

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 10, 2026

CAO File No. 0220-06137-0002
Council File No. 12-1549-S3, 21-0658
Council District: All

To: The City Council

From: Matthew W. Szabo, City Administrative Officer



Reference: Asset Evaluation Framework

Subject: **REVISED ASSET EVALUATION FRAMEWORK AND RELATED ACTIONS**

RECOMMENDATIONS

That the City Council, subject to approval by the Mayor:

1. APPROVE the addition of the California Tax Credit Allocation Committee (TCAC) and California Housing and Community Development Department (HCD) Opportunity Maps/Affirmatively Further Fair Housing (AFFH) assessment in the Asset Evaluation Framework (AEF), for potential affordable and interim housing sites, in the "Initial Review" phase of the AEF for any use that may include housing and/or interim housing;
2. APPROVE the replacement of the Economic and Workforce Development Department (EWDD) with the Community Investment Department (CID) in the AEF, given the recent department consolidation;
3. APPROVE the removal of the City Administrative Officer (CAO) Asset Management Group from the AEF;
4. APPROVE the Revised Asset Evaluation Framework (Attachment) used to analyze City-owned, and other publicly- and privately- owned property for permanent and interim housing, homeless facilities, economic development, and other uses, that incorporates the changes outlined in this report;
5. APPROVE the transfer of the Affordable Housing Liaison Unit (AHLU) function from the CAO to the Los Angeles Housing Department (LAHD);
6. AUTHORIZE by resolution, subject to pay grade determination by the CAO Employee Relations Division, two positions in the LAHD consisting of one Senior Management Analyst II (Class Code 9171-2) and one Principal Project Coordinator (Class Code 9134-0) to staff the AHLU through June 30, 2026;
7. APPROVE by resolution, in accordance with Charter Section 1001(d)(4), the exemption of one Senior Management Analyst II (Class Code 9171-2) and one Principal Project Coordinator (Class Code 9134-0) from the provisions of Civil Service as the positions will

be grant funded for a term not to exceed two years, subject to the approval of the Board of Civil Service Commissioners;

8. TRANSFER up to \$153,113 in funding from the Homeless Housing, Assistance and Prevention (HHAP-5) Grant Fund No. 68A/10 from the CAO Salaries General Account 100/10/001010 to the LAHD Salaries General Account 100/43/001010 to offset the salary costs of the two AHLU positions through the end of Fiscal Year 2025-26;
9. REDUCE the allocation of HHAP-5 Funding (Fund No. 68A/10, Account No. 10A836) to the CAO to reimburse for related costs (Fund 100/10, Revenue Source Code 5361) in the amount of \$147,677, and increase the allocation to the LAHD (Fund 100/43, Revenue Source Code 5361) in the same amount;
10. INSTRUCT the LAHD to report annually, within 90 days of the end of each fiscal year, on the work performed by AHLU, including the number and type of projects assisted, average time saved in the permitting process, number of sites assessed for affordable housing and homeless interventions, and other work performed related to affordable housing priorities;
11. INSTRUCT the CAO and LAHD to identify funding for the AHLU should HHAP funding not be available in future years; and,
12. AUTHORIZE the CAO to draft Controller's Instructions and make technical corrections as necessary to transactions included in this report to implement Mayor and Council intentions.

SUMMARY

The Asset Evaluation Framework (AEF) is the City process used to identify and assess properties for suitability as permanent or interim housing, economic development and other uses. The AEF was approved by the Mayor and Council in 2016. The changes approved by the City Council on July 2, 2024 clarified the processes for property assessments. This report recommends the addition of the California Tax Credit Allocation Committee (TCAC) and California Housing and Community Development Department (HCD) Opportunity Maps/Affirmatively Further Fair Housing (AFFH) assessment in the AEF. This will formalize the current City staff practice of using these Maps in the initial review of potential sites for use as affordable housing or interim housing. This report also recommends the replacement of the Economic and Workforce Development Department (EWDD) with the Community Investment Department (CID) in the AEF due to the recent department consolidation; the removal of the City Administrative Officer (CAO) Asset Management Group from the AEF as the group no longer exists; and the transfer of the Affordable Housing Liaison Unit (AHLU) function, responsibilities and funding from the CAO to the Los Angeles Housing Department (LAHD).

DISCUSSION

On May 3, 2016, the Mayor and the City Council approved the Asset Evaluation Framework (AEF) ([C.F. 12-1549-S3](#)) to identify and assess City-owned property that may be suitable for housing,

economic, or municipal redevelopment. The AEF was expanded to include interim housing and other uses as well as the assessment of privately-owned sites. The changes recommended in this report are reflected in the attached AEF.

