Report of the President & CEO

January 14, 2020

RESOLUTION AUTHORIZING DEDICATION OF ONE THOUSAND FOURTEEN (1,014) SECTION 8 PROJECT-BASED VOUCHERS TO TWENTY-TWO (22) PERMANENT SUPPORTIVE HOUSING PROJECTS SELECTED PURSUANT TO PROJECT-BASED VOUCHER ("PBV") NOTICE OF FUNDING AVAILABILITY ("NOFA") NO. HA-2019-132 AND AUTHORIZING THE PRESIDENT AND CEO TO EXECUTE ANY AND ALL CONTRACTS/DOCUMENTS REQUIRED FOR THE PROGRAM

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Douglas Guthrie President & CEO **Director of Section 8**

Purpose:

Authorize dedication of project-based vouchers (PBV) to permanent supportive housing projects (PSH) developed in the City of Los Angeles to house homeless and chronically homeless individuals, families, seniors, transition-age youth, and veterans.

Issues:

On October 3, 2019, HACLA issued PBV NOFA HA-2019-132 (the "NOFA") to solicit proposals from developers for the permanent supportive housing component of the PBV program. This was done in conjunction with the Los Angeles Housing and Community Investment Department (HCIDLA), which had previously issued its NOFA for Measure HHH funding. HACLA proposed making approximately one thousand (1,000) PBVs available to maximize applications to the California Tax Credit Allocation Committee and leverage funding from HCIDLA.

Procurement: The NOFA was advertised on the City of Los Angeles' Business Assistance Virtual Network (BAVN) and the HCIDLA websites. In response to the NOFA, a total of sixty (60) proposals requesting 3,108 PBVs were received by the November 15, 2019 submission deadline. Following a review and analysis of the proposals in accordance with RFP requirements, the three (3) member evaluation panel comprised of HACLA and HCIDLA staff is recommending a total award of one thousand fourteen (1,014) PBVs to the twenty-two (22) top-ranked proposers. Additional details on the procurement are detailed on the attached Summary of Outreach.

> Due to the availability of Measure HHH capital funding and the lack of available alternative operating funding, the response was 50% higher than the November 2018 round, and more than triple the number received in previous rounds. To accommodate this action, HACLA committed all PBVs from the 2019 Board approved allocation of 1,000 and 14 uncommitted PBVs from a previous NOFA round.

> A Housing Authority may provide project-based assistance for up to 20 percent of its Consolidated Annual Contributions Contract (ACC) authorized units, and may project base an additional 10% of their authorized units for projects serving the homeless. Currently HACLA has project-based 16.6% of its allocated units.

Current Request:

In order to further assist the local collaborative effort to increase the number of Permanent Supportive Housing projects in the City, HACLA requests to dedicate 1,014 project-based vouchers to 22 projects for the PSH PBV program, and authorize the President & CEO to execute all contracts and documents required for the program. These PBVs will count toward satisfying the commitment made by HACLA in the MOU with HCIDLA and the L.A. County Health Departments to award up to 5,000 PSH-PBVs over a five-year period. The 22 recommended projects include 19 PBV projects with 900 PBV units, and three (3) projects with 86 PBV units and 114 VASH-PBV units:

Developer	Project	Number of PBVs
Venice Community Housing Corporation	Rose Apartments	34 PBV
LINC Housing Corporation	11408 S. Central Ave. Apartments	63 PBV
Domus GP LLC	Talisa Apartments	48 PBV
Mercy Housing Corporation	Sherman Oaks Senior Housing	54 PBV
6604 West PSH, L.P. (A Community of Friends)	6604 West	56 PBV
Main 50 Housing, LP (Highridge Costa)	Main Street Apartments	14 PBV 42 VASH-PBV
Wakeland Housing and Development Corporation	Amani Apartments	53 PBV
Domus GP LLC	Solaris Apartments	42 PBV
Wakeland Housing and Development Corporation	Chesterfield Apartments	42 PBV
11010 SMB LP (Weingart Center Association)	11010 SMB	25 PBV 25 VASH-PBV
West Hollywood Community Housing Corporation	Mariposa Lily	20 PBV
West Hollywood Community Housing Corporation	Berendo Sage	21 PBV
Palm Vista, LP (Hollywood Community Housing Corp.)	Palm Vista Apartments	44 PBV
Sylmar II, L.P. (Meta Housing Corporation)	Silva Crossing	55 PBV
Owensmouth 6940, L.P. (Meta Housing Corporation)	Bell Creek Apartments	41 PBV
Sun King LP (Many Mansions)	Sun King Apartments	25 PBV
Colorado East L.P. (DDCM Incorporated)	Colorado East	15 PBV
Firmin Court, L.P. (Decro Corporation)	Firmin Court	45 PBV
NoHo 5050, LP (Decro Corporation	NoHo 5050	32 PBV
Wakeland Housing and Development Corporation	The Wilcox	61 PBV

