

Report of the President & CEO

October 22, 2020

RESOLUTION AUTHORIZING DEDICATION OF SIX HUNDRED SIXTEEN (616) SECTION 8 PROJECT-BASED VOUCHERS TO THIRTEEN (13) PERMANENT SUPPORTIVE HOUSING PROJECTS SELECTED PURSUANT TO PROJECT-BASED VOUCHER (“PBV”) NOTICE OF FUNDING AVAILABILITY (“NOFA”) NO. HA-2020-105 AND AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE ANY AND ALL CONTRACTS/DOCUMENTS REQUIRED FOR THE PROGRAM



Douglas Guthrie
President & CEO



Carlos Van Natter
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 special needs disabled individuals, families, seniors, transition-age youth, and veterans.

Issues: On July 15, 2020, the Housing Authority (“HACLA”) issued a Request for Proposals (RFP) PBV Notice of Funding Availability HA-2020-105 (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 five hundred twenty (520) 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 (LA-BAVN) and the HCIDLA websites. In response to the NOFA, a total of thirty-five (35) proposals, requesting 1,745 PBVs were received by the August 18, 2020, RFP submission deadline. Following a review and analysis of the proposals, in accordance with the RFP requirements, the three (3) member evaluation panel comprised of HACLA and HCIDLA staff, is recommending a total award of six hundred sixteen (616) PBVs to the thirteen (13) top-ranked proposers. Additional details on the procurement are detailed on the attached Summary of Outreach. To accommodate this action, HACLA committed the remaining 520 PBVs, from the 2020 Board approved allocation of 1,484, and 96 PBVs from the 2021 Board approved allocation of 1,000.

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 20.2% of its allocated units.

Current Request:

In order to further assist the local collaborative effort to increase the number of Permanent Supportive Housing (PSH) projects in the city Los Angeles, HACLA requests to dedicate 616 project-based vouchers to 13 projects for the PSH PBV program, and authorize the President & CEO, or designee, to execute all contracts and documents required for the PSH PBV program. These PBVs will count toward satisfying the commitment made by HACLA in the Memorandum of Understanding (MOU) with HCIDLA and the L.A. County Health Departments to award up to 5,000 PSH-PBVs over a five-year period. Due to the accelerated commitments, HACLA will actually award this figure in three years rather than five.

Developer	Project	Number of PBVs
Central Avenue Housing, LP (Highridge Costa)	Central Apartments	14 PBV 42 VASH-PBV
Flexible PSH Solutions, Inc.	Rousseau Residences	50 PBV
Flexible PSH Solutions, Inc.	Montesquieu Manor	40 PBV
AHCDC Maple LLC, (Affordable Housing CDC)	Maple Apartments	63 PBV
Innovative Housing Opportunities	Southside	36 PBV
Brine Residential, L.P. (Decro Corporation)	The Brine Residential	49 PBV
Venice Community Housing Corporation	Marian Place	8 PBV
WAC, L.P. (Meta Housing Corporation)	Washington Arts Collective	8 PBV
Affirmed Housing Group, Inc.	Barry Family Apartments	34 PBV
The Angel 2018, L.P. (LA Family Housing)	My Angel	29 PBV 24 VASH-PBV
Weingart Tower 1B, LP (Weingart Center Association)	Weingart Tower 1B	68 PBV 35 VASH-PBV
AHCDC Oak LLC, (Affordable Housing CDC)	Oak Apartments	63 PBV
Brilliant Corners	Avalon 1355	53 PBV

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

With Board approval, this proposal will result in 616 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 616 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 an 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 and prior to project construction commencement.

Attachment:

1. Summary of Outreach Activities
2. MBE-WBE, Non-Profit, 1st Time Awardees and Workforce Profile
3. Resolution

**SUMMARY OF OUTREACH ACTIVITIES
PBV NOFA No. 2020-105 (2020 Round 2)**

On July 15, 2020, the Housing Authority of the City of Los Angeles (“HACLA”) in collaboration with the Los Angeles Housing + Community Investment Department (“HCID”) invited proposals from qualified developers under the Project Based Voucher (“PBV”) Program for Permanent Supportive Housing (PSH) projects that serve extremely and very low income homeless and chronically homeless special needs disabled individuals, families, transition aged youth (“TAY”), seniors and veterans. 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 (LABAVN) websites. LA-BAVN is a free service provided by the City of Los Angeles. Notices were reviewed by 198 LA-BAVN users. HACLA sent an email notification to 291 vendors from the HACLA database notifying them of the procurement opportunity. Additionally, NOFA notices were mailed to the MBE/WBE organizations (see below).

