

HOMELESSNESS AND POVERTY COMMITTEE REPORT relative to the Joint Development Agreement and Ground Lease with Mercy Housing California (MHC) for the development of an affordable senior housing project on a City-owned lot Parking Lot No. 689.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AMEND the Joint Development Agreement and Ground Lease between the City, MHC 73, L.P. to allow the City, MHC, and the California Department of Housing and Community Development (HCD) to record a Declaration of Restrictive Covenants for the Development and Operation of Affordable Housing against the City's fee estate in the City-owned Parking Lot No. 689, to be subject to the approval of the City Attorney as to form and adopt as amended.
2. AUTHORIZE the General Managers, Los Angeles Housing and Community Investment Department (HCIDLA) and Los Angeles Department of Transportation (LADOT), or designees, to:
  - a. Negotiate and execute the HCD Covenant, subject to review and approval of the City Attorney as to form.
  - b. Consent to a Subordination Agreement to be recorded against the City's fee estate between MHC, HCD, and Bank of America, the Senior Lender, which allows the HCD Covenant to be extinguished if the Senior Lender forecloses on the Site.
  - c. Execute any relevant documents required to effectuate this transaction or any amendments consistent with the Mayor and Council actions on this matter, subject to the approval of the City Attorney.

Fiscal Impact Statement: The City Administrative Officer reports that there is no impact to the General Fund as a result of the recommendations. The recommendations in the report comply with City Financial Policies in that there is no additional cost to the City, and forgone parking revenue during the construction of the replacement public parking spaces in the City-owned Parking Lot No. 689 will be paid to the LADOT.

Community Impact Statement: None submitted.

**(Transportation Committee waived consideration of the above matter)**

Summary:

At its regular meeting held on December 4, 2019, the Homelessness and Poverty Committee considered a November 26, 2019 City Administrative Officer report, and an October 24, 2019 joint report from HCIDLA and LADOT, relative to the Joint Development Agreement and ground lease with MHC for the development of an affordable senior housing project on a City-owned lot Parking Lot No. 689.

After consideration and after providing an opportunity for public comment, the Committee

recommended that Council adopt the recommendations reflected above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

HOMELESSNESS AND POVERTY COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
O'FARRELL:	YES
RODRIGUEZ:	YES
BONIN:	YES
HARRIS-DAWSON:	YES
RYU:	YES

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**