CRCD	803 E. 5 th Street Apartments	47 PBV 47 VASH-PBV
Topanga Canyon SH, L.P. (Affirmed Housing Group)	Topanga Canyon Apartments	63 PBV

Vision Plan: PLACE Strategy #4: Steward efforts to reduce and alleviate homelessness

With Board approval, this proposal will result in 1,014 permanent supportive housing units dedicated for housing the homeless and chronically homeless.

PEOPLE Strategy #9: Increase access to mental health services including peer-to-peer support

HACLA requires owners of PBV projects to provide supportive services to all PBV participants as a condition of the award of PBVs to the project, which includes access to mental health services.

PEOPLE Strategy #12: Improve access to physical health services

HACLA requires owners of PBV projects to provide supportive services to all PBV participants as a condition of the award of PBVs to the project, which includes access to physical health services.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: Vouchers will be project-based from the existing allocation of Section 8 Housing Choice Vouchers and paid for using Section 8 Housing Assistance Payments (HAP) funding.

Budget and Program Impact: The PBVs will provide monthly Section 8 Housing Assistance payments for 1,014 households for 20 years. Although the PBVs will be awarded to projects in 2020, HAP payments will not be made until the construction has been completed and the units are leased. The necessary funds will be available and included in the corresponding HACLA budget year.

Environmental Review: PBV projects are subject to environmental reviews conducted by the Responsible Entity for the City of Los Angeles, the Housing and Community Investment Department. Each project will be in compliance with NEPA and CEQA prior to the execution of AHAP contract.

Section 3: HACLA requires Economic Opportunity Plans (EOPs) in conformity with the requirements of its Section 3 Guide and Compliance Plan for the proposed projects during the NOFA submission. Developers must commit to comply with Section 3 requirements and work with general contractors who will fulfill their Section 3 requirements. Specific goals and targets will be agreed upon during hiring of the general contractor prior to project construction commencement.

Attachment: 1. Summary of Outreach Activities

2. Resolution

SUMMARY OF OUTREACH ACTIVITIES PBV NOFA No. 2019-132 (2019 Round)

On October 3, 2019, the Housing Authority of the City of Los Angeles ("HACLA"), in collaboration with the Los Angeles Housing + Community Investment Department ("HCID"), invited proposals for Project-Based Voucher ("PBV") awards from qualified developers under the PBV Program for Permanent Supportive Housing (PSH) projects. These projects serve extremely and very low income homeless and chronically homeless special needs disabled individuals, families, transition aged youth ("TAY"), seniors and veterans. PBV contract awards are for a twenty (20) year term.

A. Advertising

The PBV NOFA was posted on both the HCID and City of Los Angeles Business Assistance Virtual Network (BAVN) websites. BAVN is a free service provided by the City of Los Angeles. Notices were reviewed by 208 BAVN users. HACLA sent an email notification to 271 vendors from the HACLA database notifying them of the procurement opportunity. Additionally, NOFA notices were mailed to the MBE/WBE organizations (see below).

- B. Pre-Proposal Conference On October 15, 2019, sixty-three (63) representatives attended the pre-proposal conference.
- C. Proposals Received and Evaluated On or prior to the November 15, 2019 submission deadline, sixty (60) proposals were received. The evaluation panel reviewed and scored the applications online on December 16, 17 and 18. The proposals were evaluated by a three member evaluation panel with subject matter expertise comprised of HACLA and HCID staff followed by recommending the top twenty-two (22) PSH projects for PBV awards as follows:

	DEVELOPER	PROJECT NAME	AVERAGE
1	Venice Community Housing	Rose Apartments	97.42
2	LINC Housing Corp.	11408 S. Central Ave.	96.83
3	Domus GP LLC	Talisa Apartments	93.00
4	Mercy Housing California	Sherman Oaks Senior Housing	92.57
5	6604 West PSH, L.P.	6604 West	92.33
6	Main 50 Housing, LP (VASH PBV 42)	Main Street Apartments	92.33
7	Wakeland Housing and Development Corporation	Amani Apartments	91.17
8	Domus GP LLC	Solaris Apartments	90.67
9	Wakeland Housing and Development Corporation	Chesterfield Apartments	90.50
10	11010 SMB LP <u>(VASH PBV 25)</u>	11010 SMB	90.50
11	West Hollywood Community Housing Corporation	Mariposa Lily	90.00
12	West Hollywood Community Housing Corporation	Berendo Sage	90.00
13	Palm Vista, LP	Palm Vista Apartments	89.92
14	Sylmar II, L.P.	Silva Crossing	89.83
15	Owensmouth 6940, L.P.	Bell Creek Apartments	89.67
16	Sun King LP	Sun King Apartments	89.33
17	Colorado East L.P.	Colorado East	89.25
18	Firmin Court, L.P.	Firmin Court	89.17

