

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 14, 2018

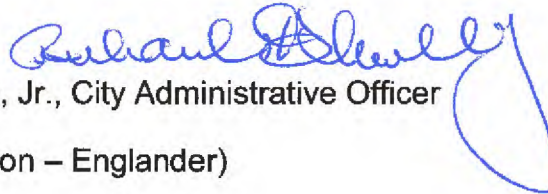
CAO File No. 0220-05469-0004

Council File No. 17-0090

Council District: All

To: The City Council

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



Reference: Motion (Harris-Dawson – Englander)

Subject: **PROPOSITION HHH ADMINISTRATIVE OVERSIGHT COMMITTEE COMMUNICATION RELATIVE TO MOTION (HARRIS-DAWSON – ENGLANDER) REQUESTING RECOMMENDATIONS REGARDING CHANGES TO THE PERMANENT SUPPORTIVE HOUSING PROCESS AND FUNDING STRUCTURE TO ENABLE A MORE EXPANDED DELIVERY OF HOMELESS HOUSING**

RECOMMENDATIONS

The Proposition HHH Administrative Oversight Committee recommends that the City Council note and file this report inasmuch as no action is requested at this time.

SUMMARY

At its June 12, 2018 meeting, the Proposition HHH (Prop HHH) Administrative Oversight Committee (AOC) considered the Prop HHH Citizens Oversight Committee (COC)'s recommendations on a Motion (Harris-Dawson – Englander) requesting the COC to provide comprehensive recommendations regarding changes to the Permanent Supportive Housing Process and funding structure to expedite the delivery of homeless housing (C.F. 17-0090-S4).

In response to Motion, the COC will hold meetings between August 2018 and January 2019 on specific topics to prepare recommendations for innovative approaches with the objective of reducing the cost per unit and increasing production of permanent supportive housing units. Findings from this effort would be incorporated in a supplemental Call for Projects as part of the Housing and Community Investment's Department's (HCID) third funding round.

The AOC requests that the COC transmit any recommendations for a supplemental funding round by November 2018; as the third round is scheduled for February 2019. Any other recommendations may be incorporated in HCID's FY 2019-20 Call for Projects guidelines.

The COC plans to discuss the topics to develop recommendations and respond to the Motion:

August 2018: Procurement and Strategies to Expand the Pool of Development Partners

September 2018: Options for Innovative Financing Models

- November 2018: Planning and Land Use, Including Options to Shorten the Planning Process
- December 2018: Recess
- January 2019: Options to Expand the Pool of General Contractors Available to Proposition HHH Developers.

HOMELESSNESS AND POVERTY

MOTION

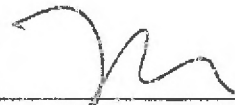
The City is facing a homelessness crisis. In November 2016, the voters overwhelmingly supported Proposition HHH to develop supportive housing and facilities to address homelessness. Since that time, the City Council has continued to allocate considerable resources to tackle this crisis. Proposition HHH provides the City a unique opportunity to improve the model that supports the development of permanent supportive housing and to maximize local resources to expand the production of housing, using innovative approaches and leveraging the bonds with Low Income Housing Tax Credits, philanthropic dollars, state, county resources and private investment.

The City has long-established administrative procedures for the development of permanent supportive housing and affordable housing. HCID proposes periodic revisions to the annual program regulations for Proposition HHH funding and in December 2017, Council instructed HCID, with assistance from other departments, to improve the program regulations to promote expediency and innovation (C.F. 17-0090-S2). These processes should be improved to respond to the housing crisis the City is confronting today. At minimum, these processes should emphasize innovation, expediency, and maximum production.

Pursuant to Ordinance No. 184671 that governs how Proposition HHH funds will be managed, the Proposition HHH Citizens Oversight Committee (CoC) was formed to "advise and make recommendations to the Proposition HHH Administrative Oversight Committee (AoC) on items relative to the Proposition HHH program, including its policies and programs." These committees have overseen the development of the Proposition HHH Permanent Supportive Housing Loan Program (PSHLP). As the Housing and Community Investment Department (HCID) formulates its recommendations, the CoC should also be solicited for recommendations relative to improving the Proposition HHH PSHLP and the City's affordable housing development processes.

I THEREFORE MOVE that Council request the Proposition HHH Citizens Oversight Committee (CoC), with the assistance of the Chief Legislative Analyst, City Administrative Officer and the Housing and Community Investment Department to make comprehensive recommendations to the Homelessness and Poverty Committee regarding changes to the permanent supportive housing process and funding structure to enable a more expedited delivery of homeless housing.

PRESENTED BY:



MARQUEECE HARRIS-DAWSON
Councilmember, 8th District

SECONDED BY:



MITCHELL ENGLANDER
Councilmember, 12th District

APR 11 2018



ORIGINAL

