



agenda

**COASTAL
SAN PEDRO
NEIGHBORHOOD COUNCIL**

locally listening & leading ...  ..

BOARD AND STAKEHOLDER MEETING AGENDA

Monday 21 October 2019 6:30 PM

CABRILLO MARINA COMMUNITY BUILDING
2965 Via Cabrillo-Marina (*see map below*)
San Pedro, CA 90731

The public is invited to speak on issues of general interest during the public comment periods at the beginning and end of the meeting. Comments on specific agenda items will be heard only when those items are considered. Public comment may be limited in time or number of speakers. Those wishing to make comment, but not wanting to speak publicly, may submit written communications to the Board.

1. Voluntary opportunity to say the Pledge of Allegiance.
 2. Public comment on non-agenda items.
 3. Call to order and roll call.
 4. Board officer elections.
 5. Fill vacancy of Board members.
 6. Board member comment on non-agenda items. *[May include comment on Board members' own activities/brief announcements; brief response to statements made or questions posed by persons exercising their general public comment rights or asking questions for clarification; introduction of new issues for consideration by the Board at its next meeting; or requests for research and a report back to the Board.]*
 7. Approval of prior meeting minutes.
 8. Reports from government agency representatives — *LA Police Department, Port Police, Council District 15, Port of LA, LA Unified School District, US Congress, State Assembly, Department of Neighborhood Empowerment, NC Budget Advocate, others.*
 9. Motion supporting investigation into the Playa Del Rey natural gas storage facility (Council File 19-1124).
 10. Motion to form an educational group regarding nitrous oxide use.
 11. Motion urging the Department of Recreation and Parks to open gates throughout Angels Gate Park.
 12. Motion recommending creation of a vehicle and pedestrian plan for Angels Gate complex.
 13. Motion to file comments on the “Citywide Cat Program” Draft Environmental Impact Report.
 14. Motion opposing Los Angeles City Council resolution requesting Governor Gavin Newsom to declare as State of Emergency on homelessness (Council File 19-0002-S172).
 15. Discussion of the Neighborhood Purpose Grant program and adoption of a schedule to administer it.
 16. Committee reports.
 17. Treasurer’s report.
- Budget and Finance (Consent Calendar)*
18. Approval of Monthly Expenditure Reports for September.
 19. Approval of Monthly Expenses, including approval of Treasurer’s payment of all recurring Neighborhood Council expenses including (but not limited to) Lloyd Staffing, The Mailroom, Angels Gate Cultural Center meeting expenses, vendor(s) for meeting refreshments, and office supplies.
 20. Approval of funding requests received from committees.

21. Acceptance of our eligible rollover from FY 2018–2019 of \$4,579.78, and amending the budget by placing \$2,000 of rollover funds into “Operating Expenses”, \$2,000 of rollover funds into “Neighborhood Purpose Grants”, and \$579.78 of rollover funds into “Outreach Activities”.
22. Appointments of committee officers, committee members, and Board representatives.
23. Motion to approve a meeting schedule for 2019–2020.
24. Announcements.
25. Public comment on non-agenda items.
26. Adjournment.

9. Motion supporting investigation into the Playa Del Rey natural gas storage facility (Council File 19-1124).

Environment and Sustainability Committee
[see attached documents]

Whereas, the Coastal San Pedro Neighborhood Council has taken a strong position regarding the Plains All America / Rancho LPG storage facility in San Pedro, and its threat to public health and safety;

Resolved, the Coastal San Pedro Neighborhood Council supports the investigation into the Playa Del Rey natural gas storage facility (Council File # 19-1124).

10. Motion to form an educational group regarding nitrous oxide use.

Coastline and Parks Committee

The Coastal San Pedro Neighborhood Council hereby forms an educational group to improve awareness of the dangers of nitrous oxide (NOS) and other drugs to local high school students.

11. Motion urging the Department of Recreation and Parks to open gates throughout Angels Gate Park.

Coastline and Parks Committee

The Coastal San Pedro Neighborhood Council urges the Department of Recreation and Parks to remove the rhino gates on Leavenworth Dr and keep the other gates throughout Angels Gate Park open during open park hours.

12. Motion recommending creation of a vehicle and pedestrian plan for Angels Gate complex.

Coastline and Parks Committee

The Coastal San Pedro Neighborhood Council (CSPNC) recommends that the Los Angeles Fire Department, Department of Recreation and Parks, and Los Angeles Department of Building and Safety create a clear and simple vehicle and pedestrian plan for Angels Gate complex and requests a report back to CSPNC with a plan within 90 days.

