



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Housing Development Bureau
1200 West 7th Street, Los Angeles, CA 90017
tel 213.808.8638 | fax 213.808.8610
hcidla.lacounty.org

February 23, 2015

Council File: **NEW**
Council Districts: Citywide
Contact Persons: George Guillen (213) 808-8622
Manuel Bernal (213) 808-8901
Helmi Hisserich (213) 808-8662

The Honorable Eric Garcetti
Mayor, City of Los Angeles
200 North Spring Street, Room 303
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

COUNCIL TRANSMITTAL: LOS ANGELES HOUSING AND COMMUNITY INVESTMENT DEPARTMENT (HCIDLA) REQUEST FOR AUTHORITY TO ISSUE REQUESTS FOR PROPOSALS FOR THREE CITY OWNED PARCELS FOR THE REHABILITATION AND DEVELOPMENT OF AFFORDABLE HOUSING

SUMMARY

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) requests authority from the Mayor and City Council to issue Requests for Proposals (RFP's) for three City owned parcels commonly referred to as Casa De Rosas (2600 S. Hoover St.), Hyde Park Library (6527 S. Crenshaw Blvd.) and Rosa Parks Phase II (2444-2450 S. Crenshaw Blvd.).

Through the release of the RFP's, HCIDLA seeks to select qualified and experienced developers to further the City's housing goals of providing low-income housing consistent with the City's five-year, Transit Oriented Development, Consolidated Plan, including but not limited to providing Permanent Supportive Housing and housing for veterans and the homeless.

RECOMMENDATIONS

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) respectfully recommends that:

- I. Your office schedule this transmittal at the next available meeting(s) of the appropriate City Council committee(s) and forward it to the City Council for review and approval immediately thereafter.

II. The City Council, subject to the approval of the Mayor, take the following actions:

- A. Authorize the General Manager, HCIDLA, or designee, to issue RFP's for the following properties, through HCIDLA's 2015 Affordable Housing Trust Fund, Call for Projects: Casa De Rosas, Hyde Park Library and Rosa Parks Phase II.
- B. Direct the General Manager, HCIDLA, or designee, to evaluate and score the responses to the RFP's and report back to the Mayor and City Council with recommended selected applicants/developers.

BACKGROUND

Requests for Proposals

In April 2013, the General Manager of HCIDLA signed and fully executed the Transfer Agreement and accepted the assets of the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) (C.F. 12-0049). Among the assets received are 31 potential development sites. Due to the fact that making all properties available for development simultaneously would result in financial and administrative hardship, HCIDLA recommends that a methodical and calculated approach be implemented into releasing properties for development. Therefore, HCIDLA recommends that the following three properties be made available through an RFP process managed in conjunction with the 2015 Affordable Housing Trust Fund Call for Projects.

The three properties are the first set of the 31 properties to be made available for development or sale purposes. One of the properties has been prioritized for release as a result of defaulted loans, which may result in foreclosure unless a development plan is established. The two other properties are also recommended for release because they have been identified as strong applicants for funding from the California Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program and the Veterans Housing and Homeless Prevention Bond Act of 2014.

One of the properties, Casa De Rosas, is suitable for redevelopment as Permanent Supportive Housing or housing for veterans, the homeless and/or victims of domestic violence. The other two properties, Hyde Park Library and Rosa Parks Phase II are located along the Crenshaw Blvd. transit corridor and their redevelopment is consistent with the City's policy objective of providing affordable housing in Transit Oriented Districts.

HCIDLA will report back to the City Council and Mayor on a disposition strategy for the remaining 28 properties.

Casa De Rosas. Located in Council District 9, at 2600 South Hoover Street (on the corner of Adams Blvd. and Hoover St.) in the West Adams District of Los Angeles, the property consists of three historical buildings designed in both Spanish and Mission Revival styles by Sumner P. Hunt and contains approximately 40,000 square feet (.91 acres) of land. Constructed in 1895, the property is listed on the National Registry of Historic Places, California Register of Historic Resources and is a City of Los Angeles Historic Cultural Monument.