B. Due to the outbreak of the novel coronavirus (COVID-19) and to help prevent its spread, HACLA did not conduct an optional pre-proposal conference. This decision followed recent orders issued for the State of California by Governor Newsom, the City of Los Angeles by Mayor Garcetti, and Federal, County and City of Los Angeles public health officials.

C. Proposals Received and Evaluated - On or prior to the August 18, 2020, submission deadline thirty-five (35) proposals were received. The evaluation panel reviewed and scored the proposals online on September 15 and 16. 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 thirteen (13) PSH projects for PBV awards as follows:

	Applicant	Project Name	Total PBV + VASH	Panel Average Scores
1	Central Avenue Housing, LP (Highridge Costa)	Central Apartments	56	97
2	Flexible PSH Solutions, Inc.	Rousseau Residences	50	95
3	Flexible PSH Solutions, Inc.	Montesquieu Manor	40	94
4	AHCDC Maple LLC (Affordable Housing CDC)	Maple Apartments	63	93
5	Innovative Housing Opportunities	Southside	36	92
6	Brine Residential, L.P. (Decro Corporation)	The Brine Residential	49	92
7	Venice Community Housing Corporation	Marian Place	8	91
8	WAC, L.P. (Meta Housing Corporation)	Washington Arts Collective	8	91
9	Affirmed Housing Group, Inc.	Barry Family Apartments	34	90
10	The Angel 2018 L.P. (LA Family Housing)	My Angel	53	90
11	Weingart Tower 1B, LP (Weingart Center Assoc)	Weingart Tower 1B	103	90
12	AHCDC Oak LLC (Affordable Housing CDC)	Oak Apartments	63	90
13	Brilliant Corners	Avalon 1355	53	90

14	East LA Community Corporation	Los Lirios	20	87
15	Parkview Affordable Housing, LP (Thomas Safran & Assoc.)	Parkview Affordable Housing	26	86
16	EAH Inc.	4507 Main Street	31	84
17	1010 Development Corporation	Hope on 6th	31	83
18	Relevant Group LLC	Broadway PSH	87	83
19	Venice Community Housing Corporation	Lincoln Apartments	39	81
20	Bridge Housing Corporation	HHH New Hampshire	107	79
21	Mercy Housing California	Whittier HHH	63	79
22	Abode Communities	Beacon Landing	88	78
23	Relevant Group LLC	Linwood PSH	149	76
24	Western Pacific Housing LLC	Washington View Apartments	29	75
25	Deep Green Housing & Community Development	Florence Ave. Apartments	44	73
26	Chavez Fickett LP (Abode Communities)	Chavez & Fickett	30	73
27	Bridge Housing Corporation	HHH Watts	48	69
28	SoLa Impact Opportunity Zone Fund, LP	Harbor Place Apartments	8	66
29	Cliford Beers Housing	The Steps on St. Andrews	15	59
30	ABS Properties, Inc.	Residency Mayer Hollywood	33	56
31	ABS Properties, Inc.	Residency Entrepreneur Hw	80	56
32	Coalition for Responsible Community Development	Historic Lincoln Theater	71	54
33	Vineland Pacific Senior, LP	Vineland Seniors	73	27
34	Vineland Community Family, LP	Vineland Family	55	26
35	Ms. Valencia Black	Rena E Carter LIHU	2	24

