

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your **HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT** Committee

reports as follows:

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to results of the third round of the 2010 Affordable Housing Trust Fund (AHTF) Notice of Funding Availability (NOFA) – General and funded with Energy Efficiency and Conservation Block Grant Funds (EECBG) and related actions.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Los Angeles Housing Department (LAHD) General Manager, or designee, to:
 - a. Issue Letters of Commitment and execute permanent loan agreements with the top-ranked EECBG Program applicants, for loan amounts not to exceed the amounts identified in Attachment B of the City Administrative Officer (CAO) report dated January 19, 2011, inclusive of all soft costs and construction contingencies related to the retrofit construction work program.
 - b. Issue Round Three NOFA Letters of Commitment totaling \$16.3 million for the projects identified in Attachment C of the CAO report and summarized in the attachment to the LAHD report dated December 30, 2010, subject to the condition that the project sponsors apply to the proposed leveraging source in the next available funding round and receive the full amount requested therein, if applicable, and upon the completion of the environmental review process in accordance with National Environmental Policy Act regulations.
 - c. Negotiate and execute an acquisition/predevelopment/construction/permanent loan agreement for each project identified in Attachment C of the CAO report that receives a funding award from their respective leveraging source (if applicable), subject to the satisfaction of all conditions and criteria stated in the Round Three NOFA application, the LAHD report dated December 30, 2010 and LAHD's Letters of Commitment, subject to approval by the City Attorney as to form and legality.
 - d. Execute subordination agreements wherein the City loan and regulatory agreements on all projects recommended are subordinated to their respective conventional construction and permanent loans, subject to approval by the City Attorney as to form and legality.
 - e. Execute agreements allowing the transfer to and/or execution of the City loans by a limited partnership, to enable admittance of tax credit investors, subject to approval by the City Attorney as to form and legality.
 - f. Extend the application period for the City-owned properties Request for Proposals, until a sufficient number of proposals is received and report back to the Council and Mayor for approval to proceed with the disposition process.

- g. Prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and Council actions on this item, subject to the approval of the CAO and authorize the Controller to implement the instructions.
2. INSTRUCT the LAHD General Manager, or designee, to report back to the Mayor and Council with options to expend the remaining EECBG Program funds totaling \$707,373.
 3. AUTHORIZE the Controller to:
 - a. Allocate and expend \$3,932,348 for the selected EECBG projects within Fund No. 52P/43 American Recovery and Reinvestment Act (ARRA) - EECBG, Account No. G818, EECBG/Multifamily Housing Retrofit.
 - b. Allocate and expend funds from the following funds and accounts for the 2010 Round Three projects:

<u>Project</u>	<u>Fund No.</u>	<u>Fund Name</u>	<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
Broadway Villas	52J	NSP	F818	NSP/ARRA Program Operations	4,045,000
Figueroa Senior Housing	52J	NSP	F818	NSP/ARRA Program Operations	4,450,000
Lincoln Place	561	HOME	G212	AHTF	3,838,125
One Santa Fe	561	HOME	G212	AHTF	4,000,000

- c. Use uncommitted funds from prior years' accounts within Fund No. 561, HOME, first, before current year funds and accounts, as needed, to close out old accounts for projects related to the Affordable Housing Trust Fund.
- d. Adjust the authority obligated amount by \$1,329,578 and \$1,188,486.27 for a total of \$2,518,064.27 for 36th Street and Broadway Apartments Project, Contract No. 116166.

Fiscal Impact Statement: The CAO reports that approval of the recommendations authorize the LAHD to issue award letters totaling \$20.2 million to projects selected through the 2010 Affordable Housing Trust Fund Notice of Funding Availability- Round Three (Round Three NOFA) as part of the general Round Three NOFA process derived from previously approved HOME Investment Partnership funds (\$7.8 million) and Neighborhood Stabilization Program Two funds (\$8.5 million) and additional \$3.9 million in EECBG funds issued through the separate EECBG Multifamily Retrofit Program selection process. The recommendations comply with City Financial Policies because dedicated funding sources will fully fund the commitments to projects selected under the Round Three NOFA.

Community Impact Statement: None submitted.

SUMMARY

At a regular meeting held on January 19, 2011, the Housing, Community and Economic Development Committee considered results of the third round of the AHTF NOFA – General

and funded with EECBG and related actions. After an opportunity for public comment was held, the Committee recommended Council approve the recommendations contained in the City Administrative Officer report. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
WESSON:	YES
REYES:	YES
ALARCON:	NO
CARDENAS:	YES
PERRY:	ABSENT

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