TCAC/HCD Opportunity Maps and AFFH Program

The TCAC/HCD Opportunity Maps and AFFH Program aims to combat housing discrimination, overcome historic patterns of segregation, and guide investment to low-income communities. The maps help state and local agencies direct financing for affordable housing to areas of high opportunity or high access to resources (e.g., jobs, quality schools, healthcare) in order to reduce poverty and foster inclusive, equitable communities.

The Opportunity Maps (Maps) are intended to advance the State AFFH objectives. These Maps identify areas associated with positive economic, educational, and health outcomes for low-income families. The Maps score neighborhoods based on eight economic and educational indicators and local environmental conditions by using a subset of CalEnviroScreen 4.0 to identify geographies that have the highest potential to expose vulnerable populations to nearby health and safety threats. The Maps score neighborhoods as “Highest Resource,” “High Resource,” “Moderate Resource,” or “Low Resource” neighborhood.

Although City staff use these Maps to conduct the initial assessment of proposed housing and interim housing sites, this step is not currently documented in the AEF. The AEF process for site evaluations will continue to begin with a formal request through a Council motion. All information available on the property will continue to be gathered from the pertinent City departments, including legal description, planning/zoning analysis, environmental information, title report, and current use. The TCAC/HCD Opportunity Maps will be formally added to the initial review process. The due diligence reports and site information will continue to be used to determine allowable uses and restrictions. If the site is deemed feasible for the proposed use, a report recommending the potential future use of the property is submitted to the oversight committee or commission that controls the site, and subsequently to the City Council and the Mayor for consideration.

CAO Role in the AEF

This Office recommends the removal of the CAO Asset Management Group from the AEF process as the group no longer exists. In the Fiscal Year (FY) 2025-26 Budget, and the CAO Asset Management Group was reorganized as the CAO Grants Group. The CAO Homelessness Group will continue to play a role in the AEF process on sites being considered for interim housing and homeless facilities, and the CAO Municipal Facilities Group will also continue to coordinate with the General Services Department on issues related to municipal space.

Expediting Affordable Housing Projects

The Raman-Harris-Dawson motion (C.F. 21-0658) instructed the CAO to assume responsibility of a unit to help expedite 100 percent affordable housing projects. The CAO recommended the use of the State of California Homeless Housing, Assistance and Prevention Program (HHAP) to fund three exempt positions and created the Affordable Housing Liaison Unit (AHLU). The AHLU key responsibilities include expediting affordable housing projects, assessing properties for permanent and homeless facilities via the AEF, and other tasks and special projects related to affordable

housing.

In FY 2024-25, the AHLU was on loan to the Mayor's Office. This Office, in consultation with the LAHD, recommends that the AHLU function be housed in the LAHD, the operating department responsible for affordable housing development, for more effective coordination. Therefore, this report recommends the transfer of the function and HHAP funding for the positions from the CAO to the LAHD. This report further recommends to instruct the CAO and LAHD to identify future funding should HHAP funding not be available in future years.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund as a result of the recommendations in this report.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies.

MWS:YC

Attachment: Revised Asset Evaluation Framework (AEF)

ASSET EVALUATION FRAMEWORK (AEF)

AEF- FIVE (5) PROCESSING STEPS



AEF SIX (6) Type of Uses:

<p>Type of Use A. Permanent Affordable and Supportive Housing <i>(See Page 2 for AEF Processing Steps detail)</i></p>	<p>Type of Use B. Interim Housing and Homeless Facilities <i>(See Page 3 for AEF Processing Steps detail)</i></p>	<p>Type of Use C. Economic Development <i>(See Page 4 for AEF Processing Steps detail)</i></p>
<p>Type of Use D. Mixed Use <i>(See Page 5 for AEF Processing Steps detail)</i></p>	<p>Type of Use E. Joint Use <i>(See Page 6 for AEF Processing Steps detail)</i></p>	<p>Type of Use F. Municipal Use <i>(See Page 7 for AEF Processing Steps detail)</i></p>

