

COMMUNICATION FROM CHAIR, HOUSING COMMITTEE relative to proposed Disposition and Development Agreement (DDA) for the development of affordable housing on the City-owned properties located at 619, 623, 627, and 629-633 South Westlake Avenue.

Recommendation for Council action:

AUTHORIZE the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to negotiate and execute a DDA with the selected developer for the City-owned properties located at 619, 623, 627, and 629-633 South Westlake Avenue, the Cesar Chavez Foundation (Developer), or the Developer's to-be-formed Limited Partnership as a condition of financing, based on the revised Key Terms and Conditions negotiated with the Developer and in substantial conformance with the DDA attached to the May 28, 2019 HCIDLA report, attached to the Council file.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. The recommendation contained in the June 20, 2019 CAO report, attached to the Council file, is in compliance with the City's Financial Policies in that there is no additional cost to the City, and no additional funding commitments are being made at this time. Potential project funding sources include State tax-exempt bonds, State grants and/or loans, State tax credits, private financing, the Affordable Housing Trust Fund, and a Proposition HHH Supportive Housing Loan, among others.

Community Impact Statement: None submitted.

Summary:

On June 26, 2019, the Chair of the Housing Committee considered June 20, 2019 CAO and May 28, 2019 HCIDLA reports relative to proposed DDA for the development of affordable housing on the City-owned properties located at 619, 623, 627, and 629-633 South Westlake Avenue. According to the CAO, the HCIDLA is requesting authority to negotiate and execute a DDA with the Cesar Chavez Foundation (Developer) for the City-owned properties at 619, 623, 627, and 629-633 South Westlake Avenue (Project) in Council District One. The HCIDLA selected the Developer through a Request for Qualifications/ Proposal (RFQ/P) process, as described in the May 28, 2019 HCIDLA report.

In December of 2018, Council authorized the HCIDLA to negotiate and execute a DDA with the Developer based on an October 2018 term sheet outlining the key business terms and conditions agreed upon by HCID and the Developer. Since that time, there have been significant changes to the development plan. The Project will result in 77 affordable and/or supportive housing for individuals and families and one unrestricted manager unit. The HCIDLA states that there will be no change to the affordability restrictions for the project. However, subsequent to the release of their Report, the HCIDLA confirmed that the project will include 39 units restricted to Extremely Low Income households and 38 units restricted to Lower Income households, instead of the 30 and 47 units, respectively, noted in its Report. The CAO concurs with the HCIDLA recommendations. After consideration and having provided an opportunity for public comment, the Committee Chair moved to recommend approval of the recommendation as contained in the CAO report and detailed above. This matter is now submitted to Council for its

consideration.

Respectfully Submitted,



COUNCILMEMBER GILBERT A. CEDILLO, CHAIR
HOUSING COMMITTEE

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

ARL
6/26/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-