

MOTION BY SUPERVISOR HOLLY J. MITCHELL

AUGUST 10, 2021

Approve Funding for the Central Avenue Apartments Project

Abode Communities (Abode) is a nonprofit social enterprise that was formed in 1968 to create service-enhanced affordable housing and socially beneficial community facilities. Over the past 20 years, the County of Los Angeles (County), through the Los Angeles County Development Authority (LACDA), has partnered with Abode to fund 15 projects that produced approximately 1,060 units of affordable and special needs housing in the County.

Abode recently received a funding recommendation through LACDA's Notice of Funding Availability (NOFA), Round 26 for \$3,100,000 in No Place Like Home (NPLH) Program funds for the Central Avenue Apartments project (Project). The project, located at 8909 S. Central Avenue, in the City of Los Angeles (City) will consist of 59 new affordable housing units, including 28 units for low-income families, 21 units for homeless persons living with mental illness, 9 units for Transition Age Youth, and 1 unrestricted unit reserved for the manager.

Approval of this funding will also enable Abode to increase its scoring for an Infill Infrastructure Grant (IIG) application submitted to the State Department of Housing and Community Development. Abode's IIG application seeks approximately \$1.8 million in IIG funding, which will be used to assist in financing the Project.

The County is authorized to implement the NPLH Program locally, which includes

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all actions necessary to select, finance, and monitor projects during the life of the affordability covenant. LACDA has been designated as an agent of the County in the implementation of the NPLH Program for selection, project financing, and monitoring in conjunction with the County's Department of Mental Health (DMH). DMH will approve eligible tenants, provide supportive services, and monitor services for a period of at least 20 years.

The NPLH loan agreement and related documents will incorporate affordability restrictions, target assisted populations, and contain provisions requiring Abode to comply with all applicable federal, state, and local laws. The NPLH loan will be evidenced by a promissory note and secured by a deed of trust, with the term of affordability enforced by a recorded regulatory agreement. The Project has been reviewed by LACDA pursuant to the requirements of the California Environmental Quality Act (CEQA). The Project was determined ministerially exempt from the requirements of CEQA by the City in accordance with CEQA Guidelines Section 15268. LACDA's consideration of this determination satisfies the requirements of CEQA.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS, ACTING AS THE BOARD OF COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:

1. Acting as a responsible agency pursuant to CEQA, certify that the Board of Commissioners has considered the exemption determination for the Project, which was prepared by the City of Los Angeles as lead agency; and find that this Project will not cause a significant impact on the environment.
2. Approve a loan to Abode Communities, using up to \$3,100,000 in NPLH Program funds, for the development of the Project and authorize LACDA's Executive Director, or his designee, to negotiate, execute, and if necessary, amend, or reduce the loan agreement with Abode Communities or a designee approved by LACDA, 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.

3. Authorize LACDA's Executive Director, or his designee, to incorporate, as needed, up to \$3,100,000 in NPLH Program funds into LACDA's approved Fiscal Year 2021-2022, and future Fiscal Year budgets, as needed, for the purposes described herein.
4. Authorize LACDA's Executive Director, or his 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 needs, and within the requirements for each applicable funding source; and
5. Direct LACDA's Executive Director, or his designee, to work in collaboration with the Director of the Department of Mental Health, or designee, to ensure that all obligations under the NPLH Program are satisfied.

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