

MOTION BY SUPERVISOR HILDA L. SOLIS

JUNE 9, 2026

**Gap Financing for The Morris, A Multifamily Rental Development in the City of Los Angeles**

Coalition for Responsible Community Development and Homes and Hope are partnering in the development of The Morris, a 95-unit supportive housing development located at 803 E. 5th Street in the City of Los Angeles. This rehabilitation project consists of 22,046 square feet of space and reused three adjoining structures that were originally built in 1911 and 1959 for hotel use. The Morris, which is almost completed, will provide a mixed-use/adaptive reuse development that consists of two three-story buildings and one seven-story building.

The 95 residential units are comprised of 94 studio units that will serve homeless adults and veterans for individuals whose income is 30% or less of the median income and one onsite manager’s unit. Approximately 9,200 square feet of ground floor office space and common areas will be used by property management and supportive service providers, including an 8,158 square-foot community service facility. The community service facility will be used to provide services that will improve the quality of life for community residents and that will be appropriate, helpful, and affordable for individuals whose income is 60% or less of the area median income and who live in the vicinity of

MOTION

Mitchell	_____
Horvath	_____
Hahn	_____
Barger	_____
Solis	_____

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the Project.

The Morris is expected to complete construction this month but requires up to \$4.2 million in funding to complete project close-out and to lease the units to qualified households. To avoid a near-complete project from being delayed and to enable the 94 units of supportive housing to become occupied in a timely manner, the Los Angeles County Development Authority (LACDA), in partnership with the Los Angeles County Department of Mental Health (DMH), identified sufficient funding in the No Place Like Home program to fill the project's funding gap. This \$4.2 million loan, which would be made to the development entity CRCDC 5th Street LP, will enable the development team to deliver a housing development that will house our most vulnerable residents.

No Place Like Home program funds were fully committed by the end of June 2025, but occasionally, a previously approved project may not move to construction, or may use a lower loan amount than expected. For these reasons, sufficient No Place Like Home funds are available for this project.

The recommended action to provide additional funding for the project, The Morris, is not subject to the California Environmental Quality Act (CEQA) pursuant to SB 406 and Public Resources Code section 21080.10. CEQA does not apply to the provision of financial assistance by a local agency not acting as a lead agency for the development and construction of residential housing for persons and families of low and moderate income, as defined in Section 50096 of the Health and Safety Code.

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**I, THEREFORE, MOVE** that the Board of Supervisors suspend Section 22.1 of the Rules of the Board for the limited purpose of considering this motion.

**I, FURTHER, MOVE** that the Board of Commissioners of the Los Angeles County Development Authority:

1. Find that approval of funding for this project is not subject to CEQA for the reasons stated in this motion and the record.
2. Approve a loan to the CRCD 5th Street LP, or an LACDA-approved assignee, for development of The Morris using up to a total of \$4.2 million in No Place Like Home funds.
3. Authorize the Executive Director or designee to negotiate, execute, and if necessary, amend, or reduce the loan agreement with CRCD 5th Street LP, or an LACDA-approved assignee, and all related documents, including but not limited to documents to subordinate the loan to construction and permanent financing, and any intergovernmental, interagency, or inter-creditor agreements necessary for the implementation of the development, following approval as to form by County Counsel.
4. Authorize the Executive Director or designee to accept and incorporate, as needed, up to \$4,200,000 No Place Like Home funds into LACDA's approved Fiscal Year 2025-2026 budget, or future fiscal year budgets, for the purposes described herein.

AGN. NO. \_\_\_\_\_

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5. Authorize the Executive Director or designee to reallocate LACDA funding set aside for affordable housing at the time of project funding, as needed and within the project's approved funding limit, in line with the project's need, and within the requirements for each funding source.

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HLS:gdm