The property is currently vacant and is vulnerable to squatting and vandalism. It has a \$1.4 million loan from the State of California, Housing and Community Development Department (HCD) which is

currently in default. For these reasons, immediate action towards release of the RFP's and future redevelopment is necessary in order to prevent foreclosure by HCD. The former CRA/LA acquired the Casa De Rosas property through foreclosure in 2009 from Casa de Rosas, Inc., a community non-profit. Prior to the transfer of the assets to HCIDLA, CRA/LA was in the process of redeveloping Casa De Rosas as Permanent Supportive Housing for 41 very-low income/homeless households. The Casa De Rosas property is currently zoned [Q] R4-1-0 and is located ½ mile from the Vermont-Adams Bus Rapid Transit Station.

Hyde Park Library. Located at 6527 S. Crenshaw Blvd. (South of the Santa Monica Freeway, near Hyde Park Blvd.) in the Hyde Park District of Los Angeles, the property consists of one building totaling approximately 4,300 square feet. The site is known as the Hyde Park Library, but was vacated by the City Library Department since the opening of the new Hyde Park Library at the corner of Florence and Van Ness Avenues. The land area is approximately 10,750 square feet and is zoned ([Q] C2-1). The site is located within ½ mile radius of the Florence/Crenshaw Bus Rapid Station. The property is located in Council District 8 and is currently occupied and rented by Restore Neighborhoods Los Angeles (RNLA).

A portion of the development's financing is in place. The HCIDLA inherited a Crenshaw Corridor Transportation Grant for the project that the CRA/LA received from the State of California. Those funds need to be spent before June, 2017. For these reasons and those discussed above, immediate action towards future redevelopment is necessary. The Hyde Park library is also recommended for release through the RFP process because it has been identified as a strong candidate for funding from the recently announced California Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program and Veterans Housing and Homeless Prevention Bond Act of 2014.

Rosa Parks Phase II. Located at 2444-2450 South Crenshaw Blvd. (South of the Santa Monica Freeway, near Adams Blvd.) in the Crenshaw Corridor of Los Angeles, the property consists of vacant land totaling approximately 16,378 square feet. The property is located in Council District 10, currently zoned [Q] C2-1 and is located within a ½ mile radius from the Crenshaw/Washington Blvd., Bus Rapid Transit station. The land is vacant and vulnerable to squatting and vandalism.

A portion of the development's financing is in place. The HCIDLA inherited a Crenshaw Corridor Transportation Grant for the project that the CRA/LA received from the State of California. Those funds need to be spent before June, 2017. The development is also a good candidate for State of California Proposition IC funding.

The Rosa Parks Phase II project is also recommended for release through the RFP process at this time because it has been identified as a good candidate for funding from the recently announced California Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program and Veterans Housing and Homeless Prevention Bond Act of 2014.

For these reasons and those discussed above, immediate action towards future redevelopment is necessary.

RFP Evaluation Criteria

HCIDLA has a long history of developing properties through the RFP process and utilizes an extensive scoring matrix in the evaluation process. A summary of the RFP evaluation criteria includes the following items:

Completeness of Applications

- Qualifications, experience and Track Record with acquisition, development and rehabilitation of rental housing.
- Financial Capacity including financial reserves and net operating income and debt to equity ratio.
- Organizational Structure and Project Management.
- Development Concept and Project Design.
- Ability to complete projects on time and on budget.

Timeline

The filing deadline for applications under the 2015 Call for Projects, including the three RFP's shall be approximately 30 days from the date of City Council and Mayor's approval of the opening of HCIDLA's Call For Projects with an extension of up to 30 days, if necessary. HCIDLA will evaluate and score the responses of the RFP's and report back to the Mayor and City Council with recommended selected applicants/developers. Successful applications will be added to the AHTF Pipeline for year 2016.

A proposed timeline is provided below:

- Call For Projects and RFP Properties Announced—March 10, 2015
- Bidders' Conference—March 17, 2015
- Applications Due—April 21, 2015
- HCIDLA Report Back to Council—May 8, 2015

FISCAL IMPACT

The proposed actions regarding the issuance of the RFP's will not have a fiscal impact on the General Fund.

