

STATUTORY EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO STATE CEQA GUIDELINES SECTION 15269(C), PUBLIC RESOURCES CODE (PRC) SECTION 21080(B)(4), AND PRC SECTION 21080.27 (AB 1197); HOUSING AND HOMELESSNESS AND GOVERNMENT OPERATIONS COMMITTEES REPORT relative to funding allocation, site acquisition, minor renovations, lease or similar agreement, and operation as temporary shelter of the property located at 1256 West 7th Street, commonly known as the Mayfair Hotel, in Council District 1 for use as interim housing; and related matters.

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

1. APPROVE recommendation Nos. 1 through 5, 7 through 12, 14, 17 and 18, contained in the Municipal Facilities Committee (MFC) report dated July 31, 2023, attached to the Council file.
2. DETERMINE that the Interim Housing Project located at 1256 West 7th Street in Council District 1, which allows for funding allocation, site acquisition, minor renovations, lease or similar agreement, and operation of the property as temporary shelter, is statutorily exempt from CEQA pursuant to PRC, Section 21080(b)(4), as a specific action necessary to prevent or mitigate an emergency, and as reflected in State CEQA Guidelines, Section 15269(c); and PRC, Section 21080.27 (AB 1197), applicable to City of Los Angeles emergency homeless shelters, as noted in the Notice of Exemption by the Bureau of Engineering (BOE) contained in the MFC report dated July 31, 2023, attached to Council file No. 23-0792.
3. AMEND and APPROVE recommendation Nos. 6, 13, 15 and 16, contained in the MFC report dated July 31, 2023, attached to the Council file, respectively, as follows:
 6. AUTHORIZE AND APPROPRIATE up to \$18,000,000 from the GOB Series 2022-A Proposition HHH Fund No. 17G/43 to a new account entitled “Mayfair Hotel” for the acquisition and rehabilitation of the Mayfair Hotel in Council District 1.
 13. NOTE \$1,000,000 from General City Purposes Fund No. 100/56, Account No. 000959, Homelessness Emergency Account, to the General Services Department Fund No. 100/40, Account No. 003040, Contractual Services has been transferred for the Escrow Holder for the earnest money deposit and release upon the delivery of the Purchase and Sale Agreement to escrow, subject to the approval of the Mayor.
 15. AUTHORIZE AND TRANSFER up to \$27,687,000 from General City Purposes Fund No. 100/56, Account No. 000959, Homelessness Emergency Account to Community Development Trust Fund (Community Development Block Grant) Fund No. 424/21, 21YB37, Mayfair Hotel Transitional Housing Acquisition as a cash flow loan to be used towards the acquisition costs for the Mayfair Hotel; and, AUTHORIZE the repayment of the cash flow loan to the originating account using monies within the Community Development Block Grant Fund (No. 424/21) authorized for this purpose, subject to final adoption of the Program Year 49 Consolidated Plan and receipt of grant funds.
 16. AUTHORIZE the General Managers, Community Investment for Families Department, General Services Department, or designee, to disburse all committed funding for the Mayfair Hotel Acquisition, including utilizing the method of a wire transfer to an escrow company, in amounts not to exceed the funding sources in the table below:

<u>Funding Source</u>	<u>Department</u>	<u>Amount</u>
Community Development Block Grant	Community Investment for Families Department	\$27,687,000
General City Purposes	General Services Department	<u>31,192,270</u>
		Total: \$58,879,270

4. ADD and APPROVE the following recommendations to the MFC report dated July 31, 2023, attached to the Council file, respectively, as follows:
 19. TRANSFER \$15,192,270 from the General City Purposes Fund No. 100/56, Account No. 000959, Homelessness Emergency Account to the General Services Department Fund No. 100/40, in the new account entitled "Permanent Interim Housing Acquisitions" to front fund the Mayfair acquisition cost, subject to the approval of the Mayor.
 20. AUTHORIZE the Los Angeles Housing Department to transfer \$15,192,270 to the General City Purposes Fund No. 100/56, Account No. 000959, Homelessness Emergency Account to repay the front funding of the Mayfair acquisition costs from the following funds and accounts:
 - a. Proposition HHH Fund No.17G/43, in the new established account entitled "Mayfair Hotel" (\$5,192,270).
 - b. Municipal Housing Finance Fund No. 815/43, Account No. 43Y012, Acquisition for Interim and Permanent Housing (\$10,000,000).
 21. INSTRUCT the City Administrative Officer (CAO) to identify \$400,000 to fund clean team services in the area surrounding the Mayfair Hotel to enhance street and sidewalk cleaning, bus shelter maintenance, and regular public trash pickup.
 22. INSTRUCT the Los Angeles Homeless Services Authority (LAHSA) to include language in the service provider contract for the formation of a Community Advisory Board consisting of community members, service providers, the Council offices and other elected official representatives, including the Mayor's Office.
 23. INSTRUCT the Bureau of Street Lighting to create a Street Lighting Improvement Plan for the area within a 1,000 foot radius of the Mayfair Hotel and to report on the estimated cost to implement it, with the report due prior to the facility being opened.
 24. INSTRUCT the Economic and Workforce Development Department to identify and report on funding or existing programs to assist small businesses near the Mayfair Hotel with grants and/or low interest loans for maintenance and repair.
 25. INSTRUCT the CAO, LAHSA, and other agencies to report to Council prior to the occupation of the site. The report should include:
 - a. A comprehensive operations plan for the site.
 - b. An exterior maintenance plan.
 - c. An action plan for clients that are exited from the site so as to mitigate the impact to the surrounding community.
 26. REQUEST the Mayor's Office, in collaboration with Council District 1, to identify encampments in the surrounding community and conduct Inside Safe Operations to serve unhoused community members in the Westlake adjacent area within 30 days.
 27. REQUEST the Mayor's Office to provide quarterly reporting to the Community Advisory Board and Council on the outcomes for clients residing at the Mayfair Hotel.
5. REQUEST that service providers contracted at any City interim-housing facility, and depending on the service provider contracted to provide the services, be contractually obligated to provide

regular reports on their exit numbers to evaluate the efficacy of the efforts of the service provider at City interim-housing facilities.

