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WWW.DLANC.COM

EMAIL: DLANC@EMPOWERLA.ORG

August 15, 2023

Karen Bass  
Mayor

Honorable City Council  
City of Los Angeles  
c/o City Clerk  
Room 395, City Hall  
Los Angeles, CA, 90012

VIA EMAIL

**RE: Request for Support Council File 23-0792 (Municipal Facilities Committee report 0220-06132-0000, dated July 31, 2023, relative to a Purchase and Sale Agreement between the City and Mayfair Lofts, LLC for the acquisition of the Mayfair Hotel to provide interim housing and support services for persons experiencing homelessness.)**

Mayor Bass and Councilmembers:

At a special public meeting held August 15, 2023, the Board of Directors of the Downtown Los Angeles Neighborhood Council (DLANC) convened to discuss and take possible action on the City's purchase of the Mayfair Hotel.

The proposed purchase of the Mayfair Hotel at 1256 W 7th Street, Los Angeles, CA 90017, is a part of the Mayor's Inside Safe Initiative, a comprehensive plan to address homelessness in the city. The current retention rate of the Inside Safe Initiative is roughly one in six individuals. The initiative has been marked by significant spending. New data recently released by the City shows that the program is paying \$17,009 per individual per month. The program has spent \$32,619,694 through June 30, 2023 on 57,533 nights of rooms in hotels; the cost per homeless individual served is \$567 per night, or \$17,009 per month. These costs include clean up support provided by LAPD, moving services provided by LADoT, homeless outreach provided by Los Angeles County Homeless Services Authority, as well as cost related feeding and 24/7 monitoring of program participants.

The acquisition of the Mayfair Hotel involves a mix of funding sources, including \$26M from the annual city's Community Development Block Grants. The requested budget allocations include \$19M for necessary renovations and space improvement. The Municipal Facilities Committee Report states that if additional funding is needed for immediate repairs, it can be sourced from the replacement reserve anticipated in the operating budget or through the Inside Safe funding allocated toward acquisitions. In total, the Mayor is requesting \$80M in funds to be used for both the acquisition of the property (\$60,247,266) and the necessary renovations (\$19,335,095) to operate the Mayfair as interim housing.

The location of the Mayfair Hotel presents both opportunities and challenges. While the proximity to community services and hospitals is advantageous, the closeness to schools and other sensitive sites raises concerns. However, the purchase of this site represents a strategic opportunity to create a supportive environment for those in need, but careful consideration must be given to the potential impact on sensitive populations.

### **Pros and Cons of the Purchase:**

#### *Pros:*

- Potential to prioritize housing for mothers with children and other sensitive populations
- Opportunity to integrate mental health and addiction treatment services on-site

#### *Cons:*

- Proximity to schools
- Potential for public nuisance and safety
- Need for careful allocation and management of CDBG funds and upkeep and building maintenance

**Considerations:** If the city is going to permanently transform the character and purpose of 1200 block of W 7th street, then DLANC requests that the following investments be added to the motion as a requirement of the purchase of the Mayfair Hotel:

1. **Invest additional CDBG funds \$14M in Fiscal '25 and \$11M Fiscal '26:** To offset potential degradation of the surrounding communities DLANC requests that the City allocate Community Development Block Grants (CDBG) funds in Fiscal '25 & '26 to the community neighborhoods and infrastructure within a one-mile radius of the Mayfair Hotel. CDBG funds are typically used to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for low- and moderate-income persons. In this context, the funds should be strategically invested in:
  - **Trash Management and Neighborhood Beautification:** Implementing regular clean-up initiatives, sidewalk and street improvements, tree planting, providing additional waste disposal facilities, and investing in public art to strengthen and preserve the neighborhood's aesthetic character.
  - **Crime and Drug Prevention:** Enhancing security measures such as additional lighting, including increased public safety patrols, security cameras, and collaborating with local organizations to provide support and treatment for those struggling with addiction.
  - **Community Engagement and Support:** Invest in micro-enterprise assistance, develop community centers and programs that foster community integration, provide support for at-risk

populations and mitigate the potential negative impacts of the homeless hotel in the neighborhood. Additionally, creating a community liaison officer to allow constituents, the local council office, and neighborhood councils to reach out regarding concerns.

2. **Priority Housing for Mothers with Children:** Given the presence of schools and family centers in the vicinity, a targeted approach to housing should prioritize mothers with children transferred from shelters. This will support family stability and educational continuity while utilizing the freed shelter beds for unhoused men from Council Districts 1 and 14.
3. **Shelter Replacement Strategy:** Focus on Council Districts 1 and 14 to foster community integration. By ensuring that unhoused and encampment populations from within these two districts populate the hotel, the initiative aligns with local needs and community interests.
4. **Onsite Mental Health and Addiction Treatment Services:** The provision of essential mental health and addiction treatment services onsite is vital. These services address underlying challenges faced by many of the individuals who will be housed at the Mayfair Hotel, contributing to their long-term well-being and integration into the community.

We ask that the City Council consider the above conditions during its deliberations of the proposed purchase of the Mayfair Hotel. We believe this acquisition represents a significant opportunity to address homelessness and improve the quality of life for DTLA stakeholders, while also ensuring a concerted effort to both beautify the neighborhoods that surround the Mayfair, and mitigate unintended consequences to the quality of life for local residents and businesses. We look forward to continuing our great work with you and your staff to make this vision a reality.

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**\* SUBJECT TO APPROVAL BY DLANC BOARD OF DIRECTORS AUGUST 15, 2023 \***

Sincerely,

Garrett South  
Vice President of Administration,  
DLANC

Samir Bitar  
Chair,  
DLANC Planning & Land Use Committee