

## REPORT FROM

# OFFICE OF THE CITY ADMINISTRATIVE OFFICER


Date: September 11, 2025

CAO File No. 0220-05762-0015

Council File No. 20-0941

Council District: 2, 3, 6, and 13

To: The City Council

From: *for* Matthew W. Szabo, City Administrative Officer 

Subject: **CLOSE-OUT REPORT FOR HOMEKEY1 PROJECTS THAT RECEIVED COMMUNITY DEVELOPMENT BLOCK GRANT CORONAVIRUS FUNDING (CDBG-CV) FROM THE STATE OF CALIFORNIA**

## RECOMMENDATION

That the City Council note and file this report as it provides information on grant close out activities with the State of California Department of Housing and Community Development, as required by CDBG-CV regulations.

## SUMMARY

This report outlines the grant close out of the four (4) Project Homekey1 projects that received funding from the Community Development Block Grant Program (CDBG-CV) under the Coronavirus Aid, Relief and Economic Security (CARE) Act.

On June 2, 2021, the Mayor and Council authorized the City Administrative Officer (CAO), in partnership with the Housing Authority of the City of Los Angeles (HACLA), to apply to the State of California Department of Housing and Community Development (HCD) Notice of Funding Availability (NOFA) for CDBG-CV funds under the CARE Act for the rehabilitation and off-site infrastructure improvements for Homekey1 sites. The City was awarded \$9,450,000 for the following three (3) HACLA-owned sites and one (1) City-owned site.

1. NoHo Apartments (Best Western NoHo), 11135 Burbank Boulevard, North Hollywood, CA, 91601 (HACLA-owned);
2. Canoga Park Place (Super 8), 7631 Topanga Canyon Boulevard, Canoga Park, CA 91304 (HACLA-owned);
3. Orchid (Orchid Hotel), 1753 Orchid Avenue, Hollywood, CA 90028 (HACLA-owned); and,
4. Panorama (Pano), 8209 Sepulveda Boulevard, Van Nuys, CA 91402 (City-owned).

On November 15, 2023, the HCD announced the availability of a remaining balance of unclaimed CDBG-CV funds for grantees with projects that required additional construction funds. As a Homekey1 CDBG-CV grantee, the City was able to request up to a 25 percent increase to its previous award. On December 21, 2023, the Mayor and Council authorized the CAO to apply for \$1,737,500 for the three Homekey1 HACLA-owned sites.

In March 2024, the HCD allowed projects to increase their funding request for the remaining gap. On July 1, 2024, the Mayor and Council authorized the CAO to apply for a total of \$17,786,593.

The following table provides the CDBG-CV funding details for the four (4) Homekey1 sites:

CD	Homekey1 Site	Total Units	Eligible Units	Original Approved Amount (2021)	Additional Amount Approved (2023)	Additional Amount Approved (2024)	Amended Standard Agreement Amount (Not-to-Exceed)
2	NoHo Apartments (Best Western NoHo)	70	69	\$ 3,450,000	\$ 862,500		\$ 4,312,500
3	Canoga Park Place (Super 8)	52	50	\$ 2,500,000	\$ 625,000	\$ 6,599,093	\$ 9,724,093
13	Orchid	41	40	\$ 1,000,000	\$ 250,000		\$ 1,250,000
6	Panorama (Pano)	51	50	\$ 2,500,000	N/A		\$ 2,500,000
						Total	\$ 17,786,593

## PROJECT STATUS

### 1. NoHo Apartments

This project is located at 11135 Burbank Boulevard, North Hollywood, CA 91601, and is a former four-story hotel that has been rehabilitated to provide permanent supportive housing. The project has 70 units consisting of one manager unit and 69 units for individuals and households who are homeless and have been impacted by the COVID-19 pandemic. The property, which includes a ground-floor parking garage, now features seven units with mobility-accessible features and four units with hearing or vision-accessible features. Rehabilitation was completed in December 2021 and reached 90 percent occupancy in February 2022. The property has continued operating to house vulnerable Angelenos since and has a recorded 55-year use and occupancy restriction. The

project is now ready to close out the CDBG-CV grant award, having received approval on all payment requests from the HCD.

## **2. Canoga Park Place**

This project, located at 7631 Topanga Canyon Boulevard, Canoga Park, CA 91304, consists of 51 units and houses people experiencing homelessness. The property, which includes one manager unit and 50 permanent supportive housing units, began construction in October 2022 and completed all rehabilitation and infrastructure improvements in July 2024 and includes six units with mobility-accessible features as well as four units with hearing or vision-accessible features. The property has a recorded 55-year use and occupancy restriction. The HCD recently informed HACLA that additional CDBG-CV funds may be available for this project. The project will start the grant close out process as soon as the final award amount is confirmed by the HCD.

## **3. Orchid**

The project, located at 1753 Orchid Avenue, Los Angeles, CA 90028, is a 40-unit former hotel that serves as permanent supportive housing. The project has one manager unit and 39 permanent supportive housing units for households that are experiencing homelessness. The property was rehabilitated prior to acquisition to include kitchenettes. However, additional work was required for American with Disabilities Act compliance, as well as office spaces for the site manager and the supportive services provider. The property now includes four units that include both mobility-accessible features as well as hearing and vision-accessible features and office space where tenants can connect with providers. The property continues to house vulnerable Angelenos and has a recorded 55-year use and occupancy restriction. The project is now ready to close out the CDVG-CV grant award, having received approval on all payment requests from the HCD.

## **4. The Pano**

The project, located at 8209 Sepulveda Boulevard, Van Nuys, CA 91402, is a former 51-unit motel that is being developed into permanent supportive housing with 40 studio units for homeless and chronically homeless households and one two-bed unit for a manager's unit. Ten motel units were demolished from the original motel during the construction which is scheduled to be completed in December 2025. The development also includes a new three-story building with 50 additional studio units, a total of 90 units, for homeless and chronically homeless individuals. The new building will also be completed in December 2025. Upon construction completion, the City will cause the recordation of a 55-year regulatory agreement to continue the site's long-term use and occupancy as affordable housing. The project is now ready to close out the CDBG-CV grant award, having received approval on all payment requests from the HCD.

## **FISCAL IMPACT STATEMENT**

There is no impact on the General Fund as this report is provided for informational purposes only.

## **FINANCIAL POLICIES STATEMENT**

The recommendation in this report complies with the City Financial Policies.

*MWS:YC:VES:MC:02260021*