Prepared by:



LEIZL SOLIMAN
Management Assistant



MAGDALINA ZAKARYAN
Manager
Program Management & Development Section



GEORGE GUILLEN
Manager
Multifamily Finance & Development Unit

Reviewed by:



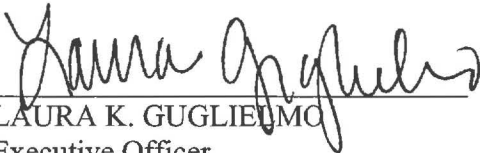
MANUEL BERNAL
Director of Finance and Development

Reviewed by:



HELMI HISSERICH
Assistant General Manager

Reviewed by:



LAURA K. GUGLIELMO
Executive Officer

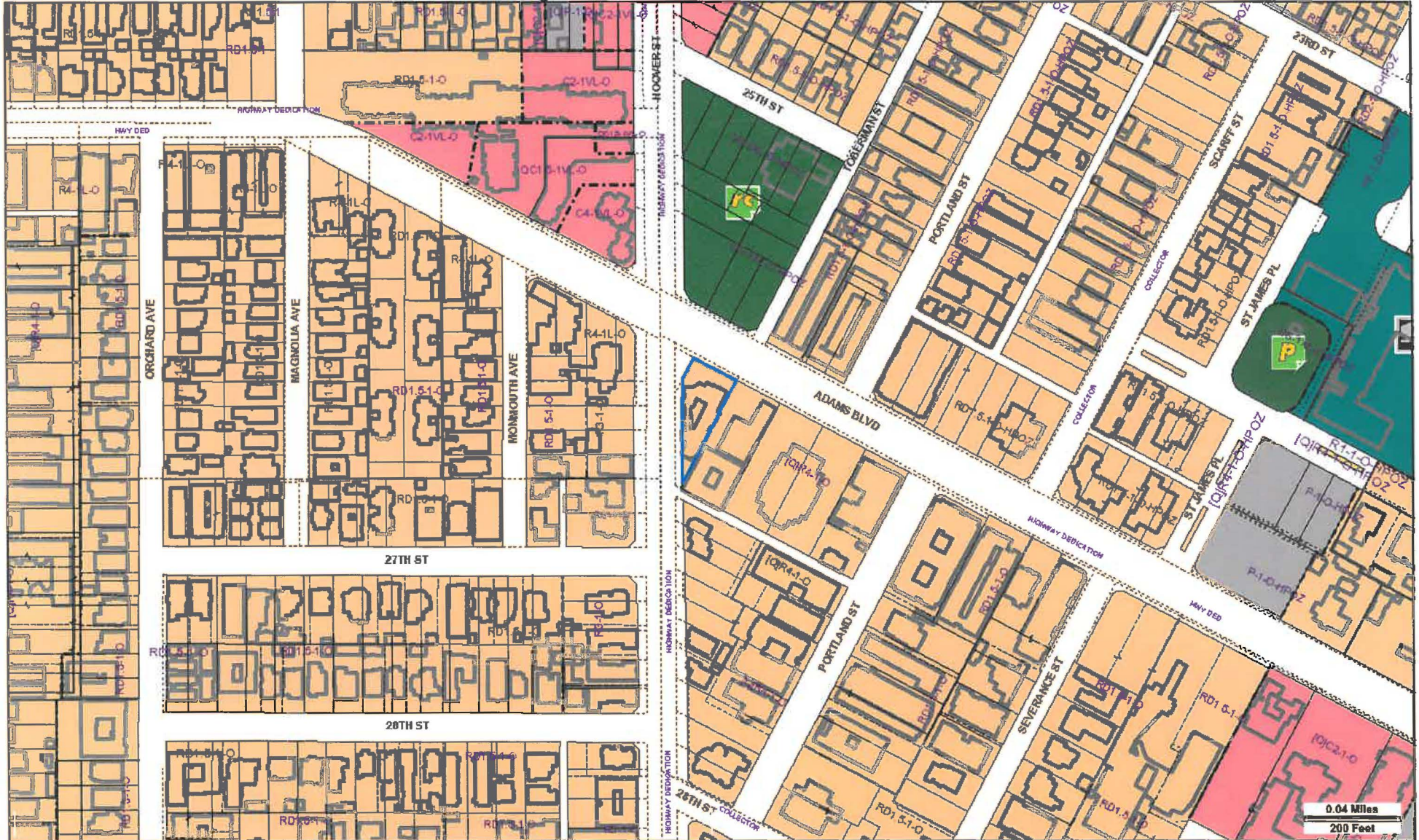
Approved by:



RUSHMORE D. CERVANTES
General Manager

Attachments:

Site Maps

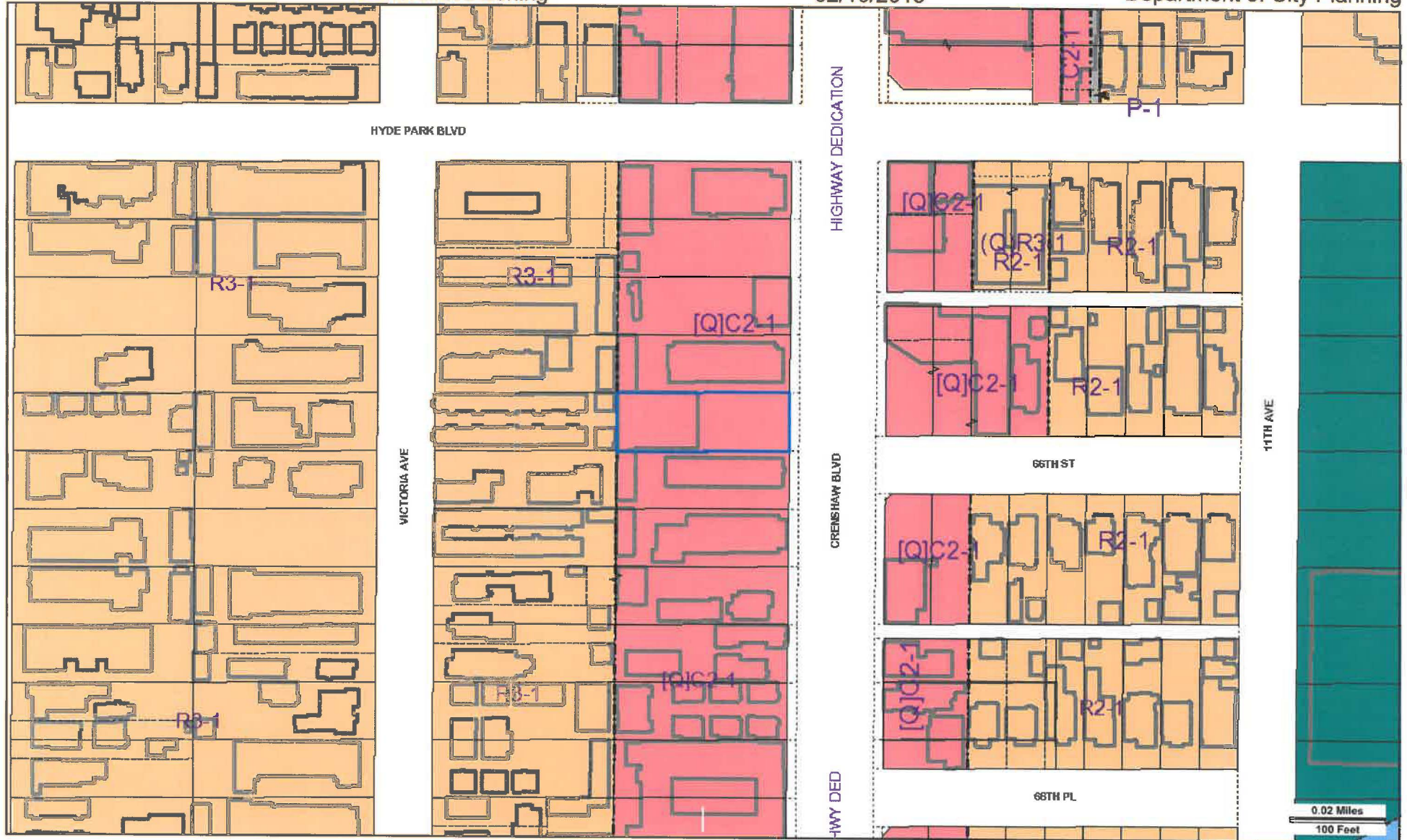


Address: 2600 S HOOVER ST
APN: 5123001900
PIN #: 123A201 122

Tract: HANCOCKS SURVEY
Block: 22
Lot: FR 3
Arb: None

Zoning: [Q]R4-1-O
General Plan: Low Medium II Residential





Address: 6527 S CRENSHAW BLVD

Tract: SUPLIMENTAL MAP OF THE
HYDE PARK TRACT

Zoning: [Q]C2-1

APN: 4006018901

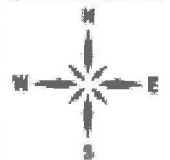
Block: None

General Plan: General Commercial

PIN #: 105B185 1333

Lot: FR 418

Arb: None





