

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05151-0434

Date: March 29, 2023

To: Proposition HHH Administrative Oversight Committee

From: Proposition HHH Citizens Oversight Committee

Subject: **COMMUNICATION FROM THE PROPOSITION HHH CITIZENS OVERSIGHT COMMITTEE RELATIVE TO A STATUS REPORT FROM THE LOS ANGELES HOUSING DEPARTMENT REGARDING PROPOSITION HHH-FUNDED PROJECT HOMEKEY 2.0 PROJECTS**

RECOMMENDATION

That the Proposition HHH (Prop HHH) Administrative Oversight Committee (AOC) Note and File this report from the Los Angeles Housing Department (LAHD) inasmuch as no action is required at this time.

SUMMARY

At its meeting on March 17, 2023, the Prop HHH Citizens Oversight Committee (COC) considered the attached report dated March 17, 2023, from the Los Angeles Housing Department (LAHD) relative to the status of the Prop HHH-funded Project Homekey 2.0 projects. The Prop HHH COC considered the report and forwarded it to the Prop HHH Administrative Oversight Committee (AOC) for consideration with a recommendation to Note and File the report.

MWS:YC:DP:MZ:02230076

Attachment: Proposition HHH-Funded Project Homekey 2.0 Status Report

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INTER-DEPARTMENTAL MEMORANDUM

TO: Proposition HHH Citizens Oversight Committee
FROM: Los Angeles Housing Department
DATE: March 17, 2022
REGARDING: **Proposition HHH-Funded Project Homekey 2.0 Status Report**

RECOMMENDATION

That the Committee review and forward this report to the Proposition HHH Administrative Oversight Committee for review, and to Note and File.

SUMMARY

On May 10, 2022, LAHD released a Request for Proposals (RFP) to solicit proposals to operate nine pre-selected sites as Permanent Supportive Housing as part of Homekey Program Round 2 (Project Homekey 2.0) sponsored by the California Department of Housing & Community Development (HCD). A mandatory pre-proposal conference was conducted on May 17, 2022, with 94 attendees. LAHD received 20 proposals from 12 development teams by the submission deadline of June 7, 2022. In September 2022, LAHD selected the qualified Owner/Operators listed below.

Project	CD	Owner/Operator
7639 Van Nuys	6	Linc Housing (LINC-VAN NUYS APTS, LP)
1654 W Florence	8	LINC Housing (LINC-FLORENCE APTS, LP)
2812 Temple / 916 Alvarado	13	Brilliant Corners (Alvarado & Temple, LLC)
6531 Sepulveda	11	American Family Housing (6531 SEPULVEDA LP)
18602 Vermont	15	Coalition for Responsible Community Development (CRCD VERMONT LP)
20205 Ventura	3	Volunteers of America of Los Angeles

19325 Londelius	12	Volunteers of America of Los Angeles
2010 Highland	4	A Community of Friends (Highland PSH, LLC)
21121 Vanowen	3	A Community of Friends (Vanowen CP PSH, LLC)

Since that time, LAHD has been working with HCD, the selected Owner/Operators, and the Housing Authority of the City of Los Angeles (HACLA) to meet State and City program requirements and prepare for the transfer and rehabilitation of these properties.

In December 2022, all Project Homekey 2.0 sites were given an increased commitment of Project-Based Vouchers (PBVs) from HACLA, covering 85% of units. This increase from 35% substantially enhances cash flow in these projects and provides a way to leverage or borrow against HACLA’s Housing Assistance Payments (HAP) contract (the US Department of Housing & Urban Development (HUD) offers a number of programs to finance projects with HAP contracts). With this reduction in the operational funding that was needed from LAHD, LAHD was able to increase funds to support rehabilitation, including required accessibility work, by \$22.8 million.

LAHD is now actively working with the Owner/Operators to establish rehabilitation scopes of work and budgets that include accessibility and adaptability as required by HCD’s regulations and the City’s Accessible Housing Program (AHP).

The sites are expected to be transferred to the Owner/Operators in April 2023.

PROJECT DESCRIPTIONS

7639 Van Nuys

7639 Van Nuys Blvd., Los Angeles, CA 90043
 New Construction
 36 Units
 Council District 6



The Van Nuys Boulevard property is a newly-constructed, four-story, 36-unit multifamily property located at 7639 Van Nuys Blvd, Van Nuys, CA 91405. The building will be adapted focusing on two areas: 1) repairs to ensure habitability, health and safety, and ADA improvements; and 2) repairs to improve functionality given the target population. The majority of the renovations will be focused on improving ADA accessibility at the property. Four ADA mobility units will be created as well as two audio/visual communication units, and the remainder of the units will be renovated to meet ADA adaptability standards. Additional ADA improvements in common areas are also planned, including an accessible path of travel throughout the building and grounds, installing fully ADA-compliant signage, and adding two-way communication upgrades at elevators on each floor.

The property currently consists of eight 1-bedroom units and 28 2-bedroom units. Two 2-bedroom units will be repurposed to serve as community/office space and as a property manager’s unit. Additionally, an existing rooftop deck and interior courtyard will be modified to meet ADA and population-specific needs. Once completed, the project will offer a community room, case management offices and meeting rooms, and a property manager’s office at the ground floor lobby as well as a community courtyard and rooftop patio for outdoor recreation. Parking is available at the property via secured ground level and subterranean parking garages. Additional building amenities include an elevator, trash chutes, mail area, bike storage area, and security features including security cameras and an electronically secured front door. All units will contain a full kitchen including a range, refrigerator, and garbage disposal. All units will also include air conditioning and heating and in-unit washer and dryer. Half of the units on site will be set aside for homeless households and the remaining units will be designated for households who are at-risk of homelessness.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
SRO	-	-	-	-	-
1 Bedroom	8	-	8	8	-
2 Bedroom	27	1	28	27	-
3 Bedroom	-	-	-	-	-
Total	35	1	36	35	-

HHH Funding

Up to \$5,282,287

1654 W Florence Ave

1654 W Florence Ave, Los Angeles, CA 90047

New Construction

128 Units

Council District 8



1654 Florence is a 128-unit new construction multifamily property completed in 2021. The building has five stories with a parking garage on the first floor and apartment units on the remaining floors. The building features one 128 units, including one manager's unit, one maintenance staff unit, two deck spaces, balconies, onsite laundry, and two elevators. Eighty-two units will serve the Homeless and 45 will serve Chronically Homeless, with one manager's unit. The scope of rehabilitation will include 15 units made fully accessible to mobility-impaired individuals and 6 units with communication features for hearing and visually impaired residents.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
SRO	-	-	-	-	-
1 Bedroom	126	2	128	126	-
2 Bedroom	-	-	-	-	-
3 Bedroom	-	-	-	-	-
Total	126	2	128	126	-

HHH Funding

Up to \$12,264,075

2812 W Temple / 916 Alvarado

2812 W Temple St., Los Angeles, CA 90026
 916 N Alvarado St., Los Angeles, CA90026
 New Construction
 Council District 13



2812 W. Temple Street is a 42-unit new construction multifamily property completed in 2021. The building has four stories with a parking garage on the first floor and apartment units on the remaining floors. The building features 42 units, including one manager's unit, 18 studios, 24 one-bedroom units, onsite laundry, and one elevator. Twenty-five units will serve those At-Risk of Homelessness, and 15 will serve Chronically Homeless.

916 North Alvarado is a 27-unit new construction multifamily property completed in 2021. The building has four stories with a parking garage on the first floor and apartment units on the remaining floors. The building features 27 units, including one manager's unit, 24 studios, 2 one-bedroom units, onsite laundry, and one elevator. Units will serve those At-Risk of Homelessness and Chronically Homeless.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	41	-	41	42	-
1 Bedroom	26	1	27	26	-
2 Bedroom	-	1	1	-	-
3 Bedroom	-	-	-	-	-
Total	67	2	69	67	-

HHH Funding

Up to \$15,199,613

6531 S Sepulveda Blvd

6531 S Sepulveda Blvd, Los Angeles, CA 90045
Extended Stay Hotel
133 Units (proposed reduction to 101 units)
Council District 11



The Extended Stay Hotel located at 6531 Sepulveda Blvd. was constructed in 1999. The developer plans to add one-bedroom units, community space, office space and space for supportive service staff, reducing the unit count to 101. The scope of work also includes meeting accessibility requirements for common areas, units fully accessible to mobility-impaired individuals, and units with communication features for hearing and visually impaired residents.

LAHD has worked with HACLA and its relocation consultant, ESA on relocation plans and for hotel guests currently staying on-site. HCD awarded relocation funds in the amount of \$818,750, and LAHD has negotiated with the sellers to set aside relocation funds in escrow in the amount of \$511,717. The total amount available for relocation is \$1,330,467 and the relocation consultant has estimated relocation benefits to total \$1,265,190.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
SRO	-	-	-	-	-
1 Bedroom	99	2	101	99	-
2 Bedroom	-	-	-	-	-
3 Bedroom	-	-	-	-	-
Total	99	2	101	99	-

HHH Funding

Up to \$22,162,454

18602 S Vermont Ave

18602 S Vermont Ave, Los Angeles, CA 90248
Extended Stay Hotel
136 Units
Council District 15



18602 S Vermont Ave. is a 136-unit hotel built in 1998. The property includes a four-story building with guest rooms, a lobby, office, family room, and laundry facilities, and is surrounded by a surface parking lot. Each guest room features a kitchenette with a range, sink, refrigerator, countertops and cabinets. The ground level nonresidential spaces will be used for offices, supportive service delivery, and community space for residents and staff. Forty-four units will be serve the Chronically Homeless, and 87 will serve those At Risk of Homelessness.

