

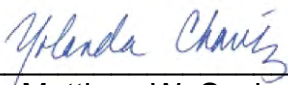
TRANSMITTAL

TO The City Council	DATE 07/05/24	COUNCIL FILE NO. 17-0090
FROM Proposition HHH Administrative Oversight Committee	COUNCIL DISTRICT ALL	

At its meeting of June 27, 2024, the Proposition HHH (Prop HHH) Administrative Oversight Committee (AOC) considered the attached City Administrative Officer and Los Angeles Housing Department report relative to the Prop HHH Quarterly Report for the First, Second, and Third Quarters of Fiscal Year 2023-2024 (July 1, 2023 – March 31, 2024). The report provides quarterly information regarding Prop HHH expenditures for the Project Expenditure Plans for Fiscal Years (FYs) 2017-18, 2018-19, 2019-20, and 2020-21, through March 31, 2024.

RECOMMENDATION

That the City Council note and file the report.


for Matthew W. Szabo
City Administrative Officer

Chair, Proposition HHH Administrative Oversight Committee

MSW:YC:VES:MC:02250004

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

ITEM #4

Date: June 27, 2024

To: Proposition HHH Administrative Oversight Committee

From: Proposition HHH Citizens Oversight Committee

Subject: **PROPOSITION HHH QUARTERLY REPORT – FIRST, SECOND, AND THIRD
QUARTERS OF FISCAL YEAR 2023-2024 (JULY 1, 2023 – MARCH 31, 2024)**

At its meeting of June 21, 2024, the Proposition HHH (Prop HHH) Citizens Oversight Committee (COC) considered the attached report dated June 21, 2024, from the Los Angeles Housing Department and the City Administrative Officer relative to the Prop HHH Quarterly Report for the First, Second, and Third Quarter of Fiscal Year 2023-2024 (July 1, 2023 to March 31, 2024). The Prop HHH COC approved to forward the report for your consideration.

MWS:YC:VES:MC:02240184

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: June 21, 2024

To: Proposition HHH Citizens Oversight Committee

From: Office of the City Administrative Officer
Los Angeles Housing Department

Subject: **PROPOSITION HHH QUARTERLY REPORT – FIRST, SECOND, AND THIRD
QUARTERS OF FISCAL YEAR 2023-24 (JULY 1, 2023 – MARCH 31, 2024)**

RECOMMENDATION

That the Proposition HHH Citizens Oversight Committee review and forward the Quarterly Report for the first, second, and third quarters of Fiscal Year 2023-24, July 1, 2023 through March 31, 2024, to the Proposition HHH Administrative Oversight Committee.

SUMMARY

This quarterly report provides Proposition (Prop) HHH expenditures for the Project Expenditure Plans (PEPs) for FY 2017-18, 2018-19, 2019-20, and 2020-21, through the third quarter of FY 2023-24, July 1, 2023 through March 31, 2024.

Since the Prop HHH Program inception, there have been four (4) bond issuances totaling \$963,985,000 and funding commitments for 117 permanent supportive housing (PSH) and affordable housing projects with 7,861 units and 24 facilities. As of March 31, 2024, a total of \$861,924,715 had been expended for the PSH Loan and Facilities Programs, including \$4,969,314 in Los Angeles Housing Department (LAHD) and City Attorney staff costs. The remaining bond authority of the \$1.2 billion Prop HHH bond authorization is \$236,015,000. The next bond issuance for \$150,000,000 is scheduled to be issued on June 24, 2024.

This report describes items of note for Prop HHH projects approved in the four Prop HHH PEPs. Attachment A of this report provide the following information for each Prop HHH project:

- Project Information:
 - Project name, developer, address, council district, and 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, including original and actual costs;
- 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, including original and actual dates;
- Construction Completion Date, including original and actual dates;
- Permanent Loan Conversion Date (PSH Loan Program projects only);
- Prop HHH Quarterly Expenditures and Fiscal Year Totals; and,
- Notes (e.g., outlining delays, concerns).

PROPOSITION HHH STATUS REPORT – ITEMS OF NOTE

PROPOSITION HHH PERMANENT SUPPORTIVE HOUSING LOAN PROGRAM

Of the \$871,599,284 allocated to the PSH Loan Program, \$861,924,715 has been expended through the third quarter of FY 2023-24. Of the total amount expended, \$57,726,581 was expended in the first quarter; \$55,266,986 in the second quarter; and \$45,580,125 in the third quarter of FY 2023-24.

The Table 1 below outlines expenditures for projects that are 100 percent complete and operational. Fifty projects with 3,229 units are 100 percent complete and operational, 29 of which are pending conversion of construction loans to permanent loans.

Table 1: Expenditures for Projects 100 Percent Complete and Operational

PEP	Total Commitment	Total Allocation	Total Expended to Date	Expenditures in Quarters 1-3	Total # of Projects	Total # of Units
2017-18	\$61,157,162	\$61,157,162	\$65,828,116	\$0	8	515
2018-19	\$190,907,854	\$190,457,466	\$180,665,238	\$14,835,210	19	1156
2019-20	\$106,789,618	\$97,206,560	\$86,755,238	\$11,406,620	11	711
2020-21	\$101,895,560	\$81,538,526	\$49,016,149	\$18,492,590	12	847
Total	\$460,750,194	\$430,359,714	\$382,264,741	\$44,734,420	50	3,229

The Table 2 below provides the expenditure activity for 67 incomplete projects with 4,632 units. The table also includes projects that have yet to begin construction and projects that were newly added to a PEP. Forty-six projects are over 50 percent complete and 21 are under 50 percent complete.