REFERENCE: LIST OF ACRONYMS

- **BOE** – Public Works Bureau of Engineering
- **CLA** – Chief Legislative Analyst
- **DCP** – Department of City Planning
- **LADOT** – Los Angeles Department of Transportation
- **CID** - Community Investment Department
- **CAO G5** - City Administrative Officer (CAO) Municipal Facilities Group
- **CAO G16** – City Administrative Officer (CAO) Homelessness Group
- **GSD** – General Services Department
- **LAHSA** – Los Angeles Homeless Services Authority
- **LAHD** – Los Angeles Housing Department
- **RFP** – Request for Proposals
- **RFQ** – Request for Qualifications
- **SLA** – Surplus Land Act
- **TCAC/HCD Opportunity Maps**
- **TOC**- Transit Oriented Communities Incentive Program

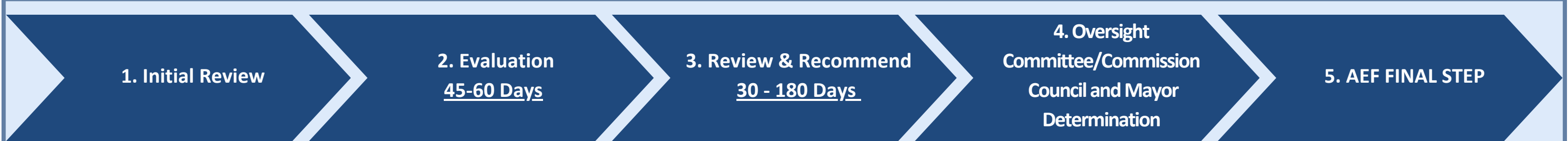
REFERENCE: OVERSIGHT COMMITTEE/COMMISSIONS

- **Municipal Facilities Committee (MFC)** – Los Angeles Administrative Code (LAAC) Div. 7, Ch. 1, Art. 4, Sec. 7.22 ([LINK](#))
- **Board of Transportation Commissioners (BOTC)** – Los Angeles Administrative Code (LAAC) Div. 22, Ch. 20, Art. 5, Sec. 22.484 ([LINK](#))
- **Board of Recreation and Parks Commissioners** – Los Angeles City Charter (LACC) Vol. 1, Art. 5, Sec. 591 ([LINK](#))
- **Board of Library Commissioners** – Los Angeles City Charter (LACC) Vol. 1, Art. 5, Sec. 534 ([LINK](#))

REVISED
ASSET EVALUATION FRAMEWORK (AEF)

Type of Use A. Permanent Affordable and Supportive Housing

AEF FIVE (5) PROCESSING STEPS



<p>Description:</p> <ul style="list-style-type: none"> • A council motion approval initiates the review of a proposed site. • LAHD, the controlling department (or GSD, if publicly- or privately-owned), the Council Office, and other departments, as needed, discuss: <ul style="list-style-type: none"> ◦ The motion and the parameters for the feasibility analysis as outlined in the motion. • LAHD begins its analysis for the Property Profile: <ul style="list-style-type: none"> ◦ Lot size, a review of existing ordinances and Council motions that may impact the site, zoning, land use, ownership, location, TCAC/ HCD Opportunity Maps, and nearby amenities. <p>Lead Department: LAHD Support: Council Office, DCP, GSD, other pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • LAHD contacts the following City departments for the Due Diligence Analysis: <ul style="list-style-type: none"> ◦ DCP; ◦ GSD; ◦ BOE; and ◦ And other pertinent departments . • If the site is a LADOT Lot, LAHD works with LADOT on: <ul style="list-style-type: none"> ◦ Utilization; ◦ Parking agreements; and, ◦ Potential fiscal impact. <p>Lead Department: LAHD Support: DCP, GSD, BOE, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • LAHD prepares a Due Diligence Analysis, which may require reports from outside consultants and/or departments: <ul style="list-style-type: none"> ◦ SLA Review; ◦ Planning Analysis; ◦ Preliminary Title Report; and demolition cost estimates. • LAHD considers the site and determines feasibility, and shares the analysis with the Council Office. • If feasible, LAHD finalizes the disposition and recommendation. (If infeasible, LAHD outlines the reasons for infeasibility.) <p>Lead Department: LAHD Support: Council Office, CLA and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • LAHD works with the controlling department (or GSD, if publicly- or privately-owned), to draft a report to the appropriate Oversight Committee/Commission. <ul style="list-style-type: none"> ◦ If the site is feasible, LAHD recommends that the site be transferred to LAHD for the issuance of a RFP to prospective developers. (If infeasible, the report recommends that the site be determined infeasible based on the site assessment.) • Council and Mayor consider the report. <p>Lead Department: LAHD Support: Pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • Upon Council and Mayor approval: <ul style="list-style-type: none"> ◦ LAHD prepares a RFP; or the site is determined to be infeasible. <p>Lead Department: LAHD Support: Council Office and departments.</p>
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REVISED
ASSET EVALUATION FRAMEWORK (AEF)

