

HOUSING AND HOMELESSNESS COMMITTEE REPORT relative to funding for approved 2021 and 2022 Affordable Housing Managed Pipeline (AHMP) projects; and issuing funding awards and support letters to existing AHMP projects applying to the California Tax Credit Allocation Committee (CTCAC) in 2023 Round 2; and related matters.

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

1. AUTHORIZE the General Manager, Los Angeles Housing Department (LAHD), or designee, to issue a funding recommendation letter for each project requesting already approved funds as identified in Table 1 of the LAHD report dated June 15, 2023, attached to Council file No. 22-0876-S2, subject to the following conditions:
  - a. The final funding commitment will not exceed the amount listed.
  - b. The project sponsor must apply to the CTCAC in the next available Low Income Housing Tax Credits (LIHTC) allocation round, or the California Department of Housing and Community Development Multifamily Finance Super Notice of Funding Availability.
  - c. The disbursement of LAHD funds will occur only after the sponsor obtains enforceable commitments for all proposed funding.
2. AUTHORIZE the General Manager, LAHD, or designee, to:
  - a. Negotiate and execute acquisition, pre development, construction and permanent loan agreements with the legal owner of each applicable project identified in Table 1 contained in the LAHD report dated June 15, 2023, 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 LAHD report dated June 15, 2023, attached to the Council file, and the LAHD Award Letter (if applicable), subject to review and approval of the City Attorney as to form.
  - b. 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.
  - c. 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.
  - d. Issue CTCAC tie-breaker letters to the 9% LIHTC projects in the Geographic Apportionment set-aside, as identified in Table 2 of the LAHD report dated June 15, 2023, attached to the Council file.
  - e. Prepare Controller instructions and any necessary technical adjustments consistent with Mayor and City Council actions, subject to the approval of the City Administrative Officer; and, REQUEST the Controller to implement the instructions.
3. AUTHORIZE the Controller to:
  - a. Obligate funds for the projects listed below:
  - b.

TABLE 1 – Funding Recommendations: 2021 and 2022 AHMP Projects

<u>Title</u>	<u>Fund</u>	<u>Account</u>	<u>Amount</u>
Orange and Delongpre	HOME/561	:43T800/AHMP	\$1,250,282
	HOME/561	43V800/AHMP	91,159
Grace Villas	HOME/561	43W800/AHMP	4,951,914
	HOME/561	43V800/AHMP	754,136
The Arlington	HOME/561	43W800/AHMP	6,300,000
Central Avenue Apartments	HOME/561	43W800/AHMP	7,931,350
The Carlton	HOME/561	43W800/AHMP	7,771,750
		Sub-Total:	<u>29,050,591</u>
Orange and Delongpre	Linkage Fee/59T	43S723/R New Construction	3,000,000
		Sub-Total:	<u>3,000,000</u>
	<u>Senate Bill 2</u>		
Orange and Delongpre	Senate Bill 2/64R	43W723/ R New Construction	3,000,000
	64R	Sub-Total:	<u>3,000,000</u>
		Total:	\$35,050,591

4. AMEND the LAHD report dated June 15, 2023, attached to the Council file, to include the following recommendation:

AUTHORIZE the General Manager, LAHD, or designee, to admit and to issue Letter of Admittance to the Central Avenue Apartments project, originally designated as an Alternate from the 2022 Notice of Funding Availability applications under Council file No. 22-0876-S1, into the LAHD AHMP Program.

Fiscal Impact Statement: The LAHD states that there is no impact to the General Fund.

Community Impact Statement: None submitted

### SUMMARY

At the meeting held on June 21, 2023, your Housing and Homelessness Committee considered a LAHD report relative to funding for approved 2021 and 2022 AHMP projects; and issuing funding awards and support letters to existing AHMP projects applying to the CTCAC in 2023 Round 2; and related matters.

The LAHD introduced an amendment to the LAHD report dated June 15, 2023 and indicated a revised staff report was added to the Council file. 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. 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:	ABSENT
LEE:	YES

LV 6.21.23

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**