LAHD has worked with HACLA and its relocation consultant, ESA on relocation plans and for hotel guests currently staying on-site. HCD has awarded relocation funds in the amount of \$1,172,500 and LAHD has negotiated with the sellers to set aside relocation funds in escrow as needed in the amount of \$1,030,495. The total amount available for relocation is \$2,202,995. The relocation consultant has estimated relocation benefits to total \$1,587,396.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	134	2	136	134	-
1 Bedroom	-	-	-	-	-
2 Bedroom	-	-	-	-	-
3 Bedroom	-	-	-	-	-
Total	134	2	136	134	-

HHH Funding

Up to \$11,795,149

20205 Ventura Blvd

20205 Ventura Blvd, Los Angeles, CA 91364
Extended Stay Hotel
146 Units
Council District 3



20205 Ventura Blvd. is a 146-unit hotel built in 2000. The property includes a four-story building with guest rooms, a lobby, office, family room, and laundry facilities, and is surrounded by a surface parking lot. Each guest room features a kitchenette with a range, sink, refrigerator, countertops and cabinets. The ground level nonresidential spaces will be used for offices, supportive service delivery, and community space for residents and staff. Forty-four units will serve the Chronically Homeless, and 87 will serve those at Risk of Homelessness.

LAHD has worked with HACLA and its relocation consultant, ESA on relocation plans and for hotel guests currently staying on-site. HCD has awarded relocation funds in the amount of \$900,000 and LAHD has negotiated with the sellers to set aside relocation funds in escrow as needed in the amount of \$3,879,131. The total amount available for relocation is \$4,779,131. The relocation consultant has estimated relocation benefits to total \$1,595,614.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	144	2	146	144	-
1 Bedroom	-	-	-	-	-
2 Bedroom	-	-	-	-	-
3 Bedroom	-	-	-	-	-
Total	144	2	146	144	-

HHH Funding

Up to \$12,311,028

19325 Londelius

19325 Londelius, Los Angeles, CA 91324
 Extended Stay Hotel
 117 Units
 Council District 12



19325 Londelius St. is a 117-unit hotel built in 2005. The property includes a four-story building with guest rooms, a lobby, office, family room, and laundry facilities, and is surrounded by a surface parking lot. Each guest room features a kitchenette with a range, sink, refrigerator, countertops and cabinets. The ground level nonresidential spaces will be used for offices, supportive service delivery, and community space for residents and staff. Forty-four (44) units will be leased as Chronic Homelessness units, and eighty-seven (87) will be targeted to persons who are at Risk of Homelessness.

LAHD has worked with HACLA and its relocation consultant, ESA, on relocation plans and for hotel guests currently staying on-site. HCD has awarded relocation funds in the amount of \$718,750 and LAHD has negotiated with the sellers to set aside relocation funds in escrow as needed in the amount of \$1,813,644. The total amount available for relocation is \$2,532,394. The relocation consultant has estimated relocation benefits to total \$866,306.

Affordability Structure

Unit Type	30% AMI Units	Manage Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	115	2	117	115	-
1 Bedroom	-	-	-	-	-
2 Bedroom	-	-	-	-	-
3 Bedroom	-	-	-	-	-
Total	115	2	17	115	-

HHH Funding

Up to \$19,447,515

BLVD Hotel

2010 N Highland Ave, Los Angeles, CA 90068

New Construction

62 Units

Council District 4



2010 N Highland Ave. is a 62-room hotel property located in Hollywood. The building has four stories with a 45-space parking garage, 400-square foot lobby on the ground floor, and hotel rooms on the remaining floors. The building features 62 rooms, 60 of which will be converted to studio units and two two-bedrooms; business centers on each residential floor which will be converted to office space; and one elevator. Thirty-nine units will serve those At-Risk of Homelessness, and 28 will serve the Chronically Homeless.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
1 Bedroom	60	2	62	60	-
1 Bedroom	-	-	-	-	-
2 Bedroom	-	-	-	-	-
3 Bedroom	-	-	-	-	-
Total	60	2	62	60	-

HHH Funding

Up to \$13,222,032

21121 Vanowen

21121 Vanowen St, Los Angeles, CA 91303

New Construction

101 Units

Council District 3



21121 Vanowen is a 101-unit new construction multifamily property completed in 2022. The building has five stories with a parking garage on the first floor and apartment units on the remaining floors. The building features 101 units, including 2 manager's units, 41 studios, 46 one-bedroom units. Sixty-four units will serve those At-Risk of Homelessness, and 35 will serve Transitional Age Youth.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	41	-	41	41	-
1 Bedroom	46	-	46	46	-
2 Bedroom	12	2	14	12	-
3 Bedroom	-	-	-	-	-
Total	99	2	101	99	-