Type of Use B. Interim Housing and Homeless Facilities

AEF FIVE (5) PROCESSING STEPS



1. Initial Review	2. Evaluation <u>45-60 Days</u>	3. Review & Recommend <u>30 Days</u>	4. Oversight Committee/Commission Council and Mayor Determination	5. AEF FINAL STEP
<p>Description:</p> <ul style="list-style-type: none"> • A site is identified by the CAO, Council Office, Mayor, or the controlling department (or GSD, if publicly- or privately-owned), and a motion for the site assessment is approved. • LAHD begins its analysis for the Property Profile: <ul style="list-style-type: none"> ◦ Lot size, a review of existing ordinances and Council motions that may impact the site, zoning, land use, ownership, location, TCAC/ HCD Opportunity Maps, and nearby amenities. <p>CAO G16 reviews the Property Profile for size requirements and determines availability of the site.</p> <p>Lead Department: LAHD and CAO G16. Support: GSD, BOE, Council Office, and other pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • Assessment for Interim Housing or Homeless Facility begins. • Interim Housing and homeless facility feasibility includes the review of the following: <ul style="list-style-type: none"> ◦ BOE’s assessment of the site; ◦ Due Diligence; ◦ Preliminary site layout; and ◦ Rough order of magnitude (ROM) cost estimate. <p>Lead Department: CAO G16 Support: BOE and other pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • CAO G16 analyzes cost estimates and discusses assessment with the Council Office and/or Mayor’s Office. <p>Lead Department: CAO G16 Support: BOE, GSD, and other pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • CAO G16 reports to the appropriate Oversight Committee/Commission with recommendations. <ul style="list-style-type: none"> ◦ If the site is feasible, CAO G16 submits the recommendations to the City Council and Mayor. ◦ (If the site is infeasible, the report outlines the reasons.) • Council and Mayor consider the report. <p>Lead Department: CAO G16 and GSD. Support: BOE and GSD.</p>	<p>Description:</p> <ul style="list-style-type: none"> • If project is feasible and approved, construction begins: <ul style="list-style-type: none"> ◦ CAO G16 and GSD present a report with lease or license terms to the MFC and Council and Mayor. ◦ The lease and/or license agreement is executed. LAHSA and service provider contract executed. • CAO G16 coordinates and tracks project implementation with the Council Office and pertinent departments. <p>Lead Department: CAO G16 Support: BOE, GSD, and Council Office.</p>

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ASSET EVALUATION FRAMEWORK (AEF)

Type of Use C. Economic Development

AEF FIVE (5) PROCESSING STEPS



<p>Description:</p> <ul style="list-style-type: none"> • Council approves a motion to begin the review of a proposed site for an economic development project. • CID, the Council office, and other departments, as needed, meet to discuss: <ul style="list-style-type: none"> ◦ The components of a potential project and the parameters for the feasibility analysis. <p>Lead Department: CID Support: Controlling department, Council Office, CLA, LAHD DCP, GSD, LASAN, BOE, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • CID begins Due Diligence Analysis, including site history, ownership, current uses, development potential, fiscal obligation, community issues, allowed uses, and asset management issues. • CID contacts the following City departments for Due Diligence Analysis and existing reports: <ul style="list-style-type: none"> ◦ DCP; ◦ GSD; ◦ LASAN; ◦ BOE; ◦ LADOT; and ◦ Any other departments that may have knowledge about the site. <p>Lead Department: CID Support: Controlling department, Council Office, LAGSD, CLA, LASAN, BOE, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • CID prepares a Feasibility Analysis for the property, may include reports from outside consultants: <ul style="list-style-type: none"> ◦ Preliminary Title Report; ◦ Phase I Environmental Site Assessment (ESA); ◦ Historic Assessment; ◦ Market Study; ◦ Appraisal; ◦ Financial Analysis; ◦ Community Outreach; ◦ Cost estimates for demolition and/or site clean-up; and SLA review. • CID and any pertinent departments meet with the Council Office to review the Due Diligence Analysis and discuss the Project's feasibility. <p>Lead Department: CID Support: Controlling department, Council Office, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • If the site is feasible, CID reports to the appropriate Oversight Committee/Commission with recommendations for disposition strategy. • (If the site is infeasible, the report recommends that the site be determined as infeasible based on the site assessment.) • Council and Mayor consider the report. <p>Lead Department: CID Support: Controlling department, Council Office, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • Upon Council and Mayor approval: <ul style="list-style-type: none"> ◦ CID prepares a RFP; or ◦ The site is determined to be infeasible. • CID oversees the disposition process and reports back to the Mayor and Council as necessary on project progress. <p>Lead Department: CID Support: Controlling department, Council Office, and pertinent departments.</p>
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REVISED
ASSET EVALUATION FRAMEWORK (AEF)

