

August 06, 2024

MOTION BY SUPERVISOR JANICE HAHN

Approve Funding for Cudahy Seniors and Veteran Commons

The Cudahy Seniors project is a proposed multifamily affordable housing development comprised of 140 units for low-income and homeless seniors, located at 4610 Santa Ana Street, in the City of Cudahy. Through the Los Angeles County Development Authority's (LACDA) Notice of Funding Availability (NOFA) Round 26, Cudahy Seniors was awarded \$5,000,000 in Affordable Housing Trust Funds (AHTF). NOFA 26 funds were approved by the Board of Supervisors through a previous action.

The project, which will be developed by a partnership between National CORE and Prima Development, received a funding recommendation through NOFA 29 for \$3,000,000 in HOME Investment Partnerships American Rescue Act Program (HOME-ARP) funds, and \$3,240,000 in No Place Like Home (NPLH) funds through NOFA 30. NPLH funds are conditional, pending final approval from the California Department of Housing and Community Development (HCD), who oversees the NPLH funding, and the Department of Toxic Substances Control (DTSC), who is working with the development team to finalize any remedial action planning. The Cudahy Seniors project, located at 4610 Santa Ana Street, in the City of Cudahy will consist of 50 units for homeless seniors, 18 units for homeless households living with a mental illness, 69 units for low-income seniors, and two unrestricted manager units.

Approval of NOFA 29 and NOFA 30 funds will enable National CORE and Prima

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Development to use funds as leverage in the upcoming California Debt Limit Allocation Committee (CDLAC) application, which seeks up to \$55,000,000 in funding, which will be used to assist in financing the Cudahy project.

The Veteran Commons project, by Abode Communities, was awarded \$7,000,000 in AHTF through LACDA's NOFA Round 27. NOFA 27 funds were approved by the Board through a previous Board action. The Veteran Commons project, located at 11269 Garfield Avenue, in the City of Downey, will consist of 50 units for homeless veterans, 49 units for low-income families, and one unrestricted manager's unit.

The Veteran Commons project is now recommended for up to \$9,600,000 in AHTF. Approval of this supplemental funding will enable Abode Communities to leverage LACDA and other funding in their upcoming CDLAC application. Abode's CDLAC application is seeking \$44,000,000 million in funding, which will be used to assist in financing the Veterans' project.

The design team for each project has incorporated numerous design elements and amenities to serve the needs of the future residents by providing a safe living environment that enhances social interaction and community-building among residents, and will facilitate access to employment, education, local amenities, and community spaces that will enhance the greater neighborhood, and foster pride of ownership.

Each project will be evidenced with a loan agreement and related documents to incorporate affordability restrictions, target assisted populations, and contain provisions requiring developers to comply with all applicable federal, state, and local laws. The loans 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 recommended actions to provide funding for the Cudahy Seniors and Veterans Commons projects are 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.

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

1. Find that approval of funding for these projects is not subject to CEQA for the reasons stated in this Motion and the record;
2. Approve loans for up to \$9,600,000 in AHTF, \$3,240,000 in NPLH funds, and \$3,000,000 in HOME-ARP funds for the development of these projects as outlined above; and
3. Authorize the Executive Director, or designee to:
 - a. Negotiate and execute loan agreements with the developers, or a designee approved by LACDA, for each stated project 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 projects, following approval as to form by

County Counsel;

- b. Execute any amendments to the loan agreements and all related documents for each project, and if necessary, reduce loan amounts provided to each project;
- c. Incorporate, as needed, up to \$9,600,000 in AHTF, \$3,240,000 in NPLH funds, and \$3,000,000 in HOME-ARP funds into the LACDA's approved Fiscal Year 2024-2025 budget; and
- d. Reallocate LACDA funding set aside for affordable housing at the time of the project's funding, as needed, and within the projects' approved funding limits, in line with each projects' needs, and within the requirements for each applicable funding source.

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