19	NoHo 5050, LP	NoHo 5050	88.83
20	Wakeland Housing and Development Corporation	The Wilcox	88.67
21	Coalition for Responsible Community Development	803 E. 5th Street	88.67
22	Topanga Canyon SH, L.P.	Topanga Apartments	88.17
23	713 5th Street LP	Towne 1	86.67
24	Ambrosia LP	Ambrosia	86.50
25	Wakeland Housing and Development Corporation	The Quincy	86.33
26	Mercy Housing California	6th and San Julian	86.08
27	Community Development Partners	Lake House	85.92
28	WCH Affordable XXXVI, LLC	Central Apartments	85.75
29	Weingart Tower 1B, LP	Weingart Tower 1B	85.17
30	Flyaway Homes, Inc.	PSH 3	84.83
31	Affirmed Housing Group	Asante Apartments	84.83
32	Flyaway Homes, Inc.	PSH 4	83.17
33	600 San Pedro LP 2	600 San Pedro 2	82.17
34	EAH Inc.	4507 Main Street	81.00
35	619 Westlake, L.P.	Westlake 619	80.50
36	WC Broadway LP	7024 Broadway	80.17
37	Confianza LP	Confianza	80.00
38	Western Pacific Housing, LLC	Washington View Apartments	79.08
39	600 San Pedro LP	600 San Pedro	76.83
40	AHCDC Oak LLC	Oak Apartments	76.75
41	Many Mansions	La Guadalupe	75.50
42	Lorena Plaza, L.P.	Lorena Plaza	74.50
43	Grandview Apartments, L.P.	Grandview Apartments	74.17
44	1010 Development Corporation	Hope on 6th	74.08
45	713 5th Street LP	Towne 2	74.00
46	East LA Community Corp.	Los Lirios	73.75
47	Domus GP LLC	Ambrose Apartments	72.67
48	John Stanley Inc	Southside Seniors	72.33
49	Flexible PSH Solutions, Inc.	Rousseau Residences	70.67
50	AHCDC Maple LLC	Maple Apartments	70.50
51	Hollywood Community Housing Corp.	8767 Parthenia	70.33
52	Flexible PSH Solutions, Inc.	Montesquieu Manor	68.67
53	SRO Housing Corp.	Alvarado Kent Apartments	67.50
54	The Angel 2018 L.P.	The Angel	65.58
55	Affirmed Housing Group, Inc.	Barry Family Apartments	64.83
56	SMV Housing, L.P.	Santa Monica & Vermont Apts.	64.33
57	Flexible PSH Solutions, Inc.	Voltaire Villas	61.83
58	Panorama Square LP	Panorama Square	59.92
	TOTS Housing Solution/Unlimited Concepts & Dev.	PBV NOFA 2019TOTS/UC	29.50
59			

D. Minority/Women Participation - HACLA conducts ongoing outreach to include minorities and women in the contract award process. The outreach includes providing information to the U.S. Small Business Administration ("SBA"), and mailing information to organizations that represent minorities and women. The recommended awardees of the contracts are being made in accordance with the Housing Authority's policies and Federal regulations and without regard to race, creed, color, gender or national origin.

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES MBE/WBE ORGANIZATIONS MAILING LIST