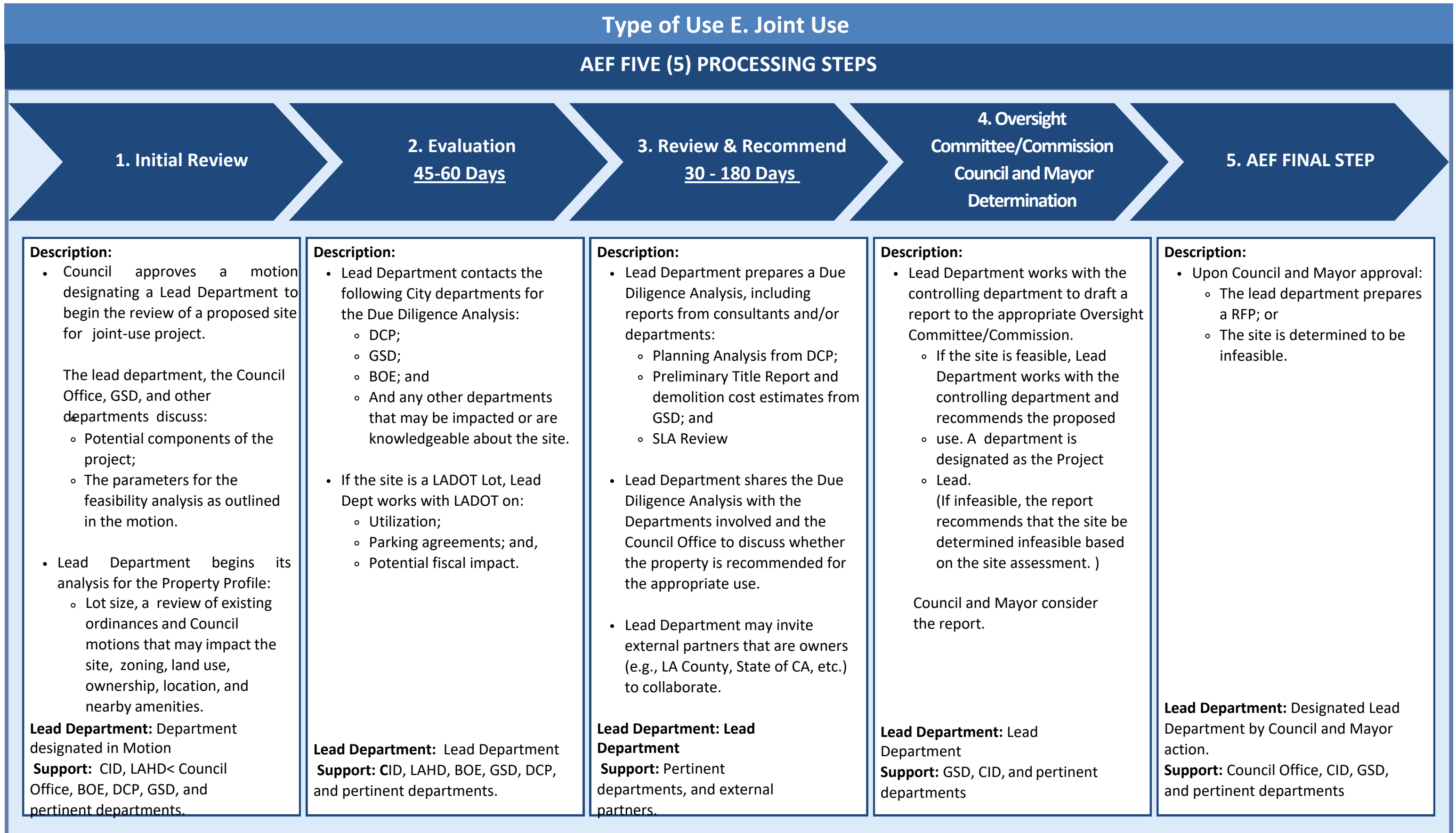
Type of Use D. Mixed Use

AEF FIVE (5) PROCESSING STEPS



<p>Description:</p> <ul style="list-style-type: none"> • Council approves a motion designating a Lead Department to begin the review of a proposed site for a mixed use project. • The lead department, the controlling department (or GSD, if publicly- or privately-owned), the Council Office, CID, LAHD, and other departments, as needed, discuss: <ul style="list-style-type: none"> ◦ Potential components of the project; and, The parameters for the feasibility analysis as outlined in the motion. <p>Lead Department: Department designated in Motion. Support: GSD, Council Office, CID, LASAN, BOE, DCP, LAHD, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • Lead Department contacts the following City departments for the Due Diligence Analysis and existing reports: <ul style="list-style-type: none"> ◦ DCP; ◦ GSD; ◦ LASAN; ◦ BOE; ◦ LADOT; and ◦ Any other departments that may have knowledge about the site. • If the site is a LADOT Lot, Lead Department works with LADOT on: <ul style="list-style-type: none"> ◦ Utilization; ◦ Parking agreements; and ◦ Potential fiscal impact. • If housing may be included as one of the components, LAHD should be included in the analysis. <p>Lead Department: Lead Department i Support: CID, BOE, DCP, LAHD, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • Lead Department prepares a Due Diligence Analysis, including report(s) from outside consultants and/or departments: <ul style="list-style-type: none"> ◦ Phase I ESA; ◦ Historic Assessment; ◦ Appraisal; ◦ Market Study; ◦ TCAC/HCD Opportunity Maps (if housing is included) ◦ Financial Analysis; ◦ Community Outreach Planning Analysis; Preliminary Title Report and demolition cost estimates; and SLA review. • Lead Department sets meeting with the Council Office to review the Due Diligence Analysis and discuss the Project's feasibility. <p>Lead Department: Lead Department Support: Council Office, CID, LAHD, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • Lead Department works with the controlling department (or GSD, if publicly- or privately-owned), to draft a report to the appropriate Oversight Committee/Commission. <ul style="list-style-type: none"> ◦ If the site is feasible, the report recommends that the site be transferred for the issuance of an RFP to prospective developers. ◦ If necessary, a lead department for the RFP is designated. (If Infeasible, the report recommends that the site be determined infeasible based on the site