Table 2: Expenditures for Incomplete Projects

PEP	Total Commitment	Total Allocation	Total Expended to Date	Expenditures in Quarter 1-3	Projects Over 50% Complete	Projects Under 50% Complete	Total # of Projects	Total # of Units
2017-18	\$12,000,000	\$7,740,481	\$7,187,000	\$ 0	1	0	1	100
2018-19	\$35,523,480	\$35,623,480	\$31,753,480	\$1,952,000	4	0	4	221
2019-20	\$165,786,083	\$143,877,328	\$143,533,219	\$60,916,188	17	1	18	1,196
2020-21	\$330,063,724	\$253,998,282	\$297,186,275	\$50,971,083	24	20	44	3,115
Total	\$543,373,287	\$441,239,571	\$479,659,974	\$113,839,271	46	21	67	4,632

PROPOSITION HHH FACILITIES PROGRAM

A total of \$71,948,108 was allocated to the Prop HHH Facilities Program. Through March 31, 2024, a total of \$48,318,048 has been expended, including \$69,976 for the Prop HHH Fee Study. Of the total amount expended, \$18,572,717 was expended in the first quarter and \$68,283 was expended in the second quarter of FY 2023-24. There were no expenditures in the third quarter of FY 2023-24. Attachment A provides the project details.

Eighteen projects (18) are complete and operational and five (5) projects are under construction as shown in Table 3 below. These projects include City Navigation Centers, domestic violence shelters, health clinics, bridge housing sites, service centers, and transitional and youth housing shelters. The Mayfair Hotel, which received an allocation of \$18 million in Prop HHH funds and was acquired on August 18, 2023, has been added to the facilities PEP. The 294-room site will provide interim housing to homeless households. The site started operations on May 1, 2024. The contract for the Veteran Opportunity Center is pending the resolution of the contract recording with the Los Angeles County Registrar-Recorder Office.

Table 3: Expenditures for Facilities Program

PEP	Total Commitment and Allocation	Total Expended to Date	Expenditures in Quarter 1-3	Total # of Projects	Projects 100% Complete and Operational	Incomplete Projects
2017-18	\$11,563,271	\$10,967,044	\$0	4	4	0
2018-19	\$42,384,836	\$37,351,004	\$641,000	19	13	6
2020-21	\$18,000,000	\$18,000,000	\$18,000,000	1	1	0
Total	\$71,948,108	\$48,318,048	\$18,641,000	24	18	6

Attachment A – Proposition HHH FY 2023-24 Quarterly Report Q1-3 by Project Expenditure Plan (PEP) from July 1, 2023 through March 31, 2024

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[illegible]

4 of 12

[illegible]

8 of 12

9 of 12

[illegible]

[illegible]

Definitions

Priorities: A development that provides permanent housing (including room subsidy) with supportive services to extremely low income, and very low income, homeless special needs individuals and veterans, homeless families, homeless transition-aged youth (TAY), homeless seniors, homeless disabled, and homeless frequent users of Los Angeles County services Units reserved for individuals or families:
 (i) Experiencing chronic homelessness as defined in 24 CFR 578.2;
 (ii) Being elderly, formerly homeless persons who are at risk of returning to homelessness; At-risk children of previously homeless parents; At-risk adults who are victims of domestic violence; At-risk women who are pregnant.

(b) Residing in a transitional housing project that will be demolished and meets the definition of chronically homeless in effect at the time in which the individual or family entered the transitional housing project;

(c) Residing in a place not meant for human habitation, emergency shelter, or safe haven, but the individuals or families experiencing chronic homelessness as defined in 24 CFR 578.3 had been admitted and enrolled in a permanent housing program within the last year and were unable to maintain a housing placement;

(d) Residing in transitional housing funded by a Joint Transitional Housing and Permanent Housing Rapid Re-Housing component project and who were experiencing chronic homelessness as defined in 24 CFR 578.3 prior to entering the project;

(e) Residing and having cashed out a signed and signed for a home, an emergency shelter for up to 12 months in which they were, but has not done so as of the assessment date.

Chronic PAIN Units:
Affordable Units:
Non-18881 Funded Units:

Permanent Loan Conversion: Date by which the construction loan is converted (replaced with) the permanent financing loan.

Legend for Populations Served

SA = Substance Abuse	D = Non-homeless disabled	CH = Chronically Homeless	HS = Homeless Senior	M = Homeless Mental Illness	DV = Homeless survivors of domestic violence & sex trafficking
YAH = Youth at Risk of Home	V = Non-homeless Veterans	HF = Homeless Families	Y = Homeless Youth	O = Other Homeless	

I = Non-homeless individuals II = Homeless individuals III = Homeless Veterans IV = Homeless Disabled V = Homeless individuals with HIV/AIDS

[illegible]

*Project sponsors for the Corner of Hope (\$435,800) and Homeless Vets at the Marion (\$220,765) projects withdrew from Prop HHF Facilities Program, and \$133,259 was reprogrammed from City Staff Costs for a total of \$789,824 available for reprogramming. \$145,000 was reallocated to the CDB Navigation Center listed above and the remainder was allocated to Fiscal Year 2018-19 Prop HHF projects as shown above.