HOUSING COMMITTEE REPORT relative to community survey of affordable housing issues within the University of Southern California (USC) Nexus Study Area.

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

1. AUTHORIZE the General Manager, Los Angeles Housing and Community Development Department (HCIDLA), or designee, to:

   a. Make $2 million, of the $10 million the City of Los Angeles received as part of a Development Agreement with the USC, available for soft loans to qualified applicants of HCIDLA's Pilot Naturally Occurring Affordable Housing (NOAH) Loan Program, approved by the Council on April 24, 2018 (Council file No. 17-1258), for the acquisition and rehabilitation of multifamily housing properties at risk of gentrification in the USC Nexus Study Area.

   b. Amend the Memorandum of Understanding (MOU) with the California Housing Finance Agency (CalHFA) to reflect the addition of the $2 million for the Pilot NOAH Loan Program soft loans, with CalHFA's matching of the funds, after it has been executed pursuant to Council file No. 17-1258 with said MOU to establish protocols of cooperation, terms, conditions and oversight of the Pilot NOAH Loan Program, subject to review and approval by the City Attorney as to form.

   c. Utilize an existing vacant position authority to administer the USC Housing Fund and Programs.

   d. Allocate funding in the below specified amounts for the following USC Affordable Housing Fund Programs:

Program	Amount
USC Neighborhood Preservation Fund	$5,951,025
USC Area Accessory Dwelling Unit (ADU) Demonstration Project that will provide funding for the development of new ADUs and/or ensure unpermitted ADUs in the USC neighborhood are brought up to current codes	0
Bethune Library Project	669,127
52nd and Figueroa Project	1,000,000
Creation of a USC neighborhood dashboard for the purpose of tracking and analyzing local housing conditions	75,000
Community Education in Homeownership	50,000
	Total: $7,745,152

   e. Prepare Controller instructions and any necessary technical corrections consistent with the Mayor and Council action on this matter, subject to the approval of the City Administrative Officer (CAO); and, authorize the Controller to implement the instructions.

2. AUTHORIZE the Controller to:

   a. Transfer appropriation within the Affordable Housing Trust Fund No. 44G as follows:

Account Title	Amount
From:	
43L200 USC Specific Plan	$16,056
To:	
43P143 Housing and Community Investment	10,764
43P299 Reimbursements to the General Fund	5,292
Total:	$16,056

   b. Increase appropriations in the amount of $10,764 within the HCIDLA Fund No. 100/43 as follows:

Account	Title	Amount
1010	Salaries General	$9,360
6030	Leasing	1,404
	Total:	$10,764

3. AUTHORIZE the City Clerk to place on the agenda on the first regular Council meeting on **July 1, 2018**, or shortly thereafter, the following instructions:

   a. Authorize the Controller, subject to the approval of the Mayor, to:

      i. Transfer appropriation within the Affordable Housing Trust Fund No. 44G as follows:

Account Title	Amount
From:	
43L200 USC Specific Plan	$199,792
To:	
43TBD Housing and Community Investment	129,691
43TBD Reimbursements to the General Fund	70,101
Total:	$199,792

      ii. Increase appropriations in the amount of $129,691 within HCIDLA Fund No. 100/43 as follows:

Account	Title	Amount
1010	Salaries General	$112,775
6030	Leasing	16,916
	Total:	$129,691

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund. The recommendations contained in the May 17, 2018 CAO report are in compliance with the City's Financial Policies in that they are fully funded by the Affordable Housing Trust Fund.

Community Impact Statement: None submitted.

Summary:

On May 23, 2018, your Committee considered January 17, 2018 HCIDLA and May 17, 2018 CAO reports relative to the community survey of affordable housing issues within the USC Nexus Study Area. According to the CAO, the HCID requests authority to utilize $2 million in funding from the City to provide mission-driven organizations funding to acquire and preserve existing multifamily units in the USC Nexus Study Area. The $2 million will augment the $4 million in recently approved funding for the Pilot NOAH Loan Program (Council File No. 17-1258). The HCID is also requesting authority to amend an MOU with CalHFA for the NOAH Loan Program to include the $2 million in funding for the USC Nexus Study Area. Additionally, the HCID is requesting authority to allocate the remaining funds available from the $10 million initially provided to the City as part of a Development Agreement with USC to four programs:
   a. USC Neighborhood Preservation Fund ($7 million)

   b. USC Area Accessory Dwelling Unit Demonstration Project ($620,152)

   c. USC Neighborhood Dashboard ($75,000)

   d. Community Education in Homeownership ($50,000) (Programs).
Additional information on these programs is included in the January 17, 2018 HCID report. Finally, the HCID is requesting resolution authority for one Senior Management Analyst I position to administer the USC Housing Fund and Programs, also to be funded by the $10 million from USC, currently in the Affordable Housing Trust Fund. However, the CAO is recommending that the HCID utilize an existing vacant position authority to administer the program. The Controller instructions in this report reflect funding from the Affordable Housing Trust Fund for an existing position authority to administer the program in 2017-18 and 2018-19.
After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the May 17, 2018 CAO report, as amended, and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

MEMBER   **VOTE**
CEDILLO: YES
KREKORIAN: ABSENT
HARRIS-DAWSON: YES

ARL
5/23/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-