

HOUSING AND HOMELESSNESS COMMITTEE REPORT relative to funding awards and support letters for nine projects; and to designate three alternate projects selected from the 2023 Notice of Funding Availability (NOFA) applications into the United to House LA (ULA) Accelerator Plus Program.

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

1. NOTE and FILE the Los Angeles Housing Department (LAHD) report dated March 11, 2024, attached to Council file No. 23-0038-S4, relative to funding awards and support letters for nine projects; and to designate three alternate projects selected from the 2023 NOFA applications into the ULA Accelerator Plus Program.
2. AUTHORIZE the General Manager, LAHD, or designee, to:
 - a. Admit the nine projects selected from the ULA Accelerator Plus 2023 Notice of Funding Availability applications, listed in Table 1 of the revised City Administrative Officer report dated March 29, 2024, attached to Council file No. 23-0038-S4, and issue Award Letters subject to the following conditions:
 - i. The final funding commitment will not exceed the amount identified in Table 1 of the revised CAO report dated March 29, 2024, attached to the Council file.
 - ii. The project sponsor must apply to the California Tax Credit Allocation Committee in the next available Low Income Housing Tax Credits (LIHTC) allocation round.
 - iii. The disbursement of LAHD funds will occur only after the sponsor obtains enforceable commitment for all proposed funding.
 - b. Negotiate and execute acquisition/predevelopment/construction/permanent loan agreements with the legal owners of all of the projects identified in Table 1 of the revised CAO report dated March 29, 2024, attached to the Council file, which received awards from the leveraging sources identified therein, subject to the satisfaction of all conditions and criteria contained in the ULA Accelerator Plus Program NOFA application, LAHD's report dated March 11, 2024, attached to Council file No. 23-0038-S4, and the LAHD Award Letter (if applicable), and the review and approval of the City Attorney as to form.
 - c. Execute subordination agreements of the City's financial commitment for all of the projects identified in Table 2 of the revised CAO report dated March 29, 2024, attached to the Council file, wherein the City Loan and Regulatory Agreements are subordinated to their respective conventional or municipally-funded construction and permanent loans, as required for the projects.
 - d. Allow the transfer of the City's financial commitment for all of the projects identified in Table 2 of the revised CAO report dated March 29, 2024, attached to the Council file 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.
 - e. Issue Nine Percent LIHTC tie-breaker letters of support for the Grace Villas and the Main projects in the Geographic set-aside, as identified in Table 1 of the revised CAO report dated March 29, 2024, attached to the Council file.
 - f. Obligate \$55,598,945 in ULA funds, and request the Controller to transfer appropriations within Fund No. 66M, from Account No. 43Y00C to new appropriation accounts for the projects and amounts listed and identified in Table 1 of the revised CAO report dated

March 29, 2024, attached to the Council file.

- g. Prepare Controller instructions and any technical corrections as necessary to the transactions included in the revised CAO report dated March 29, 2024, attached to the Council file, to implement Mayor and Council's intent of those transactions, including the disbursement of appropriated funds, subject to the approval of the CAO.

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund at this time. The actions recommended in this report will be funded by revenue collected from Measure ULA. In the event Measure ULA is invalidated, the City's General Fund may be obligated to cover any spent funds. Up to \$150 million in Federal Emergency Management Agency reimbursements to the General Fund may be available for this purpose in 2024-25 or 2025-26.

Financial Policies Statement: The CAO reports that the recommendations stated in this report are in compliance with the City's Financial Policies in that the financial obligations detailed in this report accord with the mandates of the ULA Fund.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on April 3, 2024, your Housing and Homelessness Committee considered CAO and LAHD reports relative to funding awards and support letters for nine projects; and to designate three alternate projects selected from the 2023 Notice of Funding Availability applications into the United to House LA Accelerator Plus Program.

After an opportunity for public comment was held, the Committee recommended to note and file the LAHD report and adopt the recommendations contained in the CAO report, as detailed above. 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:	YES
RODRIGUEZ:	YES
LEE:	YES

LV 4.3.24

-NOT OFFICIAL UNTIL COUNCIL ACTS-