MOTION

I MOVE that the matter of the Communication from the Housing and Community Investment Department (HCID) relative to the City’s Joint-Application for the California Department of Housing and Community Development Infill Infrastructure Grant Program 2019, Item No. 11 on today's Council Agenda (C.F. 20-0080) BE AMENDED to:

A. Adopt the recommendations in the City Administrative Officer report dated February 6, 2020 attached to the Council File (C.F. 20-0080) in lieu of HCID's report recommendations; and

B. Adopt the attached Resolution authorizing the General Manager of HCID, or designee, to co-apply for Infill Infrastructure Grant Program funding with recommended developers, among other authorities.

PRESENTED BY: GILBERT A. CEDILLO
Councilmember, 1st District

SECONDED BY: [Signature]

February 7, 2020
RESOLUTION

WHEREAS, any official position of the City of Los Angeles (City) with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, the City is authorized to do business in the State of California and wishes to apply for and receive an allocation of funds through the Infill Infrastructure Grant Program (IIG);

WHEREAS, the State of California's Department of Housing and Community Development (HCD) has issued a Notice of Funding Availability (NOFA) for IIG established under Assembly Bill 101 (Chapter 159, Statutes of 2019) and Part 12.5 (commencing with section 53559) of Division 31 of the Health and Safety Code, which authorizes HCD to approve funding allocations utilizing monies made available by the State Legislature, subject to the terms and conditions of the statute and the IIG Guidelines implemented October 30, 2019;

WHEREAS, this NOFA makes $194 million available statewide for projects located in Large Jurisdictions with an estimated 45% of the funds targeted for projects located in Southern California to promote infill housing development. Eligible uses include infrastructure improvements in support of higher-density affordable and mixed-income housing, and mixed-use infill development projects;

WHEREAS, the developers recommended by HCID wish to apply for funding and the IIG Guidelines require that all applications must include a locality or a public housing authority as a co-applicant and must submit a Resolution consistent with an HCD template to apply for the award (C.F. 19-0002-s16);

NOW, THEREFORE, BE IT RESOLVED, with concurrence of the Mayor, that the City pursuant to the above-described Department of Housing and Community Development (HCD) Notice of Funding Availability wishes to apply for and receive an allocation of funds from the Infill Infrastructure Grant Program (IIG) in an amount not to exceed $120,000,000 (the IIG Grant) as Qualified Infill Projects;

The not-to-exceed amount of $120,000,000 includes a maximum $7,500,000 amount for each project, Lorena Plaza, Sun Commons, La Veranda, Grandview Apartments, La Prensa Libre Apartments (formerly 206 Washington Apartments), Palm Vista Apartments, Santa Monica and Vermont, 619 Westlake, Silva Crossing, Washington Arts Collective, Thatcher Yard Housing, 600 San Pedro, Amani Apartments, Chesterfield Apartments, The Quincy, and 9th Street Lofts as described in the City Administrative Officer report dated February 6, 2020 (C.F. 20-0080);

BE IT FURTHER RESOLVED that in connection with the City's IIG Grant, the General Manager of HCID, or designee, on behalf of the City, is authorized and directed to enter into, execute, and deliver a State of California Standard Agreement, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above Resolution, in order to evidence the IIG Grant, the City's obligations related thereto and HCD's security therefore; including, but not limited to, an affordable housing covenant. A performance deed of trust, a disbursement agreement, and certain other documents, required by HCD as security for, evidence pertaining to the IIG Grant, and all amendments thereto (collectively, the "IIG Grant Documents");

BE IT FURTHER RESOLVED that the General Manager of HCID, or designee, is hereby authorized to execute the IIG Grant Documents, and any amendment or modifications thereto, on behalf
of the City; and

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its passage.