-	American Indian Chamber of Commerce
-	Asian American Architects and Engineers Association
	Asian Business Association of Los Angeles
	Asian Business League of Southern California
	Asian Pacific Islander Small Business Program
6	Black Business Association
7	Build Plus Community Marketplace
_	California Hispanic Chamber of Commerce
9	Greater L.A. African American Chamber of Commerce (GLAAACC)
10	Greater San Fernando Valley Chamber of Commerce
11	Korean American Chamber of Commerce
-	LA Metropolitan Hispanic Chamber of Commerce
13	Latin Business Association (LBA)
14	Los Angeles Area Chamber of Commerce
15	Los Angeles Area Chamber of Commerce
16	Los Angeles Latino Chamber of Commerce
$\overline{}$	Los Angeles Minority Business Development Agency (MBDA) Business Center
	Los Angeles Minority Business Enterprise Center USC (MBDA)
$\overline{}$	National Association of Minority Contractors
	National Association of Women Business Owners Los Angeles
	National Black Contractors Association
22	National Latina Business Women Association (NLBWA-LA)
_	Pacific Asian Consortium in Employment (PACE) Business Center
-	Pacific Coast Regional Small Business Development Corp (SBDC)
-	Regional Black Chamber of Commerce of San Fernando Valley
$\overline{}$	Regional Hispanic Chamber of Commerce
-	Small Business Majority
ightarrow	Southern California Black Chamber of Commerce
29	Southern California Minority Supplier Development Council
$\overline{}$	The New Ninth Business Resource Center
31	US Black Chambers
32	US Small Business Administration
33	US Veteran Business Alliance
34	Valley Economic Development Center/Women's Business Center
_	Vermont Slauson Economic Development Corporation
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36	Vernon Network Committee	 	
37	Young Black Contractors Association		

RESOL	UTION	NO.	

RESOLUTION AUTHORIZING DEDICATION OF ONE THOUSAND FOURTEEN (1,014)
SECTION 8 PROJECT-BASED VOUCHERS TO TWENTY-TWO (22) PERMANENT
SUPPORTIVE HOUSING PROJECTS SELECTED PURSUANT TO PROJECT-BASED
VOUCHER ("PBV") NOTICE OF FUNDING AVAILABILITY ("NOFA") NO. HA-2019-132 AND
AUTHORIZING THE PRESIDENT AND CEO TO EXECUTE ANY AND ALL
CONTRACTS/DOCUMENTS REQUIRED FOR THE PROGRAM

WHEREAS, on October 3, 2019, in collaboration with the Housing and Community Investment Department ("HCID"), the Housing Authority of the City of Los Angeles issued Project-Based Voucher ("PBV") Notice of Funding Availability ("NOFA") No. HA-2019-132 to solicit proposals from developers of Permanent Supportive Housing (PSH) projects for 1,000 Project-Based Vouchers; and

WHEREAS, the purpose of this PBV NOFA is to assist in the creation of permanent supportive housing in the City of Los Angeles. The goal, through making PBVs available, is to provide affordable housing with an array of supportive services for homeless and chronically homeless special needs disabled individuals, families, transition aged youth ("TAY"), seniors and veterans; and

WHEREAS, this initiative was done in conjunction with the Los Angeles Housing and Community Investment Department (HCIDLA), which had previously issued its NOFAs for Measure HHH funding, in order to maximize applications to the California Tax Credit Allocation Committee and leverage funding from HCIDLA; and

WHEREAS, the Housing Authority received sixty (60) PSH project proposals in response to the PBV NOFA No. HA-2019-132 by the November 15, 2019 deadline and the proposals were reviewed and ranked by an evaluation panel based on the NOFA evaluation criteria; and

WHEREAS, based upon the evaluation, the Housing Authority recommends to award PBV contracts to the top twenty-two (22) project proposals, representing 1,014 PBVs; and

WHEREAS, The Chief Administrative Officer confirmed that although the PBVs will be awarded to projects in 2020, HAP payments will not be made until the construction has been completed and the units are leased. The necessary funds will be available and included in the corresponding HACLA budget year; and

WHEREAS, the Housing Authority desires to further assist the local collaborative effort to increase the number of permanent supportive housing units in the City; and

WHEREAS, a Housing Authority may provide project-based assistance for up to 20 percent of the Consolidated Annual Contributions Contract (ACC) authorized units, and may project base an additional 10% of their authorized units for projects serving the homeless, and HACLA has project-based 16.6% of its allocated units; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners authorizes the President and CEO to execute any and all contracts/documents required for the dedication of one thousand fourteen (1,014) PBVs to the following permanent supportive housing projects:

Developer	Project	Number of PBVs	
Venice Community Housing Corporation	Rose Apartments	34 PBV	
LINC Housing Corporation	11408 S. Central Ave. Apartments	63 PBV	
Domus GP LLC	Talisa Apartments	48 PBV	
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CRCD	803 E. 5 th Street Apartments	47 PBV 47 VASH-PBV	
Topanga Canyon SH, L.P. (Affirmed Housing Group)	Topanga Canyon Apartments	63 PBV	

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

APPROVED AS TO FORM:	By: Ben Besley, Chairperson
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BY:	
James Johnson, General Counsel	
DATE ADOPTED:	

