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this matter, please refer to the
Council File No.: [09-2841](#)

OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

June 22, 2018

Council File No.: [09-2841](#)

Council Meeting Date: June 22, 2018

Agenda Item No.: 8

Agenda Description: HOUSING COMMITTEE REPORT and RESOLUTION relative to approval of replacement housing plans for the Skid Row Southeast 1 Apartments Project.

Council Action: HOUSING COMMITTEE REPORT AND RESOLUTION - ADOPTED FORTHWITH

Council Vote:

YES	BOB BLUMENFIELD
YES	MIKE BONIN
ABSENT	JOE BUSCAINO
ABSENT	GILBERT A. CEDILLO
ABSENT	MITCHELL ENGLANDER
YES	MARQUEECE HARRIS-DAWSON
YES	JOSE HUIZAR
YES	PAUL KORETZ
ABSENT	PAUL KREKORIAN
YES	NURY MARTINEZ
YES	MITCH O'FARRELL
YES	CURREN D. PRICE
YES	MONICA RODRIGUEZ
YES	DAVID RYU
YES	HERB WESSON

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HOUSING COMMITTEE REPORT and RESOLUTION relative to approval of replacement housing plans for the Skid Row Southeast 1 Apartments Project.

Recommendations for Council action:

1. ADOPT the accompanying RESOLUTION authorizing the Skid Row Southeast 1 Apartments Housing Replacement Plans for the following:
 - a. The Olympia (48 units) located at 1201 East 7th Street.
 - b. The Las Americas (60 units) located at 1205 East 6th Street.
2. AUTHORIZE, the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to execute any relevant documents required to effectuate this transaction, and any amendments, consistent with the Mayor and Council actions on this matter, subject to the approval of the City Attorney as to form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. The Skid Row Southeast 1 Apartments Project received approval for recapitalization of pre-existing City financing on November 24, 2015, bond financing in 2015 and four percent tax credits through the California Tax Credit Allocation Committee in 2015. The recommendation contained in the June 12, 2018 CAO report is in compliance with the City's Financial Policies in that there is no additional cost to the City.

Community Impact Statement: None submitted.

Summary:

On June 13, 2018, your Committee considered May 21, 2018 HCIDLA and June 12, 2018 CAO reports relative to approval of replacement housing plans for the Skid Row Southeast 1 Apartments Project. According to the CAO, the HCIDLA is requesting that Council adopt the Resolution authorizing the Skid Row Southeast 1 Apartments Housing Replacement Plans attached to the May 21, 2018 HCIDLA report. California Health and Safety Code Section 33413.5 requires an agency to adopt by resolution a replacement housing plan when units that are financed with Community Redevelopment Agency of the City of Los Angeles (CRA/LA) funds are removed from the housing market. The Skid Row Southeast 1 Apartments consists of two scattered sites, one at the Las Americas Apartments (1205 E. 6th Street) and the other at the Olympia Apartments (1201 E. 7th Street).

The Las Americas Apartments restricted units will be reduced from 60 to 59 units, and will be replaced by two units at the Six Apartments on 811 S. Carondolet Street. The Olympia Apartments restricted units will be reduced from 48 to 45 units and replaced by three units at the Rossmore Apartments at 905 East 6th Street. It should be noted that the reference to the replacement units is reversed in the May 21, 2018 HCIDLA Report, but correct in the Replacement Plans attached to their Report. The CAO concurs with the recommendations of the HCIDLA.

California Health and Safety Code Section 33413.5 states that the replacement plan should be adopted by resolution not less than 30 days prior to the execution of an agreement for acquisition of real property, disposition and development of property, or owner participation agreement which would lead to the destruction or removal of dwelling units from the low-and moderate-income housing market. Because the rehabilitation of the Skid Row Southeast 1 Apartments is complete, the replacement plan is overdue. The HCIDLA reports that there were delays from the developer in confirming the reduction of restricted units and identifying replacement units. The HCIDLA also confirmed that the replacement units are already built. The deadline for converting the project to permanent financing is August 1, 2018.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the June 12, 2018 CAO report and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
KREKORIAN:	YES
HARRIS-DAWSON:	YES
ARL	

6/13/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES TO ADOPT THE REPLACEMENT HOUSING PLAN FOR SKID ROW SOUTHEAST 1, LOCATED AT 1201 E. 7TH STREET (SITE 1 of 2: THE OLYMPIA, 48 UNITS); and, 1205 E. 6TH Street (SITE 2 of 2: THE LAS AMERICAS, 60 UNITS), located in LOS ANGELES, CALIFORNIA.

WHEREAS, pursuant to the provisions of California Community Redevelopment Law (Health and Safety Code Section 33413.5), the City of Los Angeles, a municipal corporation (City), acting by and through the Los Angeles Housing and Community Investment Department (HCIDLA) as successor agency to the housing assets and housing functions of the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) under Section 34176(a) of the California Health and Safety Code pursuant to the agreement regarding CRA/LA Affordable Housing Assets and Functions with the effective date of April 5, 2013, has prepared Replacement Housing Plans (Skid Row Southeast 1 Replacement Housing Plans) copies of which are attached hereto as **Exhibit A**, for demolition and loss of the existing 4-affordable units located within Council District 14, Los Angeles Project Area; and

WHEREAS, Skid Row Southeast 1 (SRSE1) owns and operates The Olympia and The Las Americas Apartments and has obtained a Recapitalization of Affordable Housing Development with pre-existing financing from HCIDLA commitment in November 24, 2015 (C.F. 15-0132-S2). The California Debt Limit Allocation Committee (CDLAC) awarded the original bond allocation for \$10,200,000 on May 20, 2015 and a supplemental bond allocation of \$1,413,082 on September 16, 2015. The Project applied for a 4% tax credits from the California Tax Credit Allocation Committee (CTCAC) and was awarded in June 10, 2015; and,

WHEREAS, the demolition of the two (2) units at the Olympia building will create additional on-site community space for the provision of supportive services to better serve special needs residents, residents with a history of homelessness, and any other resident that so wishes to utilize supportive services. Additionally, the manager's unit will be converted to an unrestricted unit, whereas it was previously restricted; and, the restricted unit count at The Las Americas will be reduced from sixty (60) restricted units to fifty-nine (59) restricted units. The reduction will occur as the manager's unit will be unrestricted. It will still be used as a manager's unit; and

WHEREAS, the Skid Row Southeast 1 Replacement Housing Plans are consistent with the Central Industrial Project Area Redevelopment Plan; and,

NOW, THEREFORE, BE IT RESOLVED that by the adoption of this Resolution, the Council of the City of Los Angeles hereby finds the proposed Skid Row Southeast 1 Replacement Housing Plans to be in conformity with the provisions of the California Community Redevelopment Law and the Central Industrial Project Area Redevelopment Plan, and hereby approves and adopts the Skid Row Southeast 1 Replacement Housing Plans attached as Exhibit A.

This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED BY THE CITY COUNCIL of the City of Los Angeles this
_____ day of _____, 2018 at Los Angeles, California.

I hereby certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting held _____, 2018.

By: _____

City Clerk

(SEAL)