

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

---

Date: October 2, 2018

CAO File No. 0220-00540-1302  
Council File No. 13-0303-S10  
Council District: Citywide

To: The Mayor  
The Council

From: Richard H. Llewellyn, Jr., City Administrative Officer 

Reference: Housing and Community Investment Department Transmittal dated September 18, 2018; Received September 20, 2018; Additional Information Received through October 2, 2018

Subject: **REQUEST FOR AUTHORITY TO APPROVE 13 NEW PROJECTS INTO THE AFFORDABLE HOUSING MANAGED PIPELINE AS A RESULT OF THE 2018 CALL FOR PROJECTS AND OTHER APPLICABLE AGREEMENTS; AND, VARIOUS ACTIONS RELATED TO THE MANAGED PIPELINE**

---

### RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Adopt Recommendations I through IV included in the Housing and Community Investment Department (HCID) report dated September 18, 2018 (Report) (C.F.13-0303-S10), related to accepting 13 new projects in the Affordable Housing Managed Pipeline (AHMP) and various actions related to affordable housing developments already admitted into the AHMP; and,
2. Authorize the General Manager of HCID, or designee to negotiate and execute an Amended and Restated loan agreement with the Hollywood Community Housing Corporation relative to the development of Florence Mills, and to extend the term of the loan agreement from the current expiration date of March 8, 2019 to 55 years from the execution of the Amended and Restated Promissory Note to the City of Los Angeles, subject to the review and approval by the City Attorney as to form.

### SUMMARY

The Housing and Community Investment Department (HCID) requests authority to admit 13 new projects as a result of the 2018 Call for Projects into the Affordable Housing Managed Pipeline (AHMP). The projects recommended for admittance into the AHMP are in Table 1 of HCID's Report. The Department also requests to amend documents related to the Buckingham Place Senior Housing development (Phase 1) and Metro of Buckingham (Phase 2) projects currently in the AHMP. The amendments to existing documents would: 1) terminate an existing covenant between the former Community Redevelopment Agency of Los Angeles (CRA/LA) and the former developer Buckingham Place Senior Housing L.P; 2) approve utility easements; and, 3) approve consent and access to Kaiser Permanente Crenshaw Medical Office to construct a fence. The HCID reported that while the Department will not replace the former CRA/LA covenant restricting 180 units with another City covenant that will restrict units, the Metro of Buckingham project has an approved allocation from the

California Tax Credit Allocation Committee, which will result in a regulatory agreement restricting units for 55 years.

Subsequent to the release of their Report, the HCID requested to include an additional recommendation related to the Florence Mills project (Project) located in Council District Nine. The Project received a predevelopment and acquisition loan from the former CRA/LA to assist with developing the site and has an expiration date of March 8, 2019. The HCID reported that the Project is ready to begin construction, but should convert the CRA/LA loan from a predevelopment loan to a permanent loan and extended to 55 years. This Office concurs with the recommendations of the Department, as amended.

### Projects for AHMP

There are currently 15 projects in the AHMP. A brief history of the AHMP and projects is included in HCID's Report. The HCID proposes to issue Admittance letters to 13 new projects. The projects will result in the addition of 1,006 new housing units, of which 288 units will be for supportive housing, 92 will be market-rate, and 15 will be manager's units. The balance of the units will be for low-income, larger families, seniors, non-homeless individuals, and disabled individuals. The HCID will return to Council at a later time to request authority to issue financial commitments for the 13 new projects.

### **FISCAL IMPACT STATEMENT**

There is no impact to the General Fund. The HCID will return to Council at a later time to request authority to issue financial commitments for the 13 new projects admitted into the Affordable Housing Managed Pipeline. The recommendations in this report are in compliance with the City's Financial Policies in that there is no additional cost to the City.

*RHL:EIC:02190037C*