Passed and adopted, effective as of ________, 20_______ by the consent of the City Council of the City of Los Angeles by the following vote:

____ AYES  ______ NAYS  ______ ABSTAIN  ______ ABSENT

The undersigned, City Clerk does hereby attest and certify that the attached Resolution is a true, full and correct copy of a Resolution duly adopted at a meeting of said City Council which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

City of Los Angeles

DATE: ______________

Clerk’s Signature

_________________________

Type or Print Clerk’s Name
REPORT FROM
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 6, 2020
To: The Mayor
The Council
From: Richard H. Llewellyn, Jr., City Administrative Officer
Reference: Housing and Community Investment Department (HCID) transmittal dated January 13, 2020; Received by the City Administrative Officer on January 23, 2020; Additional Information Received through February 5, 2020
Subject: REQUEST FOR APPROVAL OF VARIOUS ACTIONS RELATIVE TO THE CITY’S JOINT-APPLICATION FOR THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT INFILL INFRASTRUCTURE GRANT PROGRAM 2019

RECOMMENDATIONS

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

1. Retroactively authorize the General Manager of the Los Angeles Housing and Community Investment Department (HCID), or designee, to conduct a process to select joint-applications for the Infill Infrastructure Grant (IIG) Program Notice of Funding Availability;

2. Approve the recommended list of projects for joint-applications as outlined in the Table within this Report; and,

3. Authorize the General Manager of HCID, or designee, to:
   a. Execute, on behalf of the City, a joint-application for each of the selected Qualified Infill Projects (QIPs) with the QIP project sponsor for the IIG application process; and,
   b. Subject to the execution of the joint-application, sign, on behalf of the City of Los Angeles, all required IIG application legal documents for each of the approved projects that meet the IIG Program thresholds, subject to the City Attorney approval as to form and legality.

SUMMARY

The Housing and Community Investment Department (HCID) requests authority to submit joint-applications for projects listed in Table 2 of their transmittal dated January 13, 2020 (Report) for
the Infill Infrastructure Grant (IIG), a program of the California Department of Housing and Community Development (HCD), and continue the coordination of the IIG Program on behalf of the City. The grant funds could be used for infrastructure improvements in support of higher-density affordable and mixed-income housing. Additional information regarding the IIG Program and HCID's process for selecting potential projects is included in HCID's Report.

Subsequent to the release of HCID's report, the developers of the Vermont Manchester project in Council District Eight requested to rescind their application with the City and HCID submitted the revised Table below that includes 16 joint-applicant projects.