Address: 2444 S CRENSHAW BLVD

Tract: AMENDED MAP OF HARRY JACKINS ARLINGTON HEIGHTS TRACT NO 2

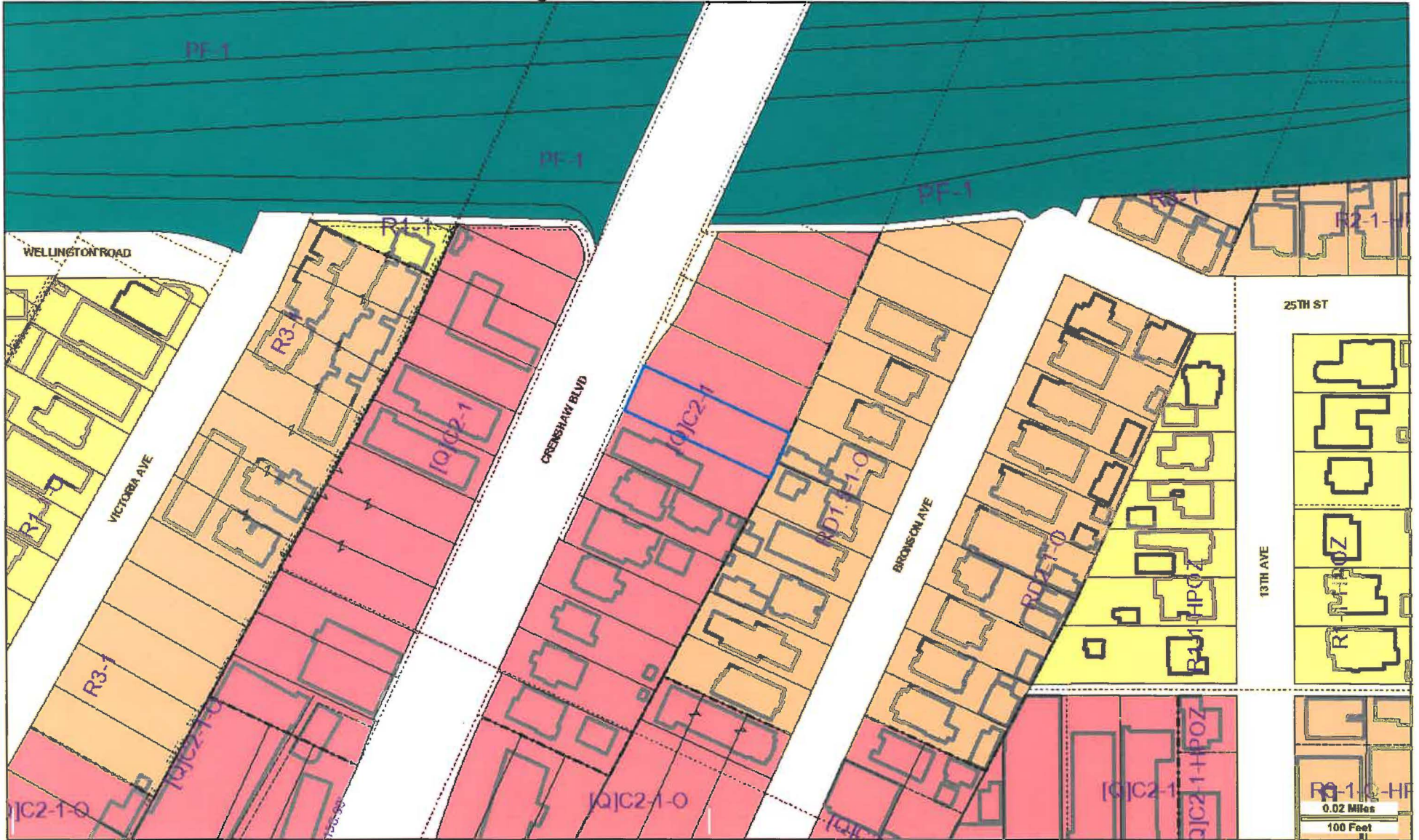
Zoning: [Q]C2-1

APN: 5059004901
PIN #: 123B185 450

Block: None
Lot: FR 68
Arb: None

General Plan: General Commercial





Address: 2450 S CRENSHAW BLVD

Tract: AMENDED MAP OF HARRY JACKINS ARLINGTON HEIGHTS TRACT NO 2

Zoning: [Q]C2-1

APN: 5059004900
PIN #: 123B185 473

Block: None
Lot: FR 67
Arb: None

General Plan: General Commercial

