

HOUSING AND HOMELESSNESS COMMITTEE REPORT relative to a status update on the Fast Track Loan Program.

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

1. AMEND Recommendation II.A contained in the Los Angeles Housing Department report dated January 5, 2024, attached to Council file No. 23-0206, respectively, with the following:

“AUTHORIZE the General Manager, LAHD, or designee, to additionally reserve \$15,949,787 in HOME funding, \$117,793 in Linkage Fee and \$204,430 in SB2 funding, as outlined in Table 1; contained in the corrected LAHD report dated January 17, 2024, attached to Council file No. 23-0206.”
2. AUTHORIZE, the General Manager, LAHD, or designee, to issue a funding recommendation letter for each project requesting funds as identified in Table 1, contained in the corrected LAHD report dated January 17, 2024, attached to the Council file, subject to the following conditions:
 - a. The final funding commitment will not exceed the amount listed.
 - b. Waive the maximum loan limit for 803 East 5th Street, Firmin Court, Isla de Los Angeles, Marcella Gardens, Ruth Teague Homes and Western Avenue Apartments; and waive the Application Submittal date requirement for Bryson II Apartments.
 - c. The disbursement of LAHD funds will occur only after the sponsor obtains enforceable commitments for all proposed funding.
3. AUTHORIZE the General Manager, LAHD, or designee, subject to review and approval of the City Attorney as to form, to negotiate and execute loan agreements with the legal owner of each applicable project identified in Table 1, contained in the corrected LAHD report dated January 17, 2024, attached to the Council file, which receive awards from the proposed leveraging sources, subject to the satisfaction of all conditions and criteria contained in the LAHD Pipeline application, the corrected LAHD report dated January 17, 2023, attached to the Council file, and the LAHD Award Letter (if applicable), with the condition that Friendship for Affordable Housing, LLC becomes the sole member of Administrative General Partner of West Third Apartments GP, LLC, Western Avenue Apartments Preservation, LP and Broadway Apartments Preservation, LP to effectuate the sale of membership interest of Shangri-La Construction, L.P., and AW Investment Holdings, LLC.
4. AUTHORIZE the General Manager, LAHD, or designee, to execute subordination agreements of the City's financial commitment, wherein the City Loan and Regulatory Agreements are subordinated to their respective conventional or municipally funded construction and permanent loans, as required.
5. AUTHORIZE the General Manager, LAHD, or designee, to allow the transfer of the City's financial commitment to a limited partnership or other legal entity formed solely for the purpose of owning and operating the project in accordance with City and Federal requirements.
6. AUTHORIZE the Controller to obligate funds for the projects as outlined in Table 1, contained in the corrected LAHD report dated January 17, 2024, attached to the Council file.
7. AUTHORIZE the General Manager, LAHD, or designee, to prepare Controller instructions and any necessary technical adjustments consistent with Mayor and City Council actions, subject to the approval of the City Administrative Officer (CAO); and, REQUEST the Controller to implement

the instructions.

8. AUTHORIZE the LAHD to defer project accrued construction loan interest for projects already admitted into HHH or the Affordable Housing Managed Pipeline.

Fiscal Impact Statement: The LAHD reports that there is no General Fund impact for the Fast Track Program.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on January 17, 2024, your Housing and Homelessness Committee considered a LAHD report relative a status update on the Fast Track Loan Program.

After an opportunity for public comment was held, the Committee recommended to move forward the recommendations contained in the LAHD report, as detailed above, as amended, by the LAHD. 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:	YES
LEE:	ABSENT

LV 1.17.24

-NOT OFFICIAL UNTIL COUNCIL ACTS-