assessment.) • Council and Mayor consider the report. <p>Lead Department: Lead Department Support: CID, GSD, LAHD, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> • Upon Council and Mayor approval: <ul style="list-style-type: none"> ◦ The lead department prepares a RFP; or ◦ The site is determined to be infeasible. <p>Lead Department: Lead Department Designated by Council and Mayor action. Support: Council Office, CID, LAHD, and pertinent departments.</p>
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REVISED
ASSET EVALUATION FRAMEWORK (AEF)



REVISED
ASSET EVALUATION FRAMEWORK (AEF)

Type of Use F. Municipal Use

AEF FIVE (5) PROCESSING STEPS



<p>Description:</p> <ul style="list-style-type: none"> Review is initiated by Mayor, Council, department, or by the Municipal Facilities Committee (MFC). The review may include: assessment of municipal needs, options for disposition of surplus property, use of City space by City departments, lease of space to nonprofits, space planning, long term strategic planning and other matters related to City operations. GSD coordinates with CAO G5 on the request and work plan. <p>Lead Department: GSD Support: CAO G5, BOE, Council Office, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> GSD works in partnership with CAO G5 and pertinent departments to start evaluation of request. This may include: <ul style="list-style-type: none"> Performing a department space needs study; Financial feasibility and operational feasibility study; Schedule of work, scope of work, and funding sources; and Facility Condition Assessment. <p>Lead Department: GSD Support: CAO G5, BOE, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> GSD, in partnership with CAO G5, pertinent departments, Mayor’s Office, and/or Council Office, completes its review and proposes recommendation(s). <p>Lead Department: GSD Support: CAO G5 BOE, CLA, Council Office, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> GSD works with CAO G5, to finalize report for consideration by the Municipal Facilities Committee. MFC forwards its report recommendation(s) to Council and Mayor for consideration. <p>Lead Department: GSD Support: CAO G5, BOE, CLA, and pertinent departments.</p>	<p>Description:</p> <ul style="list-style-type: none"> Upon Council and Mayor approval: <ul style="list-style-type: none"> GSD, in partnership with CAO G5, and pertinent department(s) implements recommendation(s). <p>Lead Department: GSD Support: CAO G5, BOE, and pertinent departments.</p>
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