6. INSTRUCT the CAO; and, REQUEST the Mayor's Office to include in the contract with the Mayfair Hotel operator to establish a "Good Neighbor" policy that includes:
 - a. Definition of "security" that sets a minimum level of staffing, hours of operations, and level of service that addresses conflict resolution and the monitoring of the site and surrounding neighborhood.
 - b. Obligation to inform clients of existing City laws and other policies and procedures that apply to conduct inside and outside an interim-housing facility.
 - c. Regular communication between the service provider and with the City, including Council Offices, and surrounding community to discuss shelter operations and address any concerns that arise.
 - d. "Good Neighbor" policies and ability to implement "Community Agreements."
 - e. Measures to provide for the addition of enhanced safety features such as lighting, security cameras, ingress/egress protocols, if issues arise at these sites.
 - f. Requirement to notify the City when changes to security service contracts and/or personnel is made.
 - g. Regular cleaning of the area immediately surrounding the facility to minimize litter or hazards.
 - h. Contact information of facility operator posted onsite to address community concerns/complaints.
 - i. Requirement to notify the appropriate Council office when an individual exits to a non-permanent housing site, to coordinate with the individual appropriately.
 - j. A community hotline for individuals to report incidents and complaints.

7. INSTRUCT the Department of General Services and BOE to report, after the City takes possession of the Mayfair Hotel, the full costs of operating and maintaining the facility, including:
 - a. Cost and length of time to build out facilities needed to provide services to Mayfair residents, including kitchen and dining areas; laundry facilities; and areas for social services.
 - b. All work required to bring the Mayfair Hotel into full compliance with current Americans with Disabilities Act standards, including elevators, common areas such as the ballroom, common bathrooms and kitchens, and individual rooms.
 - c. Cost of external improvements, such as lighting, cameras and security to help ensure the Mayfair is a good neighbor to nearby residents and businesses.
 - d. Annual cost of ensuring that the Mayfair Hotel building is kept in a state of good repair, including amortization of projected costs for major systems including roof, plumbing, electrical and HVAC.

- e. Need for and cost of providing parking for resident or staff vehicles, bicycles or other devices.
 - f. Time and cost of any needed seismic work, including rooms and other facilities that must be vacated during work.
8. REQUEST the City Attorney, with the assistance of the Los Angeles Housing Department and Housing Authority of the City of Los Angeles, to report regarding the following:
- a. Liability that the City may face as the owner of housing, including any options for mitigating that risk or transferring risk to service providers.
 - b. Applicability of the Rent Stabilization Ordinance or other tenant protections to residents.

Fiscal Impact Statement: The MFC reports that there is a fiscal impact of \$15,000,000 from the General Fund from the Unappropriated Balance and \$1,266,100 from the Homelessness Emergency Account. Additionally, special funds from the Community Development Block Grant, Proposition HHH, and the Municipal Housing Finance Fund are provided to support the recommendations in this report. There is a potential future impact on the General Fund in the amount of \$5,067,000 relative to the annual operations of the Mayfair Hotel. Operations funding for 2023-24 will be supported by Special Fund/grant monies (Encampment Resolution Funds), and/or other contributions from Homelessness Emergency Account.

Financial Policies Statement: The MFC reports that the above recommendations comply with the City's Financial Policies.

Community Impact Statement: Yes

For: Downtown Los Angeles Neighborhood Council

SUMMARY

At the joint meeting held on August 16, 2023, your Housing and Homelessness and Government Operations Committees considered a MFC report relative to funding allocation, site acquisition, minor renovations, lease or similar agreement, and operation as temporary shelter of the property located at 1256 West 7th Street, commonly known as the Mayfair Hotel, in Council District 1 for use as interim housing; and related matters.

After an opportunity for public comment was held, the Committees recommended to move forward the recommendations contained in the MFC report and approved technical amendments to the MFC report introduced by the Department of General Services. Additionally, Motions were introduced to amend the MFC report further; Motion Councilmember (CM) Rodriguez seconded by CM Blumenfield; Motion Blumenfield seconded and further amended by CMs Raman and Rodriguez; Motion CM Hernandez seconded by CMs Padilla and Hutt; and an additional Motion by CM Blumenfield seconded by CM Raman, as detailed above, as amended. This matter is now submitted to the Council for consideration.

Respectfully Submitted,

HOUSING AND HOMELESSNESS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
RAMAN:	YES
BLUMENFIELD:	YES
HARRIS-DAWSON:	ABSENT
RODRIGUEZ:	NO
LEE:	YES

GOVERNMENT OPERATIONS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PADILLA:	YES
HERNANDEZ:	YES
HUTT:	YES

LV 8.17.23

-NOT OFFICIAL UNTIL COUNCIL ACTS-