<table>
<thead>
<tr>
<th>No.</th>
<th>Project Name</th>
<th>Address</th>
<th>Developer</th>
<th>Council District</th>
<th>Units</th>
<th>Request Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lorena Plaza</td>
<td>3401 E. 1st St.</td>
<td>A Community of Friends</td>
<td>14</td>
<td>49</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>2</td>
<td>Sun Commons</td>
<td>12673 San Fernando Rd.</td>
<td>Abbey Road, Inc.</td>
<td>2</td>
<td>103</td>
<td>7,271,980</td>
</tr>
<tr>
<td>3</td>
<td>La Veranda</td>
<td>2420 E. Cesar Chavez Ave.</td>
<td>Abode Communities</td>
<td>14</td>
<td>77</td>
<td>2,000,001</td>
</tr>
<tr>
<td>4</td>
<td>Grandview Apartments</td>
<td>714 - 760 S. Grandview St.</td>
<td>Abode Communities</td>
<td>1</td>
<td>100</td>
<td>1,600,000</td>
</tr>
<tr>
<td>5</td>
<td>La Prensa Libre</td>
<td>206 E. Washington Blvd.</td>
<td>AMCAL Multi-Housing Inc.</td>
<td>10</td>
<td>103</td>
<td>4,700,000</td>
</tr>
<tr>
<td>6</td>
<td>Palm Vista Apartments</td>
<td>20116 - 20128 Sherman Way</td>
<td>GTM Holdings, LLC</td>
<td>3</td>
<td>91</td>
<td>4,166,400</td>
</tr>
<tr>
<td>7</td>
<td>Santa Monica &amp; Vermont</td>
<td>4718 W. Santa Monica Blvd.</td>
<td>Little Tokyo Service Center</td>
<td>13</td>
<td>187</td>
<td>7,498,464</td>
</tr>
<tr>
<td>8</td>
<td>619 Westlake</td>
<td>619 S. Westlake Ave.</td>
<td>Meta Housing Corporation; WAC, L.P. and Related</td>
<td>1</td>
<td>78</td>
<td>1,800,000</td>
</tr>
<tr>
<td>9</td>
<td>Silva Crossing</td>
<td>12667 San Fernando Rd.</td>
<td>Meta Housing Corporation; WAC, L.P. and Related</td>
<td>7</td>
<td>56</td>
<td>1,381,968</td>
</tr>
<tr>
<td>11</td>
<td>9th Street Lofts</td>
<td>456 - 462 W. 9th St.</td>
<td>National Community Renaissance of California and LINC Housing Corporation</td>
<td>15</td>
<td>91</td>
<td>2,000,000</td>
</tr>
<tr>
<td>12</td>
<td>Thatcher Yard Housing</td>
<td>3233 S. Thatcher Ave.</td>
<td>Thomas Safran &amp; Associates and St. Joseph Center</td>
<td>11</td>
<td>98</td>
<td>2,750,000</td>
</tr>
<tr>
<td>13</td>
<td>600 San Pedro</td>
<td>600 San Pedro St.</td>
<td>Weingart Center Association and Related</td>
<td>14</td>
<td>302</td>
<td>7,500,000</td>
</tr>
<tr>
<td>14</td>
<td>Amani Apartments</td>
<td>4200 W. Pico Blvd.</td>
<td>Wakeland Housing and Development Corporation</td>
<td>10</td>
<td>54</td>
<td>3,480,192</td>
</tr>
<tr>
<td>15</td>
<td>Chesterfield Apartments</td>
<td>4719 S. Normandie Ave.</td>
<td>Wakeland Housing and Development Corporation</td>
<td>8</td>
<td>43</td>
<td>3,480,192</td>
</tr>
<tr>
<td>16</td>
<td>The Quincy</td>
<td>2652 &amp; 2662 Pico Blvd.</td>
<td>Wakeland Housing and Development Corporation</td>
<td>1</td>
<td>54</td>
<td>3,480,192</td>
</tr>
</tbody>
</table>

**TOTAL:** 1,539 $63,739,589
Of the 16 recommended projects above, 15 of the projects are for supportive housing and one project is for affordable family housing. The 16 projects are located within ten City Council Districts and consist of approximately 1,539 family and senior units and 952 supportive housing units. The proposed application amount will not exceed $120 million, which includes a maximum of $7.5 million per project. The amounts listed in the Table above represent each project's identified funding eligibility at the time they submitted their initial proposal to HCID for review in December of 2019.

The HCID also requests that the Council instruct the Chief Legislative Analyst (CLA) to prepare a Resolution for the City Council and Mayor in support of the final IIG recommended projects, as required by the IIG program for submission with the joint-applications. The Department notes that joint-applications must be executed before the grant deadline of February 18, 2020. Based on the limited time between when HCID’s transmittal was released to Council and the approaching grant application deadline, HCID notes that a CLA Resolution will be considered by Council concurrently with the HCID transmittal and City Administrative Officer (CAO) report. This report subsequently excludes the recommendation to instruct the CLA to prepare a Resolution.

The Department reports that it is currently reviewing each project’s scope of work to limit the City’s risk of being required to sign a Standard Agreement with the State. HCID notes that it reserves the right to withdraw the City’s support for the application if the City will become liable for the deliverables of the project. Additionally, the Department reports that the City will not receive funds from the State through this grant program for these projects, or be required to provide funding as a condition of approval.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. Infill Infrastructure Grant funds will be issued to the Project Sponsor for the projects listed in this report on a reimbursement basis. No additional funding commitments for the projects are being made at this time. Potential project funding sources for these projects include State tax-exempt bonds, State grants and/or loans, State tax credits, private financing, the Affordable Housing Trust Fund, and a HHH Supportive Housing Loan, among others.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City’s Financial Policies in that there is no additional cost to the City to be a joint-applicant for these projects.

RHL:EJC:02200105c