

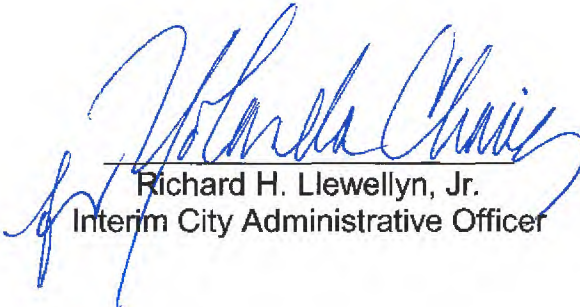
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TRANSMITTAL

TO The City Council	DATE 02-05-18	COUNCIL FILE NO. 17-0090
FROM Richard H. Llewellyn, Jr., Interim City Administrative Officer	COUNCIL DISTRICT ALL	

At its January 25, 2018 meeting, the Proposition HHH (Prop HHH) Administrative Oversight Committee (AOC) considered the attached report from the City Administrative Officer (CAO) and the Housing and Community Investment Department (HCID) regarding the Prop HHH Fiscal Year 2017-18 Bond Status Report.

That AOC recommends that the City Council receive and file this report inasmuch as no action is requested at this time.

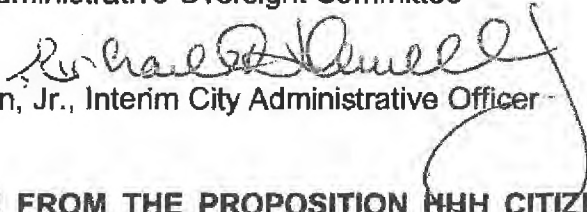


Richard H. Llewellyn, Jr.
Interim City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: January 23, 2018

To: Proposition HHH Administrative Oversight Committee

From: 
Richard H. Llewellyn, Jr., Interim City Administrative Officer

Subject: **COMMUNICATION FROM THE PROPOSITION HHH CITIZENS OVERSIGHT COMMITTEE RELATIVE TO A REPORT FROM THE CITY ADMINISTRATIVE OFFICER AND THE HOUSING AND COMMUNITY INVESTMENT DEPARTMENT ON THE FIRST PROPOSITION HHH FISCAL YEAR 2017-18 BOND STATUS REPORT**

RECOMMENDATIONS

That the Proposition HHH Administrative Oversight Committee forward the report to the City Council with the recommendation that it be received and filed inasmuch as no action is requested at this time.

SUMMARY

The Proposition HHH (Prop HHH) Citizens Oversight Committee (COC) held a meeting on Friday, January 19, 2018. The attached report from the City Administrative Officer (CAO) and the Housing and Community Investment Department (HCID) relative to the Prop HHH Fiscal Year 2017-18 Bond Status Report was considered and forwarded to the Administrative Oversight Committee for review.

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 88th 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

Proposition HHH Status Report - January 2018

Proposition HHH Permanent Supportive Housing (PSH) Loan Program GOB Series 2017-A (Taxable)																			Fiscal Year 2017-18 Expenditures					
Proposition HHH PSH Project	Developer/Owner	Address	Council District	HHH Project Award	Total Development Cost	Cost Per Unit	Population Served	Total Units	Total PSH Units	Chronic PSH Units	Affordable Units	Non-HHH Funded Units	Managerial Units	Commitment Date	Loan Agreement Execution Date	Construction Start Date	Construction Completion Date	Estimated Permanent Loan Conversion Date	HHH Expenditures as of January 2018	HHH Expenditures Q3	HHH Expenditures Q4	Fiscal Year 2017-18 Total	HHH Project Funds Remaining	Notes
88th and Vermont	WORKS	8730 S. Vermont Avenue, Los Angeles, CA 90044	8	\$ 9,680,000	\$ 36,285,371	\$ 585,248	H, CH, HF, V, Y	62	45	23	14	14	2	6/23/2017	3/1/2018 (Estimated)	3/1/2018 (Estimated)	3/1/2020 (Estimated)	9/1/2020	\$ -	\$ -	\$ -	\$ -	\$ 9,680,000	
PATH Metro Villas II	PATH Ventures	320 North Madison Avenue, Los Angeles, CA 90004	13	\$ 3,513,721	\$ 53,717,019	\$ 440,303	H, CH, V	122	90	46	30	0	2	2/27/2017	12/13/2017	12/20/2017	12/15/2019 (Estimated)	6/15/2020	\$ -	\$ -	\$ -	\$ -	\$ 3,513,721	Loan closed
Six Four Nine Lofts	SKid Row Housing Trust	649 S. Wall St., Los Angeles, CA 90014	14	\$ 5,500,000	\$ 26,478,534	\$ 481,428	H, CH	55	27	14	27	0	1	9/25/2017	12/19/2017	2/1/2018 (Estimated)	8/1/2019 (Estimated)	2/1/2020	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000	Loan closed
(McCadden Youth) AMRC Tay	Thomas Safra	1136 N. McCadden Pl., Los Angeles, CA 90038	4	\$ 5,018,298	\$ 10,036,596	\$ 385,023	H, CH, Y, SR	26	25	12	0	0	1	9/25/2017	4/30/2018 (Estimated)	5/6/2018 (Estimated)	5/6/2020 (Estimated)	8/6/2020	\$ -	\$ -	\$ -	\$ -	\$ 5,018,298	
Casa del Sol	A Community of Friends	10966 W. Ratner St., Sun Valley, CA 91352	6	\$ 8,065,143	\$ 19,655,785	\$ 446,722	H, CH, SR, M	44	43	22	0	0	1	9/25/2017	8/16/2018 (Estimated)	8/23/2018 (Estimated)	8/23/2020 (Estimated)	11/23/2020	\$ -	\$ -	\$ -	\$ -	\$ 8,065,143	Delayed due to cost increases; applying for gap financing.
FLOR 401 Lofts	Flor 401 Lofts (SRHT)	401 E. 7th St., Los Angeles, CA 90014	14	\$ 11,980,000	\$ 39,369,988	\$ 397,677	H, CH, V	99	49	25	49	12	1	9/25/2017	10/18/2018 (Estimated)	10/25/2018 (Estimated)	10/25/2020 (Estimated)	1/25/2021	\$ -	\$ -	\$ -	\$ -	\$ 11,980,000	Delayed due to cost increases; applying for gap financing.
RSE Apartments	SRO Housing	4060 S. Figueroa Street, Los Angeles, CA 90037	5	\$ 9,500,000	\$ 21,039,903	\$ 369,104	H, CH, V	57	56	42	0	0	1	9/25/2017	6/1/2018 (Estimated)	6/8/2018 (Estimated)	6/8/2020 (Estimated)	9/8/2020	\$ -	\$ -	\$ -	\$ -	\$ 9,500,000	
SP7 Apartments RECAP	SP7 Apartments LP (SRHT)	513 E. 7th St., Los Angeles, CA	14	\$ 12,000,000	\$ 35,035,594	\$ 350,356	H, CH, V	100	55	28	44	0	1	9/25/2017	6/21/18 (Estimated)	6/28/2018 (Estimated)	6/28/2020 (Estimated)	9/28/2020	\$ -	\$ -	\$ -	\$ -	\$ 12,000,000	
The Pointe on Vermont	EAH Inc.	7600 S. Vermont Ave., Los Angeles, CA	8	\$ 10,618,000	\$ 21,236,930	\$ 424,739	H, CH, HF	50	25	13	24	24	1	9/25/2017	10/18/2018 (Estimated)	10/25/2018 (Estimated)	10/25/2020 (Estimated)	1/25/2021	\$ -	\$ -	\$ -	\$ -	\$ 10,618,000	Delayed due to cost increases; applying for gap financing.
Subtotal for 2017-18 Bond Issuance				\$ 75,875,162	\$ 262,854,720			615	416	225	188	50	11						\$ -	\$ -	\$ -	\$ -	\$ 75,875,162	
Housing and Community Investment Department and City Attorney PSH Loan Program Staff Costs				\$ 1,203,933	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ 1,203,933	Any balance remaining will be reprogrammed in the next Project Expenditure Plan (PEP)
TOTAL for 2017-18 Bond Issuance				\$ 77,079,095	\$ 262,854,720			615	416	225	188	50	11						\$ -	\$ -	\$ -	\$ -	\$ 77,079,095	

