

MOTION BY SUPERVISOR HOLLY J. MITCHELL

April 9, 2024

Approve Funding for the Toyon Gardens Project

Brilliant Corners is a community-based non-profit developer that was formed in 2004 to create affordable and supportive housing for people experiencing or at risk of homelessness across California. In 2021, the County of Los Angeles (County), through the Los Angeles County Development Authority (LACDA), partnered with Brilliant Corners to fund the Avalon 1355 project. The Avalon 1355 project will produce 54 units of affordable and special needs housing in the County and is currently in construction in the City of Los Angeles.

Brilliant Corners recently received a funding recommendation through the LACDA's Notice of Funding Availability (NOFA), Round 29 for \$7,005,067 in federal HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) capital funding for the Toyon Gardens project (Project). The Project, located at 3127 W. 147th Street, in an unincorporated area of the County, will be a new construction, five-story, wood frame building over a podium, with approximately 52,000 square feet of residential space and approximately 16,600 square feet of common area space.

The Project will consist of 60 affordable housing units for people with a disability, 17 units for low-income families, and one unrestricted manager's unit. There will be 15 studio units, 53 one-bedroom units, and 10 two-bedroom units. The Project will offer residents a range of amenities that will enhance social interaction and community-building

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among tenants and the greater neighborhood, including outdoor picnic area, a community room, bike storage, and a pet-run area for its tenants as well as access to employment training, and education opportunities.

Approval of this funding will enable Brilliant Corners to use HOME-ARP funds as leverage to increase its scoring for the California Debt Limit Allocation Committee (CDLAC) application to be submitted to the State Department of Housing and Community Development. Brilliant Corners' CDLAC application seeks up to \$37,500,000 million in funding, which will be used to assist in financing the Project.

The loan agreement and related documents for the LACDA's HOME-ARP funds will incorporate affordability restrictions, target assisted populations, and contain provisions requiring Brilliant Corners to comply with all applicable federal, state, and local laws. The 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 the LACDA pursuant to the requirements of the California Environmental Quality Act (CEQA). The recommended action to provide funding for the Toyon Gardens project is not subject to the 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.

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

1. Find that approval of funding for the Toyon Gardens project (Project) is not subject to the California Environmental Quality Act for the reasons stated in this Motion and the record.
2. Approve a loan to Brilliant Corners for up to \$7,005,067 in HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) funding for the development of the Project and authorize the Executive Director, or his designee, to negotiate, execute a loan agreement with Brilliant Corners or a

- designee approved by the 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 Project, following approval as to form by County Counsel.
3. Authorize the Executive Director, or his designee, to execute any necessary amendments to the loan agreement, and all related documents, with Brilliant Corners for the Project.
 4. Authorize the Executive Director, or his designee, to incorporate, as needed, up to \$7,005,067 in HOME-ARP into the LACDA's approved Fiscal Year 2023-2024 budget, as needed.
 5. Authorize the 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 as well as reduce the loan amount, if needed.

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