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CITY CLERK

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CALIFORNIA

OFFICE OF THE
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When making inquiries relative to
this matter, please refer to the
Council File No.: [17-0090-S6](#)

OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

May 30, 2018

Council File No.: [17-0090-S6](#)

Council Meeting Date: May 29, 2018

Agenda Item No.: 13

Agenda Description: HOMELESSNESS AND POVERTY COMMITTEE REPORT relative to the Proposition HHH Administrative Oversight Committee recommendations for the Permanent Supportive Housing Loan Program and Facilities Program Fiscal Year (FY) 2018-19 Project Expenditure Plan.

Council Action: HOMELESSNESS AND POVERTY COMMITTEE REPORT - ADOPTED

Council Vote:

YES	BLUMENFIELD	YES	HARRIS-DAWSON	YES	O'FARRELL
YES	BONIN	YES	HUIZAR	YES	PRICE
YES	BUSCAINO	YES	KORETZ	YES	RODRIGUEZ
YES	CEDILLO	YES	KREKORIAN	YES	RYU
YES	ENGLANDER	YES	MARTINEZ	YES	WESSON

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Pursuant to Charter/Los Angeles Administrative Code Section(s): 341

FILE SENT TO MAYOR:

LAST DAY FOR MAYOR TO ACT:

APPROVED

***DISAPPROVED**

***VETO**

Mayor

DATE SIGNED

HOMELESSNESS AND POVERTY COMMITTEE REPORT relative to the Proposition HHH Administrative Oversight Committee recommendations for the Permanent Supportive Housing Loan Program and Facilities Program Fiscal Year (FY) 2018-19 Project Expenditure Plan.

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

1. APPROVE the Proposition HHH FY 2018-19 Permanent Supportive Housing Project Expenditure Plan as detailed in Attachment 1A of the May 17, 2018 City Administrative Officer (CAO) report (attached to the Council file), for \$238,515,511, to fund 24 projects with 1,517 units, of which 1,242 are supportive units, subject to the following condition:
 - a. Approve projects No. 16) West Third Apartments, No. 17) Western Avenue Apartments, No. 20) Broadway Apartments, and No. 21) 68th and Main Street, if conditions or approval have been resolved to the Housing and Community Investment Department's (HCIDLA) satisfaction prior to City Council approval of the Project Expenditure Plan.
2. AUTHORIZE the General Manager, HCIDLA, or designee, to
 - a. Negotiate and execute loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Proposition HHH FY 2018-19 Permanent Supportive Housing Loan Program Project Expenditure Plan with each of the borrowers subject to the approval of the City Attorney as to form.
 - b. Execute Subordination Agreements for the projects identified above, wherein the City Loan and Regulatory agreements are subordinated to their respective conventional or municipally funded construction and permanent loans, as required.
 - c. Allow the transfer of the City's financial commitment to a limited partnership or other legal entity formed solely for the purpose of owning and operating the project in accordance with City and federal requirements.
 - d. Prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the CAO; and, REQUEST the Controller to implement these instructions.
3. APPROVE the Proposition HHH FY 2018-19 Facilities Program Project Expenditure Plan as detailed in Attachment 1B of the May 17, 2018 CAO report (attached to the Council file), for \$37,720,183, as follows:
 - a. \$25,921,134 for 18 non-City-sponsored projects, subject to the City's review and determination of projects' useful life in order to establish the service payback period for each loan agreement.
 - b. \$11,666,000 for four City-sponsored projects:
 - i. This amount includes additional funding of \$3 million for job training classrooms

as the Council District 8 Navigation Center, which received an allocation of \$3.1 million in FY 2017-18 bond issuance, for a total project cost of \$6.1 million.

- c. \$133,049 for the Department of Public Works, Bureau of Engineering (BOE) staff and consultant costs for project management, design, environmental studies and other work to implement City-sponsored project.
4. APPROVE the reprogramming of \$789,824 allocated in the Proposition HHH FY 2017-18 Facilities Program Project Expenditure Plan to the Department of Public Works, BOE, as follows:
 - a. \$106,071 for FY 2017-18 staff costs to initiate City-sponsored projects.
 - b. \$270,000 for FY 2017-18 consultant costs to initiate City-sponsored projects.
 - c. \$216,802 for one Senior Architect and one Civil Engineer being proposed in the FY 2018-19 budget to support Proposition HHH implementation.
 - d. \$196,951 for consultant costs to implement City-sponsored projects in FY 2018-19.
 5. AUTHORIZE the CAO, or designee, to negotiate and execute service payback loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Proposition HHH FY 2018-19 Facilities Program Project Expenditure Plan as detailed in Attachment 1B of the May 17, 2018, CAO report (attached to the Council file), with each of the borrowers on projects selected for funding, subject to the approval of the City Attorney as to form.
 6. AUTHORIZE the CAO, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the CAO; and, REQUEST the Controller to implement these instructions.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On May 22, 2018, the Homelessness and Poverty Committee considered the May 17, 2018 CAO report relative to the Proposition HHH Administrative Oversight Committee recommendations for the Permanent Supportive Housing Loan Program and Facilities Program FY 2018-19 Project Expenditure Plan.

Representatives from HCIDLA provided some background on the matter and responded to questions from the committee members. After consideration and having provided an opportunity for public comment, the Committee recommended that Council approve the recommendations as reflected above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOMELESSNESS AND POVERTY COMMITTEE

A handwritten signature in black ink, appearing to be a stylized 'M' followed by a horizontal line.

<u>MEMBER</u>	<u>VOTE</u>
HARRIS-DAWSON:	YES
RODRIGUEZ:	YES
BONIN:	YES
HUIZAR:	YES
PRICE:	YES

EV
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-NOT OFFICIAL UNTIL COUNCIL ACTS-