

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

Date: January 17, 2018

To: Proposition HHH Citizens Oversight Committee

From: Office of the City Administrative Officer  
Housing and Community Investment Department

Subject: **FIRST STATUS REPORT – FISCAL YEAR 2017-18 PROPOSITION HHH BOND ISSUANCE**

### RECOMMENDATION

That the Citizens Oversight Committee review the first status report for the Fiscal Year 2017-18 Proposition HHH bond issuance and forward the report to the Administrative Oversight Committee.

### SUMMARY

The first Proposition HHH (Prop HHH) bond issuance in Fiscal Year (FY) 2017-18 included \$87,879,381 for nine (9) projects under the Prop HHH Permanent Supportive Housing (PSH) Loan Program and six (6) projects under the Prop HHH Facilities Program, administered by the Housing and Community Investment Department (HCID) and the Office of the City Administrative Officer (CAO), respectively. An additional \$1,203,933 was included for HCID and City Attorney staff costs, for a total issuance of \$89,083,314 (C.F. 17-0622). Any balance remaining for staff costs will be reprogrammed in the next Project Expenditure Plan (PEP).

The attached Proposition HHH Status Report (Status Report) provides the first six (6) month report for the FY 2017-18 bond issuance. Future reports will be provided quarterly.

The Status Report provides the following information for each Prop HHH project:

- Project Information:
  - Project name, developer, address and council district, population served;
  - Total number of units, number of PSH units, units for chronically homeless, affordable units, manager units, and non-HHH funded units (PSH Loan Program projects only); and
  - Project type (Facilities Program projects only).
- Prop HHH Project Award Amount;
- Total Development Cost;
- Loan Agreement Execution Date (PSH Loan Program projects only) and Contract Execution Date (Facilities Program projects only);
- Commitment Date (PSH Loan Program projects only);
- Cost Per Unit (PSH Loan Program projects only);
- Construction Start Date;
- Construction Completion Date;
- Permanent Loan Conversion Date (PSH Loan Program projects only);
- Prop HHH Quarterly Expenditures and Fiscal Year Totals; and

- Notes (outlining delays, concerns, etc.).

## **PROPOSITION HHH STATUS REPORT – ITEMS OF NOTE**

### Proposition HHH Permanent Supportive Housing Program

- Construction on the PATH Metro Villas II began on December 20, 2017.
- The Six Four Nine Lofts project loan agreement was executed on December 19, 2017.
- On January 16, 2018, the City Council approved HCID recommendations to extend the existing lease agreement for the City-owned portion of the 88<sup>th</sup> and Vermont project site to allow the developer to maintain site control while the sale of the property is finalized (C.F. 17-0539).
- Loan agreements for the AMRC TAY, Rise Apartments and SP7 Apartments are expected to close by April 30, 2018, June 1, 2018, and June 21, 2018, respectively.
- The remaining three (3) Prop HHH PSH Loan Program projects experienced cost increases and are applying for other sources of gap financing. Updated Loan Agreement Execution dates for these projects are:
  - Casa del Sol: August 16, 2018
  - FLOR 401 Lofts: October 18, 2018
  - The Pointe on Vermont: October 18, 2018

### Proposition HHH Facilities Program

- The loan agreement with Los Angeles Christian Health Center, the project sponsor for the Joshua House Health Center, was executed on December 19, 2017 (C-130640).
- Loan agreements with the other three private project sponsors are anticipated to be executed by March 2018.
- The City-sponsored Navigation Center project in Council District 8 is being overseen by the City Department of Public Works, Bureau of Engineering. This project is in the design phase and is expected to begin construction in June 2018.
- Volunteers of America Los Angeles, the project sponsor for the Homeless Vets at the Marion project, the CAO and HCID are working with the Community Redevelopment Agency of the City of Los Angeles Designated Local Authority (CRA/LA) to resolve issues related to the City's Wiggins settlement and Single Room Occupancy (SRO) Ordinance to allow the project to use units at this site for transitional housing.
- John Wesley Community Health (JWCH) Institute, the project sponsor for the Corner of Hope project, elected not to proceed with Prop HHH funds due to increased project costs associated with Prop HHH funding requirements. The \$435,800 awarded to this project will be reprogrammed in the FY 2018-19 PEP.

Attachment – Proposition HHH Status Report – January 2018