13. Motion to file comments on the “Citywide Cat Program” Draft Environmental Impact Report.

Coastline and Parks Committee

The Coastal San Pedro Neighborhood Council shall file formal comments to the recently-released Draft Environmental Impact Report (DEIR) on the "Citywide Cat Program" to point out numerous technical and scientific flaws in the report's analysis (including but not limited to provisions that appear to violate California State law, lack of required monitoring of proposed mitigations, and significant errors in the population model that forms the core of the analysis) that are sufficiently severe that the report must be substantially overhauled before it can be acceptable as advice to policymakers.

14. Motion opposing Los Angeles City Council resolution requesting Governor Gavin Newsom to declare as State of Emergency on homelessness (Council File 19-0002-S172).

Planning and Land Use Committee

[see attached documents]

Whereas, the Coastal San Pedro Neighborhood Council has reviewed and analyzed the Resolution promulgated by the Los Angeles City Council on September 25, 2019 asking Governor Gavin Newsom to declare a State of Emergency on homelessness in the State of California; and

Whereas, the CSPNC finds that this Resolution is overly broad and vague, and that it lacks substantial evidence to support it, and it is an attempt to skirt laws, obtain legal immunities for emergency actions taken, and evade accountability for a failure to act on the homelessness issues over many years; and

Whereas, the City of Los Angeles' resources must be reallocated to support a feasible and much more efficient and effective plan that accommodates the emergency nature of the homelessness issue facing our City and these priorities must supersede funding to build permanent supportive housing, which should begin after emergency needs are met; and

Whereas, constitutional rights, environmental laws, public safety and health laws and regulations must be followed to accomplish these goals comprehensively and safely for the welfare of all Californians, and a State of Emergency attempting to void applicable laws and regulations is not in support of the safety and well being of the City of Los Angeles residents or California residents generally; and

Whereas, the Coastal San Pedro Neighborhood Council supports the findings and the recommendations of the City Controller in the required audit report dated October 10, 2019 regarding Proposition HHH funds; and

Whereas, we owe it to the taxpayers who voted to approve Proposition HHH as well as to our homeless population to be certain that the \$1.2 billion in bond proceeds are going towards the absolute best and highest priority use in order to address the emergency nature of the crisis at hand.

Therefore be it resolved, the Coastal San Pedro Neighborhood Council opposes the adoption of the motion regarding a declararation of a State of Emergency by the Los Angeles City Council (Council File 19-0002-S172); and

Be it further resolved, the CSPNC requests immediate steps by the City Council to meet with City department officials to come up with an emergency plan for resolving the emergency medical and social needs of our homeless population, using existing City resources:

- the first priority must be focusing on options for emergency shelters that can be built much more cost-effectively, efficiently and expeditiously than the City's current proposals. Examples include membrane structures and Quonset huts (i.e. for a 3,000 sq. ft. Quonset hut, the retail cost is \$22,500 plus freight; and
- the second most immediate need is for the City Council to provide access to hygienic facilities, including restrooms and showers; and
- thirdly, adequate mental health and other supportive services must be provided; and
- fourth, the CSPNC also urges the Los Angeles City Council to develop a comprehensive plan for those who choose not to avail themselves of the aforementioned emergency housing and supportive services, while addressing public safety needs; and
- the homeless-related projects currently being considered by the City must be re-evaluated and modified based on the recommendations in the required audit report dated October 10, 2019 regarding Proposition HHH funds, to more effectively (both in terms of cost and speed) address the emergency nature of the crisis at a hand, despite any preliminary approvals.

23. Motion to approve a meeting schedule for 2019–2020.

Whereas, meeting spaces were not always available for the dates adopted previously;

Resolved, the Coastal San Pedro Neighborhood Council adopts this revised meeting schedule:

Board Meeting

2019

November 18

December 16

2020

Tuesday, January 21 (due to holiday)

Tuesday, February 18 (due to holiday)

Monday, March 23 (4th Monday, change due to room availability)

April 20

May 18

June 15

July 20

August 17

September 21

October 19

November 16

December 21

Agenda Meeting

2019

Tue 12 Nov [Mon 11 Nov is Veterans Day]

Mon 9 Dec

2020

Mon 13 Jan

Mon 10 Feb

Mon 16 Mar (third Monday)

Mon 13 Apr

Mon 11 May

Mon 8 Jun

Mon 13 Jul

Mon 10 Aug

Mon 14 Sep

Tue 13 Oct [Mon 12 Oct is Indigenous Peoples Day]

Mon 9 Nov

Mon 14 Dec

For more information, please call 310-918-8650; write to CSPNC, 1840 S. Gaffey Street #34, San Pedro, CA 90731; or visit the Coastal San Pedro Neighborhood Council website at www.cspnc.org.

