form of Exhibit "G" hereto; and (iv) any other documents requested by Escrow Holder to close the sale of the Assisted Unit. The sale of each Assisted Unit shall occur through the escrow procedures specified in Section 4.4 below.

8. Section 4.3 shall be amended to read as follows:

Developer agrees that the average per unit Unit Loan Amount is ONE HUNDRED SEVENTY FIVE THOUSAND SEVEN HUNDRED SIXTY TWO DOLLARS ($175,762).

Six (6) of the fifteen (15) Assisted Units will be subsidized with Commission Unit Loans and may utilize market rate mortgage revenue bond financing made available by the California Housing Finance Agency ("Agency Bond Financing") through participating lenders, if securable ("Commission Units"). The standard HOME amount of each Commission Unit Loan for each Qualified Buyer of Commission Units will not exceed $167,000 per home.

Five (5) of the fifteen (15) Assisted Units will be subsidized with Commission Unit Loans, and may utilize Agency Bond Financing, if available , and Housing Authority County of Los Angeles (HACOLA) Industry Funds ("Mixed Units"). The standard HOME amount of each Commission Unit Loan for each Qualified Buyer of Mixed Units will not exceed $186,277 per home.

Four (4) of the fifteen (15) Assisted Units will be subsidized with Commission Unit Loans. The standard amount for each Industry Loan for each Qualified Buyer of Commission units will not exceed $100,000 per home.

9. Section 4.8, paragraph 2, shall be amended to read as follows:

In the event below market rate mortgage revenue bond financing is made available by the Southern California Home Financing Authority ("SCHFA") or the California Housing Finance Agency ("CalHFA") through participating lenders, reserve financing in an amount that will facilitate the sale of units to Qualified Buyers. Reservation of these funds will be subject to review and approved by the Commission.

10. Section 4.8, paragraph 3, Table shall be amended as follows:

Type of Units:	Base 1st Mortgage Amount
HOME Unit	$154,643
Mixed Unit	$154,643
Industry Unit	$153,549

11. Section 4.8, paragraph 9, shall be added to read as follows:

In the event that the Developer is unsuccessful by the Commitment Delivery Date in obtaining a First Unit Loan Commitment(s), or within thirty (30) days after the Commitment Delivery Date obtaining approval by the Commission of any such First Unit Loan Commitment obtained, this Agreement may be terminated by either Party by written notice to the other Party, in which event neither Party hereto shall have any further obligation to the other party.

12. Section 5.4 shall be amended to read as follows:

Subject to the provisions of Section 5.7 below, from and after the date hereof, Developer shall indemnify, defend and save harmless the Commission and its members, directors, agents, officers and employees (collectively "CDC") from and against any and all claims, liability,

demands, causes of action, losses and expenses, including reasonable defense costs and legal fees of counsel acceptable to the Commission (collectively, "Claims") for damages of any nature whatsoever, which Claims arise directly or indirectly from or in connection with the Site or the Project, including, but not limited to Claims for bodily injury, death, property damage, workers' compensation, liability or expense arising from or in connection with services performed on behalf of Developer by any person pursuant to this Agreement, and which Claims (i) are based on events which occur or are claimed to have occurred during Developer's ownership of the Site or the Project, (ii) result directly or indirectly from Developer's ownership or sale of the Site or the Project, or (iii) result directly or indirectly from the Commission's entering into this Agreement and/or making the Commission Unit Loans to Qualified Buyers. However, Developer has no obligation to defend, indemnify, or hold harmless CDC in the event Claims were caused by the sole negligence of this Agreement of CDC. This Indemnification shall remain in force and effect following the expiration of the Term.

13. Exhibit B-2 to the Agreement shall be amended as set forth in Amended Exhibit D attached hereto and incorporated herein by this reference.

[Continued next page]

AMENDED EXHIBIT "B-2"

The 32-unit single-family for-sale project will allocate a total of 15 assisted units (6 HOME units, 5 Mixed units, and 4 Industry units) targeting families making no more than 80% of Area Median Income. All units have three bedrooms and 2.5 bathrooms, with 1,390 sq.ft interior living space, and a two-car attached garage. The targeted families must be first-time homebuyer as defined by HUD.

[Continued next page]

14. Exhibit D to the Agreement shall be amended as set forth in Amended Exhibit D attached hereto and incorporated herein by this reference.

[Continued next page]

AMENDED EXHIBIT "D"

TABLE 1 - 6 ASSISTED HOME UNITS (HOME FUND)

FLOOR	TYPE BED/ BATH	PRICE	NUMBER OF UNITS
1,390 sq. ft.	3 bd/ 2.5 bath	$321,643	6

TABLE 2 - 5 ASSISTED MIXED UNITS (HOME / INDUSTRY FUND)

FLOOR	TYPE BED/ BATH	PRICE	NUMBER OF UNITS
1,390 sq. ft.	3 bd/ 2.5 bath	$375,920	5

TABLE 3 – 4 ASSISTED INDUSTRY UNITS (INDUSTRY FUND)

FLOOR	TYPE BED/ BATH	PRICE	NUMBER OF UNITS
1,390 sq. ft.	3 bd/2.5 bath	$253,549	4