HHH Funding

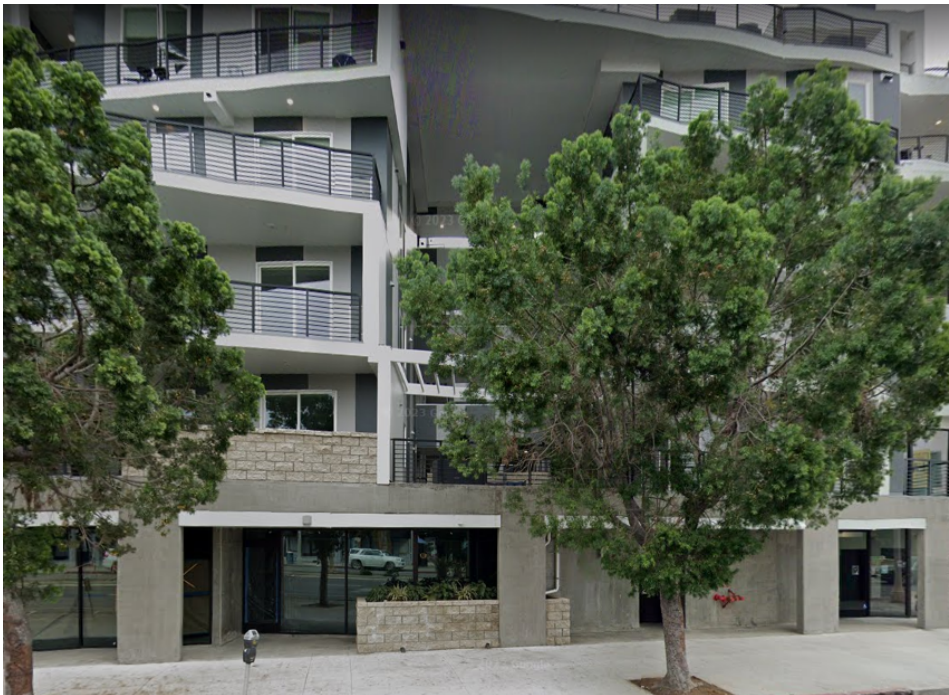
Up to \$24,489,732

HACLA SITES

Three sites to be owned and operated by HACLA will receive a \$15-million loan of HHH funds for rehabilitation. HACLA's original proposal was for four sites, but in February 2022 they submitted a request that the loan be used to fund three sites. This request is pending City Council approval and a subsequent revision to the HHH Project Expenditure Plan. The three sites are detailed below.

5050 W Pico

5050 W Pico Blvd., Los Angeles, CA 90019
New Construction
79 Units
Council District 10



5050 Pico is a 79-unit new-construction multifamily property. All units will serve Homeless populations at 30% AMI or lower. LAHD will provide a loan to HACLA to fund rehabilitation. Currently, HACLA is working on a rehabilitation design and accessibility requirements for the site.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	6	-	6	6	-
1 Bedroom	72	1	73	72	-
2 Bedroom	-	-	-	-	-

3 Bedroom	-	-	-	-	-
Total	78	1	79	78	-

HHH Funding

Up to \$143,394 per PEP Amendment 4. Changes will be requested in PEP Amendment 10.

10150 Hillhaven

10150 Hillhaven Ave., Los Angeles, CA 91042

New Construction

34 Units

Council District 7



10150 Hillhaven is a 34-unit new construction multifamily property. All units will serve Homeless populations at 30% AMI or lower. LAHD will provide a loan to HACLA to fund rehabilitation. Currently, HACLA is working on a rehabilitation design and accessibility requirements for the site.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	-	-	-	-	-
1 Bedroom	7	-	7	7	-
2 Bedroom	26	-	26	26	-
3 Bedroom	-	1	1	-	-
Total	33	1	34	33	-

HHH Funding

Up to \$1,125,000 per PEP Amendment 4. Changes will be requested in PEP Amendment 10.

1044 Soto

1044 Soto St., Los Angeles, CA 90033
New Construction
85 Units
Council District 14



1044 Soto is an 85-unit new construction multifamily property. All units will serve Homeless populations at 30% AMI or lower. Currently, HACLA is working on a rehabilitation design and accessibility requirements for the site.

Affordability Structure

Unit Type	30% AMI Units	Manager Unit	Total Units	PSH Funded	Non-PSH Funded
0 Bedroom	84	1	85	84	-
1 Bedroom	-	-	-	-	-
2 Bedroom	-	-	-	-	-
3 Bedroom	-	-	-	-	-
Total	84	1	85	84	-

HHH Funding

Up to \$4,625,000 per PEP Amendment 4. Changes will be requested in PEP Amendment 10.