PUBLIC INPUT AT NEIGHBORHOOD COUNCIL MEETINGS — The public can address the Board on any agenda item before the Board takes an action on an item. Comments from the public on agenda items will be heard only when the respective item is being considered. Comments from the public on other matters not appearing on the agenda will be heard during the General Public Comment period. Please note that under the Brown Act, the Board is prevented from acting on a matter that you bring to its attention during the General Public Comment period; however, the issue raised by a member of the public may become the subject of a future Committee or Board meeting.

STATE OF CALIFORNIA PENAL CODE SECTION 403 (Amended by Stats. 1994, Ch. 923, Sec. 159. Effective January 1, 1995.) — Every person who, without authority of law, willfully disturbs or breaks up any assembly or meeting that is not unlawful in its character, other than an assembly or meeting referred to in Section 302 of the Penal Code or Section 18340 of the Elections Code, is guilty of a misdemeanor.

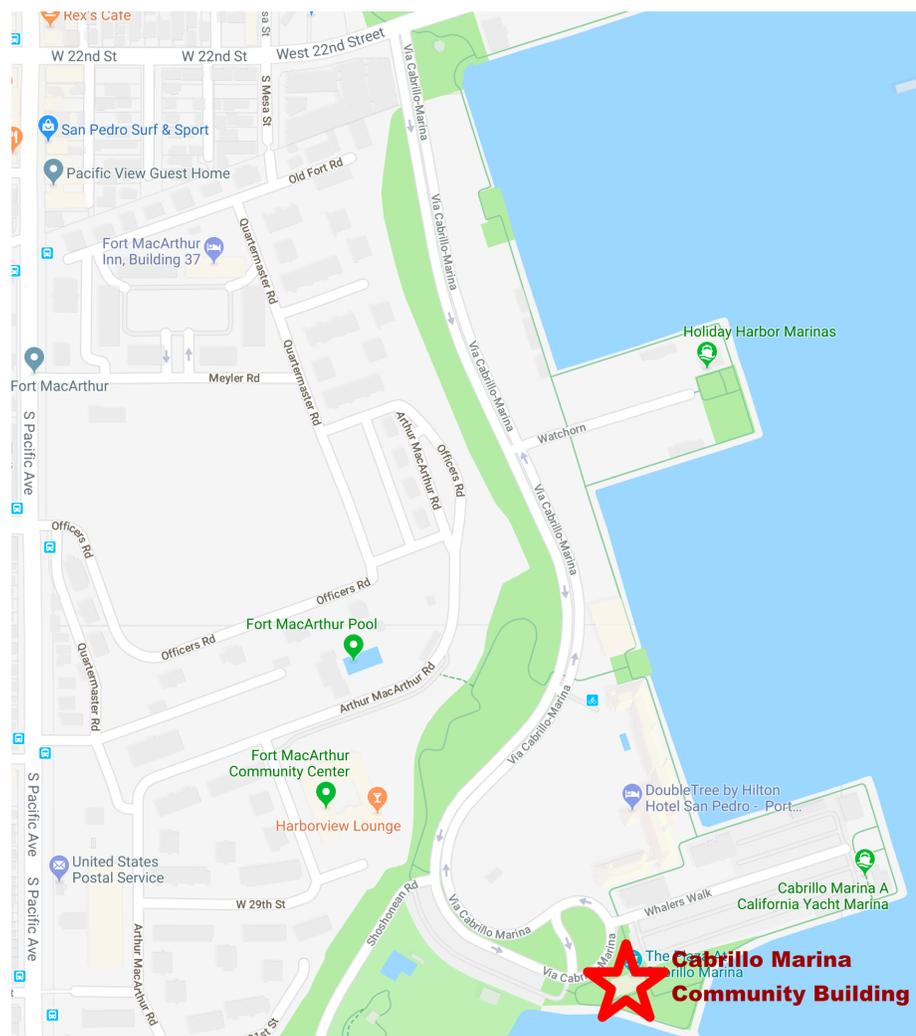
THE AMERICAN WITH DISABILITIES ACT — As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and upon request will provide reasonable accommodation to ensure equal access to its programs, services, and activities. Sign language interpreters, assisted listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability of services please make your request at least 3 business days (72 hours) prior to the meeting by contacting the CSPNC secretary at 310-918-8650.

PUBLIC ACCESS OF RECORDS — In compliance with government code section 54957.5, non-exempt writings that are distributed to all or a majority of the Board members in advance of a meeting may be viewed at 1840 S Gaffey St, San Pedro, CA 90731, at our website: <http://www.cspnc.org>, or at a scheduled meeting. In addition if you would like a copy of any record related to an item on the Agenda, please contact the Coastal San Pedro Neighborhood Council at 310-918-8650.

PUBLIC POSTING OF AGENDAS — Coastal San Pedro Neighborhood Council agendas are posted for public review as follows: 1840 S Gaffey St, San Pedro, CA 90731 and <http://www.cspnc.org>. You can also receive our agendas via email by subscribing to L.A. City's Early Notification System at: <http://www.lacity.org/government/Subscriptions/NeighborhoodCouncils/index.htm>

RECONSIDERATION AND GRIEVANCE PROCESS — For information on the Coastal San Pedro Neighborhood Council's process for board action reconsideration, stakeholder grievance policy, or any other procedural matters related to this Council, please consult the CSPNC Bylaws. The Bylaws are available at our Board meetings and our website <http://www.cspnc.org>

SERVICIOS DE TRADUCCION — Si requiere servicios de traducción, favor de avisar al Concejo Vecinal 3 días de trabajo (72 horas) antes del evento. Por favor contacte a the CSPNC Secretary, al 310-918-8650 por correo electrónico board@cspnc.org para avisar al Concejo Vecinal.



MOTION

The Playa Del Rey oil field was converted to a gas storage field by the Southern California Gas Company (SoCalGas) in 1955. Although primarily used for gas storage, SoCalGas continues to produce oil and gas from the oil field. These areas require careful scrutiny to ensure public health and safety are protected, primarily because of the poisonous and combustible methane gas associated with petroleum deposits and gas storage facilities, as well as the toxic chemicals used for regular maintenance and operations.

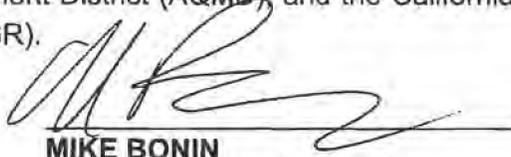
Since 1955, the surrounding character of the community has changed drastically. A vibrant low density neighborhood developed along the perimeter of the site. In addition, the facility is adjacent to the Ballona Wetlands coastal resource area, which historically has been threatened by the impacts of encroaching development. Further, since 1955, the nearby Los Angeles Airport (LAX) has grown from a smaller local airport into a world-class facility, and now serves a hub for regional, national, and international flights at every hour of the day.

Local residents in the neighborhoods of Playa del Rey, Del Rey, Playa Vista, Marina Del Rey, Venice and Westchester have expressed concerns to the city about odors, oily mist, oil field rigs and equipment left idle at sites for long periods of time, lack of information on operations, possibly unpermitted well maintenance activities, and hillside soil erosion. Moreover, recent activity at the site, including the installation of tall, unsightly rigs for the maintenance and testing of wells and the long overdue remediation of slope erosion, have raised questions about the site's adherence to zoning regulations and the suitability of this use in the community.

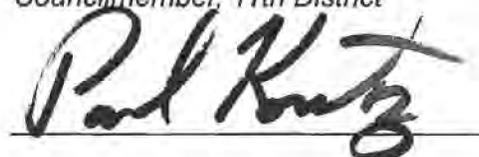
In the wake of the 2015 Aliso Canyon Gas Leak, a careful review of operations at the site is required to provide necessary information that could help keep the public and the environment affected by this facility safe, and a review process would give neighbors an opportunity to voice concerns they may have regarding the ongoing operations at the site.

I THEREFORE MOVE that the Planning Department be directed to work with the Petroleum Administrator, the Department of Building and Safety, the Los Angeles Fire Department, and the City Attorney's Office to immediately investigate and report back within 90 days on the oil, natural gas, and gas storage field operations at the Playa del Rey field located at 8141 S Gulana Ave, Playa Del Rey, CA 90293 per the Los Angeles Municipal Code. The investigation should include a thorough site review for all equipment and wells onsite, including a full site review of conditions to verify the site's city permits; adherence to approved zoning and use conditions; remediation of subsidence and erosion issues; compliance with the new state gas storage rules; and, compliance with any and all facility and operational requirements of the California Coastal Commission, the California Public Utility Commission (CPUC), the South Coast Air Quality Management District (AQMD), and the California Department of Oil, Gas and Geothermal Resources (CA DOGGR).

PRESENTED BY:


MIKE BONIN
Councilmember, 11th District

SECONDED BY:



ORIGINAL


FEB 7 4 2019

RESOLUTION

WHEREAS, the annual point-in-time homeless count conducted by the Los Angeles Homeless Services Authority (LAHSA) revealed that homelessness in the City of Los Angeles has increased an estimated 16% since 2018 with over 36,000 people living on the streets or in vehicles, and;

WHEREAS, the drastic increase in homelessness in 2019 strongly impacted the City's most vulnerable populations, with a 24% rise in youth, 8% rise in families, 13% rise in women and 17% rise in the chronically homeless, and;

WHEREAS, in 2018, there was a 68% increase in Part I crimes involving a homeless victim in the City, and;

WHEREAS, In 2018, there were nearly 130,000 people on the streets on any given night throughout the State of California - the most of any state in the nation, and;

WHEREAS, numerous cities in California are struggling to adequately respond to the homelessness crisis, and;

WHEREAS, deplorable conditions in and surrounding areas with a high density of homeless encampments has led to multiple cases of individuals, both housed and unhoused, contracting diseases borne by fleas and feces, including typhus, typhoid fever, hepatitis A, tuberculosis, and staph infection, and;

WHEREAS, the public health and safety of the residents of California, both unhoused and housed, will be in great danger unless drastic, immediate measures are taken, and;

WHEREAS, despite new funding sources and other resources to aid the City's homeless population, a crisis persists. All tools made available to address the homelessness crisis plaguing all major cities throughout the state must be leveraged, and;

WHEREAS, California Government Code §8625 grants the Governor the authority to declare a regional or statewide emergency and coordinate emergency response activities, and;

WHEREAS, a state of emergency is defined in subdivision (b) of California Government Code §8558 as "any occurrence which by reason of its magnitude is or is likely to become beyond the control of the services, personnel, equipment, and facilities of any single county, city and county, or city and require the combined forces of a mutual aid region or regions....," and;

SEP 25 2019



Council File 19-0002-S172 (continued)

WHEREAS, the declaration of a state of emergency enables state and local agencies to act quickly and without normal constraints to address an emergency situation, request mutual aid from other governmental organizations and seek emergency funding, and;

WHEREAS, when a state of emergency is declared, public employees and governing bodies are afforded certain legal immunities for emergency actions taken, and;

WHEREAS, a declaration of a State of Emergency allows agencies and departments to more efficiently procure materials and services necessary to address the situation, and;

NOW, THEREFORE, BE IT RESOLVED the Los Angeles City Council does hereby find that homelessness has ballooned into a crisis of seismic proportions outside of the control of the City of Los Angeles and the cities of the State of California alone to address with existing resources, and that the plight of individuals living on the streets jeopardizes the public health and safety of those individuals and imperils the broader citizenry of the State of California.

BE IT FURTHER RESOLVED, with the concurrence of the Mayor, that by adoption of this Resolution, the City of Los Angeles hereby includes in its 2019 - 2020 State Legislative Program SUPPORT for action by Governor Gavin Newsom to declare a **State of Emergency on Homelessness** in the State of California.

Gilbert Anthony Cedillo

PRESENTED BY: *Joe Buscaino*
JOE BUSCAINO
Councilmember, 15th District

SECONDED BY: *MP*

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Some L.A. officials want a state of emergency declared as homelessness crisis worsens



People walk past a row of tents lining a block in Los Angeles. (Francine Orr/Los Angeles Times)

By GALE HOLLAND | STAFF WRITER SEP. 30, 2019 | 5 AM

Facing a deepening quagmire over homeless encampments, Los Angeles elected officials are increasingly looking to sweeping statewide initiatives to shake loose solutions. The latest proposal from Los Angeles County Supervisor Mark Ridley-Thomas and City Councilman Joe Buscaino would have the governor declare a state of emergency on homelessness in California.

Supporters view such a declaration as a novel strategy to free up state and federal funding typically reserved for natural disasters, such as earthquakes or wildfires, and to suspend or streamline the regulatory hurdles that often slow down shelter and housing development. It also could block NIMBY opponents from using environmental reviews to sue and delay or block homeless facilities from opening.

But some question whether an emergency declaration would be merely symbolic, given President Trump's rejections of more federal funding and Gov. Gavin Newsom's commitment of \$1 billion for local homeless programs and support for more regulatory relief.

Last week, Newsom signed a package of legislation that, among other things, exempts from environmental review supportive housing and shelter projects in the city of L.A. that receive funding from certain public sources, including the \$1.2-billion Proposition HHH housing bond measure that voters approved in 2016.

AB 1197

Another new law allows cities in Alameda and Orange counties, in addition to the city of San Jose, to declare a shelter crisis so those local governments can eventually bypass some planning and zoning regulations to expedite construction.

"The governor should not sign a declaration of emergency until the proponents identify the specific laws and regulations they want to get around, and the resources they believe the declaration would free up," said Gary Blasi, a retired law professor who specializes in homelessness issues. "The state statutes regarding emergencies were not designed to respond to long-standing political, leadership and moral disasters."

Newsom has not taken a stand on the current request for a state of emergency declaration, and Alex Comisar, spokesman for Mayor Eric Garcetti, said it was "a choice for the governor to make."

"There are more questions that need to be worked through before he could support something like that," Newsom spokesman Nathan Click said.

In 2015, City Council members and Garcetti announced that they would declare an emergency locally, but then dropped the idea as the mayor sought a statewide declaration from then-Gov. Jerry Brown, who turned him down.

Then in 2018, Los Angeles declared a shelter crisis, which, along with a legislative change, triggered streamlining of red tape around developing emergency beds on public land.

Many in Los Angeles have been frustrated by the sluggish pace of construction of new shelters and housing for the estimated 44,000 residents in the county, including 27,000 in the city, who live outdoors in tents, cars or lean-tos, as opposed to shelters or other temporary housing. Only 477 emergency shelter beds have been added in the last 2½ years for households without children, which form the bulk of the homeless population, according to an inventory released this month.

Buscaino said he had grown particularly frustrated that even temporary tent shelters on public land had become bogged down in multiple approval processes.

★ "We're stopping for every red light, instead of treating this like an emergency," Buscaino said.

Before a meeting Friday of the governor's task force on homelessness, headed by Ridley-Thomas and Sacramento Mayor Darrell Steinberg, Newsom, in a letter, asked members to prioritize getting people off the streets.

He underscored that local communities must "fully enforce" public safety and health laws, touching on the controversial issue of sanitation sweeps of encampments and other police enforcement. He also asked the task force for proposals to break down barriers to building housing and to get more homeless people into treatment.

Steinberg and Ridley-Thomas are championing a legal right to shelter for California, which would require local governments to provide a bed to every homeless person who wants to move indoors. Steinberg also wants to require homeless people to accept shelter if offered, although how that would be enforced remains a question.

Separately, several local governments — including the city and county of L.A. — and business groups also are [petitioning the U.S. Supreme Court](#) to hear a challenge to a federal appeals court ruling out of Boise, Idaho, that has stopped authorities in Western states from arresting homeless people for sleeping in public when shelter space is unavailable.

“We have a tacit public policy it’s OK to live outdoors,” Steinberg said. “I am strongly pushing for a clear public policy that says as a matter of right people should be living under a roof.”

Newsom has said he is [not ready to endorse a legal right to shelter](#).

“What the governor has said is it’s urgent, let’s get started,” Ridley-Thomas said. “I don’t think anything is dead.”

Before the meeting in Willowbrook on Friday, Ridley-Thomas and Steinberg insisted they were not backing off. But Steinberg repeatedly emphasized that he preferred that people be placed in permanent housing, not a vast shelter system, which critics say could blow the state’s budget without ending homelessness.

“The hard reality is that the governor has already done most of what would be done if a state of emergency was to be called,” said Philip Mangano, the former federal homelessness czar in the George W. Bush and Obama administrations and a member of the governor’s task force. “The governor is the homelessness czar in California and the task force’s job is to give him big ideas to make a difference.”

Homelessness emergency declarations in other parts of the U.S. have a mixed record. Hawaii has issued multiple declarations, the last one in 2018, that have allowed the state to suspend permitting and site restrictions, shaving one to two years off shelter and housing projects, said Scott Morishige, the governor's coordinator on homelessness.

State homeless numbers overall dropped last year, but the number of unsheltered people on Oahu rose 12%. An emergency declaration "is not a silver bullet by any means," Morishige said.

In Oregon, Portland and the surrounding Multnomah County used an emergency declaration to relax occupancy rules and zoning for homeless projects.

"Shelters were set up in weeks instead of months or longer," said Denis Theriault, spokesman for the office of homeless services for Portland and the county.

Theriault said the local homelessness budget also doubled, to \$70 million over five years. In January, Multnomah County's homeless count showed a decline of 4% from 2014, but the number of people living in tents or cars and under bridges was up 22% from the year before.

In California, Steinberg said, what is most important is stating a clear public policy that it is not OK for tens of thousands of people to be living outdoors.

"Everybody has a right to live under a roof — preferably in permanent housing, if necessary in navigation centers," he said. "It starts with that acknowledgment."

Rising costs of homeless housing flagged

CAF 10-8-79

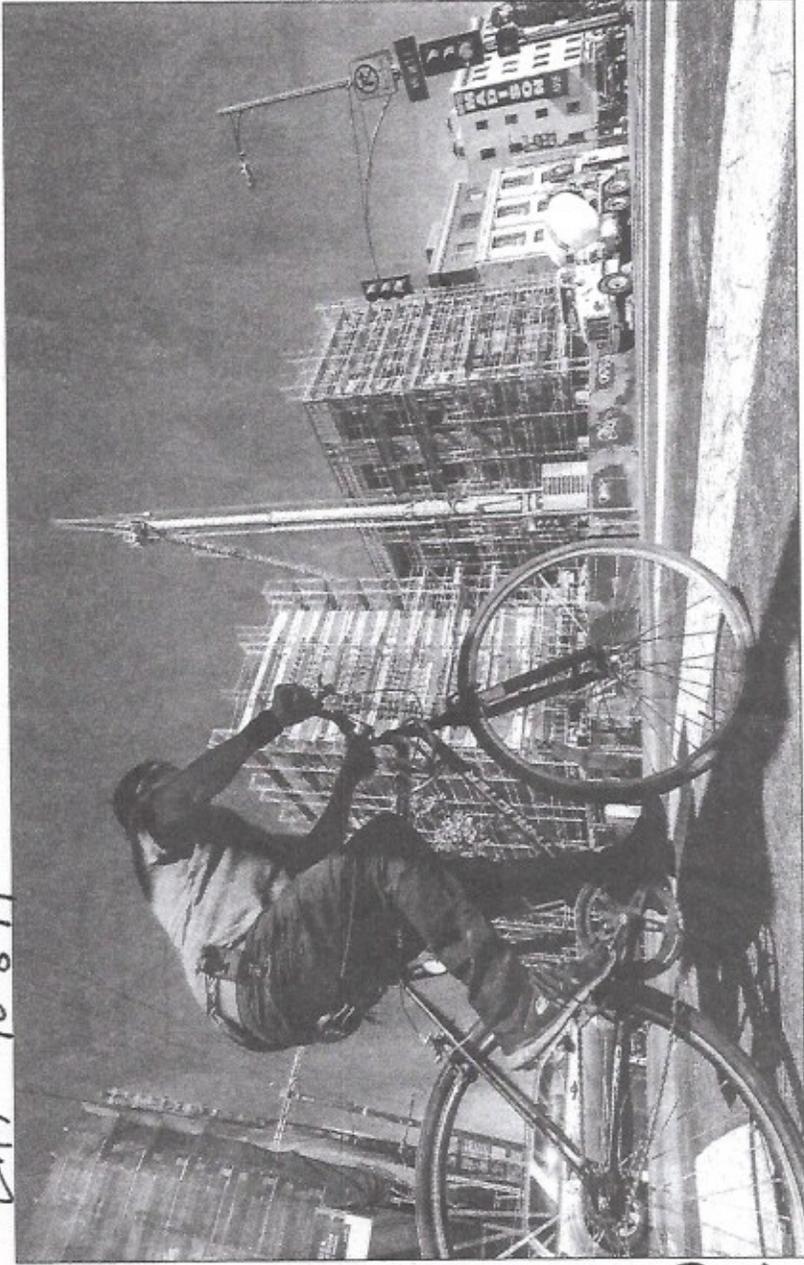
L.A. official's audit suggests revising some projects, shifting funds to other services.

BY DOUG SMITH

With the costs of building housing on the rise, Los Angeles City Controller Ron Galperin is recommending that some projects be reevaluated to see if their budgets can be cut to use less of the city's \$1.2-billion homeless housing bond.

In an audit that will be released Tuesday, Galperin found that more than 1,000 units of housing approved for funding through Proposition HHH could top \$600,000 apiece.

"The median cost of building many of these units approaches — and in many cases, exceeds — the median sale price of a condominium in the City of Los Angeles and of a single-family home [See Audit, B6]



ROBERT GAUTHIER Los Angeles Times
CONSTRUCTION of a supportive-housing project continues Monday on 7th Street in downtown Los Angeles.

Yes! in

Audit flags projects' high cost to HHH funding

[Audit, from B1]
 in Los Angeles County," according to the audit, an early copy of which was obtained by The Times.

The audit said the city should evaluate whether it can revise homeless housing projects that have such "outlier" costs and instead use innovations such as shared housing, modular construction and simplified financing.

Any savings should then be shifted to fund shelters, bridge housing, hygiene centers and other service facilities to address more immediate needs of the city's homeless population, he said.

Spending on shelters and other short-term facilities and services was curtailed last year as rising costs threatened the bond program's goal of supplying 10,000 supportive housing units for homeless people in 10 years.

The audit also highlighted the slow progress of the program, which has yet to produce a new unit of homeless housing three years after voters approved the bond in November 2016. The first two projects are scheduled to be completed later this year.

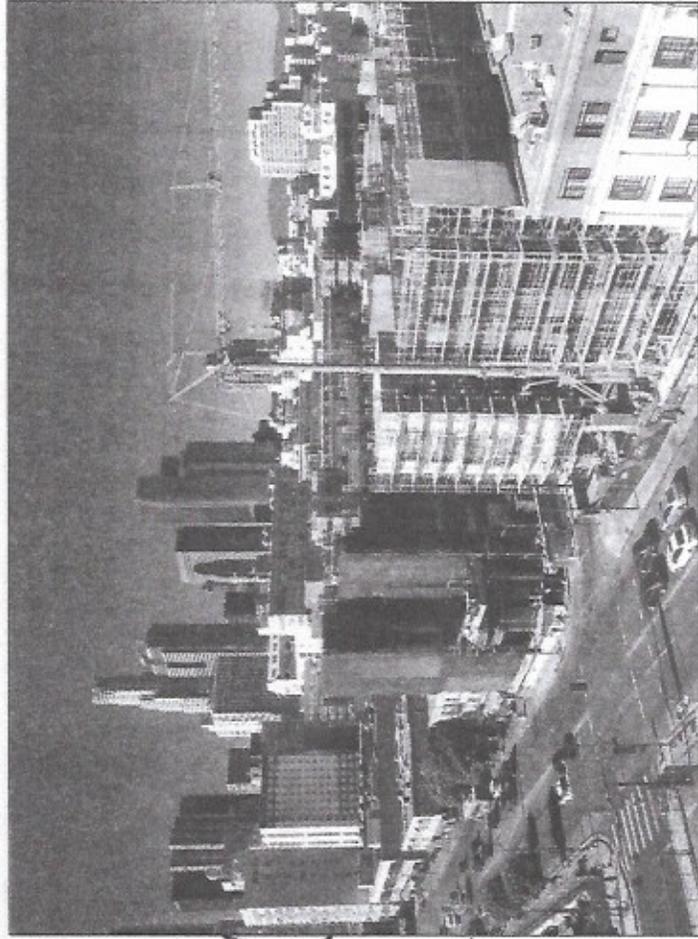
But criticism for the delays and escalating costs was muted, with the audit blaming regulatory barriers, a limited pool of developers, cumbersome permitting processes, labor costs and litigation that has blocked a city ordinance intended to streamline homeless hous-

Recently, the city also established an HHH "conclerger" position — a person to help guide projects through approvals by multiple city departments. The audit described it as a good step, but a late one.

"Even as the city solicited and developed ideas to tackle these issues in more innovative ways, it continued to award Proposition HHH funds before some of the ideas could fully blossom," the audit said. "The city's decision to push forward and conditionally award nearly all remaining funds represents a missed opportunity to maximize the impact of Proposition HHH."

If followed, Galperin's proposed reevaluation could affect up to 95 homeless housing projects that have received preliminary approval, but have not reached the next stage of obtaining a development agreement with the city. The audit acknowledged that making significant changes at those stages might not be feasible, but said the city should try.

But the city's Housing and Community Investment Department released a statement saying that changing the terms of projects with conditional approval would be a poor business practice, "further delaying the pre-development process and the start of construction for the affected projects, creating new funding gaps for those projects, and reducing the time value



THE FLOR 401 LOFTS project, right, is under construction in downtown. An audit recommends the city shift funds to address other needs of homeless people.

ROBERT GAUTHIER, Los Angeles Times

the task before us." The audit suggested that the city may have moved too quickly, rushing to allocate all the funds rather than wait for new laws to take effect that would have eased the development process.

The city's permanent supportive housing ordinance, adopted in 2017, sought to reduce zoning and parking restrictions on HHH projects but has been stalled by lawsuits. A new state law designed to achieve much the same streamlining was signed by Gov. Gavin Newsom last

of money in an inflationary construction cost environment."

It would also create "a chilling effect on the development industry and damage the city's reputation," the department said.

Nicholas Halaris, chairman of the HHH citizen oversight committee, said the idea of reprogramming projects with preliminary approval was "an interesting idea," but it might be better to look forward rather than back. Los Angeles is building housing on a scale greater than anywhere else, he said.

"There is tremendous momentum. The next batch will be better."

The audit, which also attempted to explain why projects cost so much, dismissed the commonly cited factor of land cost as "likely overstated" and instead pointed to "soft costs" as 40% of the projects — nearly as much as labor and materials.

"The high level of soft costs indicates that developers are spending large amounts on non-construction activities such as fees, consultants and financing costs," it said.

The audit also criticized the city's management of the bond program as having splintered leadership and recommended formation of a centralized accounting authority for the remainder of the program. Also, it said, the city paid millions of dollars in unnecessary interest payments by borrowing on the bond before projects were ready to use the money.

Wow!