

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

ITEM #8

Date: January 17, 2024

To: Proposition HHH Citizens Oversight Committee

From: Office of the City Administrative Officer Proposition HHH Staff

Subject: **Proposition HHH Funding Commitments and Addition of Homekey1 Projects to the Fiscal Year 2020-21 Project Expenditure Plan**

RECOMMENDATION

That the Proposition HHH Citizens Oversight Committee (COC) review and forward this information to the Proposition HHH Administrative Oversight Committee (AOC) to Note and File.

SUMMARY

On December 10, 2024, the Mayor and City Council approved the Hutt-McOsker motion (C.F. 17-0900-S26) that adds three (3) Project Homekey1 (PHK1) sites to the Proposition HHH (Prop HHH) Fiscal Year (FY) 2020-21 Project Expenditure Plan (PEP) for a total funding commitment of \$3,605,586.

BACKGROUND

The City, led by the Office of the City Administrative Officer (CAO), with the assistance of the Housing Authority of the City of Los Angeles (HACLA) acquired the three (3) PHK1 sites in December 2020 as interim housing sites. The PHK1 sites had been approved for early conversion to permanent affordable and supportive housing, but experienced funding gaps. The CAO, with assistance of the Los Angeles Housing Department (LAHD), determined the Prop HHH uncommitted balance as of October 2024 to be \$9.1 million. This action commits \$3,605,586 of this uncommitted balance. This action will allow the PHK1 sites to proceed with the conversion from interim housing and develop up to 95 permanent housing units. The funding commitments include:

1. Up to \$1,343,914 for the Best Inn/Mollie Maison located at 4701 Adams Blvd, Los Angeles, CA, 90016 in Council District 10 with owner/operator, The People Concern;
2. Up to \$1,525,457 for Ramada Inn/PV Marina Del Rey located at 3130 Washington, Blvd, Venice, CA 90291 in Council District 11 with owner/operator PATH Ventures; and,

3. Up to \$736,215 for Travelodge Normandie/Normandie located at 18606 Normandie Avenue, Los Angeles, CA 90248 in Council District 15 with owner/operator PATH Ventures.

This action also provides authority to update legal documents, including revisions to the ownership structure for the three PHK1 sites and one additional site in Council District 4. Once the sites start the conversion process, the projects are transferred to the LAHD permanent housing portfolio.

Attachments

1. Report from Housing and Homelessness Committee Report
2. Official Action of the Los Angeles City Council and Mayor Concurrence

HOUSING AND HOMELESSNESS COMMITTEE REPORT relative to approving the Prop HHH funding commitment for three projects and adding them to the Fiscal Year 2020-21 Proposition HHH Project Expenditure Plan (PEP).

Recommendations for Council action, as initiated by Motion (Hutt - McOsker), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the Prop HHH funding commitment for the following projects and the addition of the projects to the Fiscal Year 2020-21 Proposition HHH PEP:
 - a. Up to \$1,343,914 for the Best Inn/Mollie Maison, 4701 Adams Boulevard, Los Angeles, CA, 90016, Council District 10; owner/operator, The People Concern.
 - b. Up to \$1,525,457 for Ramada Inn/PV Marina Del Rey, 3130 Washington, Boulevard, Venice, CA 90291, Council District 11, owner/operator PATH Ventures.
 - c. Up to \$736,215 for Travelodge Normandie/Normandie, 18606 Normandie Avenue, Los Angeles, CA 90248, Council District 15, owner/operator PATH Ventures.
2. AUTHORIZE the General Manager, Los Angeles Housing Department (LAHD), or designee, to negotiate and execute loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Fiscal Year 2020-21 Proposition HHH PEP with each of the borrowers/owner/operator for these projects, subject to the approval of the City Attorney as to form.
3. AUTHORIZE the General Manager, LAHD, or designee to prepare Controller instructions or make necessary technical adjustments, subject to the approval of the City Administrative Officer, to implement the intent of this motion, and request the Controller to implement those instructions.
4. REQUEST the City Attorney, with the assistance of the LAHD, to update the City legal documents with the owner/operators of these sites to include the changes in the ownership structure for the conversion to permanent housing as follows:
 - a. Ramada Inn/PV Marina del Rey: from PATH Ventures to PV MDR LLC.
 - b. Travelodge Normandie/Normandie: from PATH Ventures to PV Normandie LLC.
 - c. Homekey1 site, Howard Johnson/The Sieroty, at 7843 Lankershim Boulevard. North Hollywood, CA 91605, in Council District Four, which does not have a funding gap, from LA Family Housing to LAFHBuilds.

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

Community Impact Statement: None submitted

SUMMARY

At the meeting held on November 6, 2024, your Housing and Homelessness Committee considered a Motion (Hutt - McOsker) relative to approving the Prop HHH funding commitment for three projects and adding them to the Fiscal Year 2020-21 Proposition HHH PEP.

Respectfully Submitted,

HOUSING AND HOMELESSNESS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
RAMAN:	YES
BLUMENFIELD:	YES
PADILLA:	YES
DE LEÓN:	ABSENT
RODRIGUEZ:	YES

JL 11.20.24 17-0090-S26

-NOT OFFICIAL UNTIL COUNCIL ACTS-

HOLLY L. WOLCOTT
CITY CLERK

City of Los Angeles
CALIFORNIA

OFFICE OF THE
CITY CLERK

PETTY F. SANTOS
EXECUTIVE OFFICER



KAREN BASS
MAYOR

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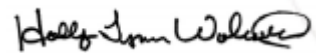
PATRICE Y. LATTIMORE
DIVISION MANAGER
CLERK.LACITY.GOV

OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

Council File No.: 17-0090-S26
Council Meeting Date: December 3, 2024
Agenda Item No.: 15
Agenda Description: HOUSING AND HOMELESSNESS COMMITTEE REPORT relative to approving the Proposition HHH (Prop HHH) funding commitment for three projects and adding them to the Fiscal Year (FY) 2020-21 Prop HHH Project Expenditure Plan (PEP).
Council Action: HOUSING AND HOMELESSNESS COMMITTEE REPORT - ADOPTED

Council Vote:

YES	Blumenfield	YES	de León	YES	Harris-Dawson
YES	Hernandez	ABSENT	Hutt	YES	Krekorian
YES	Lee	YES	McOsker	YES	Padilla
YES	Park	YES	Price Jr.	YES	Raman
YES	Rodriguez	YES	Soto-Martínez	YES	Yaroslavsky


HOLLY L. WOLCOTT
CITY CLERK

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

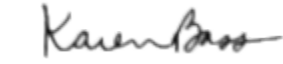
FILE SENT TO MAYOR

12-04-2024

LAST DAY FOR MAYOR TO ACT

12-16-2024

APPROVED



12/10/2024

DATE SIGNED

Adopted Report(s) Title
Report from Housing and Homelessness Committee_11-20-24