

**City of Los Angeles  
Proposition HHH  
Administrative Oversight Committee (AOC)  
Minutes for the meeting held on:  
Thursday, April 26, 2018**

AOC members in attendance:  
Richard H. Llewellyn, Jr., CAO  
Ivania Sobalvarro for Sharon Tso, CLA  
Matt Szabo, Mayor's Office

The meeting was called to order at 2:09 p.m. by City Administrative Officer, Richard H. Llewellyn, Jr.

**1. General Public Comment, Multiple Agenda Item Comment**

- Public Comment was heard by three (3) speakers:

Antonia Ramirez

Mickey Jackson

Mr. Herman

**2. Approval of Minutes for March 29, 2018 AOC Meeting**

- The minutes were approved without objection.

**3. Proposition HHH Citizens Oversight Committee (COC) recommendations relative to a report from the City Administrative Officer and the Housing and Community Investment Department on the Quarterly Prop HHH FY 2017-18 Bond Status**

- The report was forwarded to City Council to receive and file.

**4. Proposition HHH COC Recommendations relative to a report from HCID relative to Prop HHH Permanent Supportive Housing Loan Program Commitments – 2017-18 Call for Projects**

- The report was forwarded to Council with the following recommendations:
  1. AUTHORIZE HCID to issue letters of commitment as outlined in the attached report; and,
  2. APPROVE the HCID report with the following additional recommendation:

- c. The Financial Commitment/Support letters for Projects 1 and 3 in Table 1 will be issued subject to the following conditions:
- i. Project 1 – Broadway Apartments: Appraisal valuation issues must be resolved; and
  - ii. Project 3 – 67<sup>th</sup> and Main: Project must be admitted to the Housing and Community Investment Department’s Affordable Housing Managed Pipeline.

**5. Proposition HHH COC recommendations relative to a report from the Housing and Community Investment Department on the Fiscal Year 2018-19 Prop HHH Permanent Supportive Housing Loan Program Project Expenditure Plan (PEP)**

- The report was forwarded to Council with the following recommendations:
  1. APPROVE the Proposition HHH Fiscal Year 2018-19 Permanent Supportive Housing Project Expenditure Plan (Attachment 1A) for \$238,515,511, to fund 24 projects with 1,517 units, of which 1,242 are supportive units, subject to the following condition:
    - i. Approve projects No. 16) West Third Apartments, No. 17) Western Avenue Apartments, No. 20) Broadway Apartments, and No. 21) 68<sup>th</sup> and Main Street, if conditions of approval have been resolved to the Housing and Community Investment Department’s satisfaction prior to City Council approval of the Project Expenditure Plan;
  2. AUTHORIZE the General Manager of the Housing and Community Investment Department or designee, to negotiate and execute loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Proposition HHH Fiscal Year 2018-19 Permanent Supportive Housing Loan Program Project Expenditure Plan with each of the borrowers subject to the approval of the City Attorney as to form;
  3. AUTHORIZE the General Manager of the Housing and Community Investment Department or designee, to execute Subordination Agreements for the projects identified above, wherein the City Loan and Regulatory agreements are subordinated to their respective conventional or municipally funded construction and permanent loans, as required;
  4. AUTHORIZE the General Manager of the Housing and Community Investment Department 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; and,
  5. AUTHORIZE the General Manager of the Housing and Community Investment Department or designee, to prepare Controller instructions and

make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and request the Controller to implement these instructions.

## **6. Proposition HHH COC recommendations relative to a report from the City Administrative Officer on the Prop HHH Facilities Program FY 2018-19 PEP**

- The report was forwarded to Council with the following recommendations:
  1. APPROVE the Proposition HHH Fiscal Year 2018-19 Facilities Program Project Expenditure Plan (Attachment 1B) for \$37,720,183:
    - i. \$25,921,134 for 18 non-City-sponsored projects, subject to the City's review and determination of projects' useful life in order to establish the service payback period for each loan agreement; and
    - ii. \$11,666,000 for four (4) City-sponsored projects;
      1. This amount includes additional funding of \$3,000,000 for job training classrooms at the Council District 8 Navigation Center, which received an allocation of \$3,100,000 in the Fiscal Year 2017-18 bond issuance, for a total project cost of \$6,100,000; and
    - iii. \$133,049 for the Department of Public Works, Bureau of Engineering staff and consultant costs for project management, design, environmental studies and other work to implement City-sponsored projects.
  2. APPROVE the reprogramming of \$789,824 allocated in the Proposition HHH Fiscal Year 2017-18 Facilities Program Project Expenditure Plan to the Department of Public Works, Bureau of Engineering, as follows:
    - i. \$106,071 for Fiscal Year 2017-18 staff costs to initiate City-sponsored projects;
    - ii. \$270,000 for Fiscal Year 2017-18 consultant costs to initiate City-sponsored projects;
    - iii. \$216,802 for one (1) Senior Architect and one (1) Civil Engineer being proposed in the Fiscal Year 2018-19 budget to support Proposition HHH Implementation; and
    - iv. An additional \$196,951 for consultant costs to implement City-sponsored projects in Fiscal Year 2018-19.
  3. AUTHORIZE the City Administrative Officer or designee, to negotiate and execute service payback loan documents, covenant/regulatory agreements, and any other documents necessary to implement the Proposition HHH Fiscal Year 2018-19 Facilities Program Project Expenditure Plan (Attachment 1B) with each of the borrowers on projects selected for funding, subject to the approval of the City Attorney as to form.
  4. AUTHORIZE the City Administrative Officer or designee, to prepare Controller

instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and request the Controller to implement these instructions.

**7. Proposition HHH COC recommendations relative to a report from the City Administrative Officer on the final Prop HHH Fiscal Year 2018-19 PSH Loan Program and Facilities Program PEP**

- The PEP was recommended to be forwarded to Council with the recommendations listed in Items 5 and 6.

**8. Next Scheduled Meeting – May 31, 2018**

**9. Adjournment – Meeting was adjourned at 2:51 P.M.**