MOTION

As the City of Los Angeles - led by the efforts of the Bass Administration - works to both clarify and streamline the historically convoluted and byzantine systems that dictate the planning, approval, and construction of affordable and supportive housing in Los Angeles, reforms are likewise needed to the city's processes of funding approvals for these projects.

Currently the typical City-funded affordable housing project is required to come to Council committee(s), City Council, and the Mayor for approval between three and seven times for various approvals. Each of these approvals requires four to six weeks of preparing a transmittal, circulating it for reviews, and scheduling in meetings. Each step delays construction and opening, costs public money, duplicates City staff efforts, and puts projects in jeopardy of not reaching their state-mandated deadlines to receive public funding.

While Proposition HHH constituted a then-unprecedented investment into affordable and supportive housing development, the City's Affordable Housing Managed Pipeline (AHMP) has been - since its creation in 2003 - the most consistent funding source for projects. There are several much-needed improvements to the AHMP process, including greater clarity and certainty around timelines, feedback, and project prioritization. The single most impactful change would be to allow LAHD staff to approve changes to funding awards and funding awards within approved parameters.

Cities across the country - and even neighboring municipalities within Los Angeles County - have effectively implemented streamlined processes that allow for appropriate legislative input while also empowering housing departments to be more fully responsive to the affordable housing needs of their communities.

For the 2022 AHMP Notice of Funding Availability (NOFA), six months passed between the application deadline of October 25, 2022 and the final Council approval of the applicants on April 25, 2023. Shortening this window will help deliver units faster and at lower costs, allowing for a more effective utilization of public funds.

I THEREFORE MOVE that the City Council the direct Los Angeles Housing Department (LAHD), in consultation with the office of the City Attorney and the City Administrative Officer (CAO), along with other relevant departments, report within 60 days with recommendations for improvements to the City's Affordable Housing Managed Pipeline (AHMP) program including, but not limited to:

- Delegating Council authority to LAHD staff to approve initial funding awards for applications below \$25 million;
- Reducing the number of times a project needs to return to Council for approvals;
- Allowing for LAHD staff approval of gap funding based on an analysis of increased funding awards over the preceding 3 years, updated on an annualized basis;
- Initiating a time limit to act between funding submittal and awards announcement from LAHD for 100% affordable or permanent supportive housing projects, that also takes other non-City processes into account;



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- Improving clarity around NOFA announcements, feedback windows, and award notices;
- Increasing transparency around LAHD's determination of project type and subpopulation prioritization for the pipeline and establishing a set timeline for publishing this information on an annual basis;
- Prioritizing deep income targeting in both initial awards as well as in any subsequent gap funding;
- Maximizing HACLA voucher utilization alongside project prioritization;
- Creating an updated list of qualified non-profit developers for affordable housing opportunities;
- Putting forward a clear set of requirements and documents needed for qualifying developers at the outset, and not introducing new processes after admission;
- Limiting the number of times qualified developers have to resubmit materials after admission;
- Consolidating applications and timelines for qualified developers seeking to utilize the Affordable Housing Managed Pipeline;
- Establishing priority scoring in the Affordable Housing Managed Pipeline program for projects proposed on public land.

I FURTHER MOVE that the City Council direct LAHD to report within 60 days with a list of all completed projects and projects currently in the development pipeline that have received AHMP funding, broken down by Council District, with an analysis of how long it takes on average to approve, permit, and construct projects, along with comments regarding a project's current delays.

I FURTHER MOVE that the City Council direct LAHD to report within 60 days on whether similar improvements to the current funding approvals processes for Proposition HHH, Project HomeKey, Affordable Housing and Sustainable Communities (AHSC), and other related programs would expedite the production of affordable housing.

I FURTHER MOVE that the City Council direct LAHD to report within 60 days on the affordable and supportive housing funding approval processes of Santa Monica and West Hollywood, along with localities with similarly-sized housing programs such as New York City, the effectiveness of their respective structures in expediting affordable and supportive housing development, and how those structures can be implemented in Los Angeles.

PRESENTED BY:

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SECONDED BY: