

HOUSING COMMITTEE REPORT relative to the conveyance of surplus City property to Habitat for Humanity of Greater Los Angeles (Habitat LA) for the development of affordable single family homes.

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

1. AUTHORIZE the Los Angeles Housing and Community Investment Department (HCIDLA) to convey, at fair market value, surplus City property located at 600 East L Street, which is estimated to be \$1,064,000, to Habitat LA.
2. DETERMINE that the property located at 600 East L Street is best suited for the development of single-family homeownership units, affordable to both low- and moderate-income first-time homebuyers earning up to 120 percent of Area Median Income (AMI).
3. AUTHORIZE the General Manager, HCIDLA, or designee, that upon completion of the development, to re-convey the City loan to Habitat LA by transferring the loan obligation to the nine first-time low- and moderate-income homebuyers earning up to 120 percent of the AMI, as soft second loans.

Fiscal Impact Statement: The HCIDLA reports that this action will not impact the General Fund.

Community Impact Statement: None submitted.

#### SUMMARY

In a report to the Mayor dated August 8, 2017, HCIDLA requests authority to convey surplus City property to Habitat for Humanity of Greater Los Angeles for the development of affordable single family homes. HCIDLA reports that Habitat LA will develop the property into nine single-family homes, affordable to first-time low- and moderate-income homebuyers, earning up to 120% of AMI. Upon construction completion, and at the time of sale of each home, the Habitat LA loan will be divided amongst the eligible low- and moderate-income homebuyers and converted into soft second loans in substantial conformance with HCIDLA's existing Low- and Moderate-Income Purchase Assistance Programs. At the conclusion of the sale of each home, and annually thereafter, HCIDLA will service the homebuyer loans and manage the loan repayment proceeds. No additional cash assistance will be provided to Habitat LA for the project.

At its meeting held August 23, 2017, the Housing Committee recommended that Council authorize HCIDLA to convey the surplus property described above to Habitat LA for the development and sale of single-family homeownership units.

Respectfully Submitted,

HOUSING COMMITTEE



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

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**