

**2621, 2622 and 2627 26<sup>th</sup> Street**

**MERITS FOR LOAN APPLICATION APPROVAL**

Developer: Step Up on 26<sup>th</sup>, LLC/Step Up on Second  
 Development Type: Rehabilitation of 12 one-bedroom apartments  
 Loan Increase Amount: \$398,863 [Source: Citywide Housing Trust Fund]  
 Amended Total Loan Amount: \$6,754,863  
 Target Population: Special Needs, Very Low and Extremely Low Income  
 Summary: Additional funds to address unanticipated rehabilitation and project needs

CRITERIA	MERITS
Whether the loan request significantly increases affordable housing opportunities for households who have difficulty finding housing including the homeless, large families, the disabled, seniors, and person traditionally served by Single-Room Occupancy housing	<i>The loan increases affordable housing opportunities for residents living with disabilities, who were formerly homeless, and participated in and graduated from, the Continuum of Care program.</i>
Cost-effective or achieve the lowest possible subsidy per unit for City resources	<i>Loan proceeds were used to preserve existing housing through acquisition, rehabilitation, and long-term dedication (55-80 years) as affordable housing and is cost effective compared to providing 55-80 years of rental housing vouchers.</i>
Benefit a high percentage of very low- and low-income households by ensuring deeper affordability	<i>All of the apartments at this property are deed-restricted for very low- and low-income households. Further, all but one of the apartments are targeted to very low-income households.</i>
Located in areas currently underserved by affordable housing developments	<i>The property is located in the Sunset Park neighborhood, which is somewhat underserved by affordable housing developments.</i>

2621, 2622 and 2627 26<sup>th</sup> Street

MERITS FOR LOAN APPLICATION APPROVAL

CRITERIA	MERITS
<p>Address an area of need identified in the Housing Element of the City of Santa Monica</p>	<p><i>The loan furthers several Housing Element goals and objectives:</i></p> <p><i>Goal 2.0: Housing production for all income categories including housing for the community’s workforce</i></p> <p><i>2.f: Facilitate the Development and Maintenance of Special Needs Housing</i></p> <p><i>Goal 3.0: Protect the existing supply of affordable housing.</i></p> <p><i>3.d: Facilitate the Conservation of At-Risk Housing</i></p> <p><i>Goal 4.0 - Rehabilitation and continued maintenance of existing housing stock</i></p> <p><i>Goal 5.0: Provision of housing assistance and supportive services to very low-, low, and moderate-income households and households with special needs</i></p> <p><i>5.f: Facilitate the reduction of the number of homeless individuals living on the streets of Santa Monica through the provision of a range of housing options, with an emphasis on affordable, permanent, supportive housing</i></p>
<p>Addresses a particular need identified in the Council-approved Housing Trust Funds Plan</p>	<p><i>The affordable housing at this property will serve persons living with disabilities, one of the needs identified in the Housing Trust Fund (“HTF”) plan. Indirectly, the affordable housing created on this property will further another goal of the Housing Trust Fund Plan – housing persons experiencing homelessness – as residents in the Continuum of Care program graduate from supportive housing developments and move to this property, thereby making available supportive housing apartments for persons experiencing homelessness.</i></p>

2621, 2622 and 2627 26<sup>th</sup> Street

MERITS FOR LOAN APPLICATION APPROVAL

CRITERIA	MERITS
<p>Loan Applicant's past and projected effectiveness implementing the City-established local preferences (i.e. households which live or work in Santa Monica)</p>	<p><i>Step Up on Second has successfully implemented the applicable local preference policy in its four Santa Monica affordable housing developments. Step Up on 26<sup>th</sup> will implement a City-approved Management Plan which requires that eligible applicants are referred by the Santa Monica Housing Authority, thus ensuring the local preference requirements.</i></p>