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**

1	American Indian Chamber of Commerce
2	Asian American Architects and Engineers Association
3	Asian Business Association of Los Angeles
4	Asian Business League of Southern California
5	Asian Pacific Islander Small Business Program
6	Black Business Association
7	Build Plus Community Marketplace
8	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
12	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
17	Los Angeles Minority Business Development Agency (MBDA) Business Center
18	Los Angeles Minority Business Enterprise Center USC (MBDA)
19	National Association of Minority Contractors
20	National Association of Women Business Owners Los Angeles
21	National Black Contractors Association
22	National Latina Business Women Association (NLBWA-LA)
23	Pacific Asian Consortium in Employment (PACE) Business Center
24	Pacific Coast Regional Small Business Development Corp (SBDC)
25	Regional Black Chamber of Commerce of San Fernando Valley
26	Regional Hispanic Chamber of Commerce
27	Small Business Majority
28	Southern California Black Chamber of Commerce
29	Southern California Minority Supplier Development Council
30	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
35	Vermont Slauson Economic Development Corporation
36	Vernon Network Committee
37	Young Black Contractors Association

APPLICANT	DEVELOPER	TOTAL number of Employees	Minority Employees & %	Women Employees & %
Workforce Profile				
Central Avenue Housing, LP (Highridge Costa)	Central Apartments	33	24 73%	5 15%
*Flexible PSH Solutions, Inc.	Rousseau Residences	4	1 25%	1 25%
*Flexible PSH Solutions, Inc.	Montesquieu Manor	4	1 25%	1 25%
AHCDC Maple LLC (Affordable Housing CDC)	Maple Apartments	2	0 0%	1 50%
Innovative Housing Opportunities	Southside	12	10 83%	7 58%
Brine Residential, L.P. (Decro Corporation)	The Brine Residential	100	87 87%	80 80%
*Venice Community Housing Corporation	Marian Place	35	29 83%	25 71%
WAC, L.P. (Meta Housing Corporation)	Washington Arts Collective	13	4 31%	10 77%
Affirmed Housing Group, Inc.	Barry Family Apartments	23	7 30%	14 61%
The Angel 2018 L.P. (LA Family Housing)	My Angel	381	307 81%	256 67%
Weingart Tower 1B, LP (Weingart Center Assoc)	Weingart Tower 1B	200	136 68%	66 33%
AHCDC Oak LLC	Oak Apartment	2	0 0%	1 50%
*Brilliant Corners		957	620 65%	506 53%

Small, Minority, Women-Owed Business Concern Representation

Business Designation	3
MBE (Black)	1
SBE	2

Non-Profit Organizations

* three (3)

First Time Awardees (3)

Flexible PSH Solutions, Inc.
 Innovative Housing Opportunities
 Brilliant Corners

RESOLUTION NO. _____

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WHEREAS, on July 15, 2020, in collaboration with the Los Angeles Housing and Community Investment Department (“HCIDLA”), the Housing Authority of the City of Los Angeles (“HACLA”) issued Project-Based Voucher (“PBV”) Notice of Funding Availability (“NOFA”) No. HA-2020-105 to solicit proposals from developers of Permanent Supportive Housing (PSH) projects for approximately five hundred twenty (520) 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 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, HACLA received thirty-five (35) PSH project proposals in response to the PBV NOFA No. HA-2020-105 by the August 18, 2020 deadline and the proposals were reviewed and ranked by an evaluation panel based on the NOFA evaluation criteria; and

WHEREAS, based upon the evaluation, HACLA recommends to award PBV contracts to the top thirteen (13) project proposals, representing 616 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, HACLA desires to further assist the local collaborative effort to increase the number of permanent supportive housing units for the homeless in the City.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners authorizes the President and CEO, or designee, to execute any and all contracts/documents required for the dedication of six hundred sixteen (616) PBVs to the following permanent supportive housing projects:

Developer	Project	Number of PBVs
Central Avenue Housing, LP (Highridge Costa)	Central Apartments	14 PBV 42 VASH-PBV
Flexible PSH Solutions, Inc.	Rousseau Residences	50 PBV
Flexible PSH Solutions, Inc.	Montesquieu Manor	40 PBV
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Brilliant Corners	Avalon 1355	53 PBV

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

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
Ben Besley, Chairperson

APPROVED AS TO FORM:

BY: _____
James Johnson, General Counsel

DATE ADOPTED: _____