

HOMELESSNESS AND POVERTY COMMITTEE REPORT relative to a request for authority to amend twelve loan agreements with Single Room Occupancy Housing Corporation (SRO) for supportive housing developments.

Recommendations for Council action:

1. NOTE and FILE the Los Angeles Housing and Community Investment Department (HCIDLA) transmittal dated March 16, 2020, relative to amending twelve loan agreements with SRO.
2. AUTHORIZE the General Manager, HCIDLA, or designee, to:
 - a. Negotiate and execute amended loan agreements with SRO, subject to review and approval of the City Attorney as to form, to amend the loans as follows:
 - i. Extend the term of 14 agreements in accordance with Table 1 of the subject City Administrative Officer (CAO) report, dated April 1, 2021, attached to the Council file.
 - ii. Modify loan definitions to include Supportive Services Amount and Supportive Services Reserve Fund for all projects listed in Table 3 of the subject CAO report.
 - iii. Modify the Residual Receipts distribution as 50 percent to the Borrower and 50 percent pro-rata share among public lenders, for all projects listed in Table 3 of the subject CAO report, with the exception of the Golden West Hotel, the Harold Hotel, the Regal Hotel, Renato Apartments, and the Rosslyn Hotel.
 - iv. Modify Replacement Reserve and Operating Reserve amounts to be consistent with current HCIDLA Affordable Housing Managed Pipeline Regulations for the Carlton Hotel and Russ Hotel.
 - v. Modify Replacement Reserve, Operating Reserve, and Transition Reserve amounts and related party/third party fee to be consistent with current HCIDLA Affordable Housing Managed Pipeline Regulations for the Renato Apartments.
 - vi. Exclude Commercial Revenue from the definition of "Revenue", and exclude Commercial Expenses from the definition of "Operating Expenses" for the Rosslyn Hotel.

vii. Revise the number of units available for Courtland Hotel, Golden West Hotel, Harold Hotel, Leonide Hotel, Regal Hotel, Rosslyn Hotel, Russ Hotel, and Ward Hotel as illustrated in Table 4 of the subject CAO report.

b. Negotiate and execute amended affordability covenants to extend the terms of 13 covenants in accordance with Table 2 of the subject CAO report.

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund. There is no additional cost to the City to amend the terms of loans previously funded by the former Community Redevelopment Agency of the City of Los Angeles

Financial Policies Statement: The recommendations in the CAO report comply with the City's Financial Policies

Community Impact Statement: None submitted.

SUMMARY:

At a regular meeting held on April 8, 2021, the Homelessness and Poverty Committee considered reports from HCIDLA and CAO relative to a request for authority to amend twelve loan agreements with Single Room Occupancy Housing Corporation for supportive housing developments. After providing an opportunity for public comment, the Committee recommended on consent to note and file the HCIDLA report and adopt the recommendations in the CAO report. This matter is now submitted to the Council for consideration.

Respectfully submitted,

HOMELESSNESS AND POVERTY COMMITTEE

MEMBER	VOTE
RIDLEY-THOMAS:	YES
DE LEON:	YES
BUSCAINO:	YES
RODRIGUEZ:	YES
RAMAN:	YES