Proposition HHH Permanent Supportive Housing (PSH) Loan Program GOB Series 2017-A (Taxable)											Fiscal Year 2017-18 Expenditures					
Proposition HHH Facilities Project	Project Sponsor	Address	Council District	Project Type	Population Served	HHH Project Award	Total Project Cost	Contract Execution Date	Construction Start Date	Construction Completion Date	HHH Expenditures as of January 2018	HHH Expenditures Q3	HHH Expenditures Q4	Fiscal Year 2017-18 Total	HHH Project Funds Remaining	Notes
88th and Vermont Youth and Community Center	Community Build	8730-8550 Vermont Ave., Los Angeles CA 90044	8	Center	H, HV, YAR	\$ 3,245,154	\$ 3,792,365	03/2018 (Estimated)	04/2018 (Estimated)	10/2019 (Estimated)	\$ -	\$ -	\$ -	\$ -	\$ 3,245,154	
Corner of Hope	JWCH Institute	500 S. San Pedro St., Los Angeles CA 90013	14	Clinic	H, CH, HF, DV, M, D, SA, HIV/AIDS	\$ 435,800	\$ 1,322,407	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ 435,800	To be reprogrammed in Fiscal Year 2018-19 PEP
South Campus	LA Family Housing	7817 Lankershim Blvd., North Hollywood, CA 91605	6	Center	H, CH, HF, DV, M, D, SA, V, HIV/AIDS	\$ 1,302,500	\$ 4,802,500	01/31/2018 (Estimated)	06/2018 (Estimated)	01/2019 (Estimated)	\$ -	\$ -	\$ -	\$ -	\$ 1,302,500	
Homeless Vets at the Marlon	Volunteers of America Los Angeles	642 S. Crocker St., Los Angeles, CA 90021	14	Transitional Housing Center	Veterans	\$ 220,765	\$ 351,200	03/2018 (Estimated)	06/2018 (Estimated)	06/2019 (Estimated)	\$ -	\$ -	\$ -	\$ -	\$ 220,765	Project sponsor, HCID and CAD are working with CRA/LA to resolve issues.
Joshua House Health Center	Los Angeles Christian Health Centers	649 S. Wall St., Los Angeles, CA 90014	14	Clinic	H, CH, V, MI, SA	\$ 3,700,000	\$ 23,238,840	12/19/2017	02/01/2018 (Estimated)	09/2019 (Estimated)	\$ -	\$ -	\$ -	\$ -	\$ 3,700,000	
CD 8 Navigation Center	City of Los Angeles	729 W. Manchester Ave., Los Angeles, CA 90044	8	Center	H, CH, Y	\$ 3,100,000	\$ 3,100,000	N/A (City-sponsored)	06/2018 (Estimated)	05/2019 (Estimated)	\$ -	\$ -	\$ -	\$ -	\$ 3,100,000	
TOTAL						\$ 12,004,219	\$ 36,607,312				\$ -	\$ -	\$ -	\$ -	\$ 12,004,219	

Definitions

PSH Units: A development that provides permanent housing (including rental 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.

Chronic PSH Units: Units reserved for individuals or families:

(a) Experiencing chronic homelessness as defined in 24 CFR 578.3;

(b) Residing in a transitional housing project that will be eliminated 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 project 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 has resided in a place not meant for human habitation, a safe haven, or emergency shelter for at least 12 months in the last three years, but has not done so on four separate occasions; or

(f) Receiving assistance through the Department of Veterans Affairs (VA)-funded homeless assistance programs and met one of the above criteria at intake to the VA's homeless assistance system.

Affordable Units: A structure or set of structures with rental housing units restricted by department regulations and operated under landlord-tenant law, with common financing, ownership and management.

Non-HHH Funded Units: Units which are not funded by the Prop HHH PSH Loan Program (e.g., HOPWA or HOME funded units, market rate, etc.)

Commitment Date: Executed date of Commitment Letter of Prop HHH PSH Loan Program funds issued to the applicant by HCID.

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

Legend for Populations Served

H = Homeless Individuals
CH = Chronically Homeless
HF = Homeless Families

DV = Domestic Violence
M = Mental Illness
D = Disabled

SA = Substance Abuse
V = Veterans
Y = Homeless Youth

YAR = Youth at Risk of Homelessness
SR = Senior
IHA = Individuals with HIV/AIDS

O = Other Homeless