

REPORT FROM

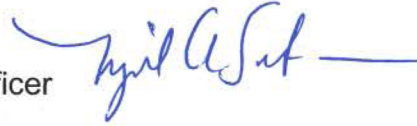
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: July 26, 2016

CAO File No. 0220-00540-1184
Council File No. 02-0443
Council Districts: All

To: The Council
The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Transmittal from the Housing and Community Investment Department (HCID) dated June 8, 2016; received by the City Administrative Officer on June 15, 2016; Additional Information Received on July 12, 2016

Subject: **REQUEST AUTHORITY TO AMEND THE TERMS OF TWO JENESSE CENTER, INC. REGULATORY AGREEMENTS**

RECOMMENDATION

That the Council, subject to the approval of the Mayor, adopt the Recommendation included in the related Housing and Community Investment Department (HCID) report dated June 8, 2016.

SUMMARY

The Housing and Community Investment Department (HCID) requests authority to execute all appropriate documents necessary to reduce the term of the Regulatory Agreements for two domestic violence shelter sites, owned by Jenesse Center, Inc. (Jenesse), from 20 to 15 years. The HCID provided Jenesse with two service payback loans for the acquisition and rehabilitation of two properties. HOME Investment Partnership Program (HOME Program) funds were provided to Jenesse, \$707,400 for Site A and \$766,886 for Site B. These loans have been fully repaid through Jenesse's provision of housing and supportive services for victims of domestic violence. However, federal regulations require that these units meet affordability requirements for a minimum of 10 or 15 years, based on their per unit HOME Program funds.

By reducing the existing Regulatory Agreements for the two Jenesse sites from 20 to 15 years, in accordance with HOME Program requirements, the sites will be free and clear of HCID encumbrances by 2017. This would allow Jenesse greater flexibility in leveraging the equity in Sites A and B to obtain additional funding and restructure its finances so that it can expand its Permanent Supportive Housing and services to house and assist domestic violence victims.

The federal, state, and local funding sources for the operation of the domestic violence shelter sites have various requirements and restrictions that ensure the facilities continue to serve as housing for low-income victims of domestic violence. The specific funding sources for the

Jenesse sites include the U.S. Department of Justice, California Governor's Office of Emergency Services, Los Angeles County Department of Public Social Services, and the Los Angeles Homeless Services Authority.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The recommended action is in compliance with the City's Financial Policies in that the loans associated with the two domestic violence shelter sites have been fully repaid, and the recommended action only reduces the terms in which occupancy, rents, operation, ownership, and management of the domestic violence shelters are regulated.

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