15. Exhibit I to the Agreement shall be amended as set forth in Amended Exhibit I attached hereto and incorporated herein by this reference

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AMENDED EXHIBIT "I"
FINANCIAL SUMMARY & UNIT SUBSIDY

Assumptions	**6 HOME units, 5 Mixed units & 4 Industry units targeting 80% AMI**
Sales Price	$450,000
100% AMI 5 Person Income	$70,700
Per Unit Land Cost	$0
First TD Interest Rate	6.50%

		Prevailing Wage
Target Area Median Income (AMI)		**80% AMI**
Underwriting Assumption		77.5%
# of Commission (aka HOME) Units		***6***
Income level		$54,793
Annual Housing Income (35%)		$19,177
(Less) Insurance		($1.764)
(Less) HOA fees		$0
(Less) Property Taxes (1%)		($5,625)
TOTAL ANNUAL INCOME AVAILABLE FOR DEBT SERVICE		*$11,788*
Down Pmt	0%	$0
Mortgage @	6.50% Base First Mtg.Amt.	$154,643
HOME Secondary Financing		**$167,000**
CDC Non-Monetary Financing		$128,357
TOTAL PER UNIT FINANCING		*$450,000*
Total Max Secondary Financing for 6 HOME-Only Units		**$1,002,000**
# of Mixed (aka HOME/Industry) Units		***5***
Down Pmt	0%	$0
Mortgage @	6.50% Base First Mtg. Amt.	$154,643
HOME Secondary Financing		**$186,277**
Industry Monetary Tertiary Financing		**$35,000**
CDC Non-Monetary Financing		$74,080
TOTAL PER UNIT FINANCING		$450,000
Total Max Secondary Financing for 5 Mixed Units		**$931,386 (HOME) $175,000 (Industry)**
# of HACOLA (aka Industry) Units		***4***
Down Pmt	0%	$0
Mortgage @	6.50% Base First Mtg. Amt.	$153,549
Industry Secondary Financing		**$100,000**
CDC Non-Monetary Financing		$196,451
TOTAL PER UNIT FINANCING		$450,000
Total Max Secondary Financing for 4 Industry-Only Units		**$400,000**

16. Section 3 to Exhibit J, the Commission Requirements to the Agreement, shall be amended to read as follows:

Commission will evaluate Developer's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Developer's compliance with all contract terms and performance standards described in this Agreement and all other documents associated with this Agreement, including the Promissory Note, Deed of Trust and CC&Rs. Developer deficiencies which Commission determines are severe or continuing and that may place performance of the Agreement in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by Commission and Developer. If improvement does not occur consistent with the corrective measure, Commission may terminate this Agreement or seek other remedies as specified in this Agreement.

17. Sections 22 and 23, and Attachment A shall be added to Exhibit J, the Commission Requirements to the Agreement, to read as follows:

22. Compliance With Jury Service Program.

A. Unless Developer has demonstrated to the Commission satisfaction either that Developer is not a "Contractor" as defined under the Jury Service Program or that Developer qualifies for an exception to the Jury Service Program, Developer shall have and adhere to a written policy that provides that its Employees shall receive from the Developer, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Developer or that the Developer deduct from the Employee's regular pay the fees received for jury service.

B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Developer. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Developer has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Developer uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.

C. If the Developer is not required to comply with the Jury Service Program when the Contract commences, Developer shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Developer shall immediately notify County if Developer at any time either comes within the Jury Service Program's definition of "Contractor" or if Developer no longer qualifies for an exception to the Program. In either event, Developer shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Developer demonstrate to the County's satisfaction that Developer either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Developer continues to qualify for an exception to the Program.

D. Developer's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Developer from the award of future County contracts for a period of time consistent with the seriousness of the breach.

23. Developer's Charitable Activities Compliance

The Supervision of Trustees and Fundraisers For Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Developers to complete the "Charitable Contributions Certificate" form included as Attachment A to Exhibit "J," the Commission seeks to ensure that all Commission Developers that receive or raise charitable contributions comply with California law in order to protect the Commission and its taxpayers. A Developer that received or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

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AMENDED EXHIBIT "J"
ATTACHMENT A

CHARITABLE CONTRIBUTIONS CERTIFICATION

_____
Company Name

_____
Address

_____
Internal Revenue Service Employer Identification Number

_____
California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

CERTIFICATION	**YES**	**NO**
Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a Community Development Commission (CDC) and/or Housing Authority contract, it will timely comply with them and provide the CDC and/or Housing Authority a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.	( )	( )

OR

	YES	**NO**
Proposer of Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.	( )	( )

_____ _____
Signature Date

_____
Name and Title (please type or print)

18. All other terms and conditions of this Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the duly authorized officers of the parties hereto have authorized this Amendment and are executing this Amendment as of the day, month and year first above written.

COMMISSION
COMMUNITY DEVELOPMENT COMMISSION OF THE
COUNTY OF LOS ANGELES

By _____
Carlos Jackson, Executive Director

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

By _____
Deputy

DEVELOPER
GAGE VILLAGE RESIDENTIAL DEVELOPMENT, LLC

By: _____
LUIS ARMONA, President

By:
Its:_____