



**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

3-D October 8, 2024

A handwritten signature in black ink that reads "Edward Yen".

EDWARD YEN  
EXECUTIVE OFFICER

October 08, 2024

The Honorable Board of Commissioners  
Los Angeles County  
Development Authority  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Commissioners:

**APPROVAL OF FUNDING FOR NINE MULTIFAMILY AFFORDABLE HOUSING  
DEVELOPMENTS LOCATED IN CLAREMONT, EL MONTE, LONG BEACH, LOS ANGELES,  
MONTEBELLO, SAN PEDRO, PASADENA, AND UNINCORPORATED COMPTON  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

This letter recommends that the Board approve loans totaling up to \$59,530,000 in No Place Like Home (NPLH) and Affordable Housing Trust Funds (AHTF) to fund the development of nine affordable multifamily rental housing developments selected through the Notice of Funding Availability (NOFA) Round 30, issued by the Los Angeles County Development Authority (LACDA).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that approval of funding for these projects is not subject to the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and the record.
2. Approve loans to the recommended developers identified in Attachment A, using up to a total of \$49,530,000 NPLH funds and \$10,000,000 in AHTF.
3. Authorize the Executive Director or designee to negotiate, execute, and if necessary, amend, or reduce the loan agreements with the recommended developers identified in Attachment A, or their LACDA-approved assignees, and all related documents, including but not limited to documents to subordinate the loans to construction and permanent financing, and any intergovernmental, interagency, or inter-creditor agreements necessary for the implementation of each development, following approval as to form by County Counsel.

4. Authorize the Executive Director or designee to accept and incorporate, as needed, up to \$49,530,000 in NPLH and \$10,000,000 AHTF into the LACDA's approved Fiscal Year 2024-2025 budget for the purposes described herein.

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

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The nine projects seeking approval through this action are affordable multifamily rental housing developments that will provide a total of 780 housing units, comprised of 282 units for homeless households living with a mental illness, 32 units for homeless households, 22 units for chronically homeless households, 21 units for homeless seniors, 20 units for homeless veterans, 14 units for transition age youth, 10 units for survivors of domestic violence, 198 units for low-income families, 171 units for low-income seniors, and 10 onsite manager's units.

Approval is requested to ensure that the housing development projects identified in Attachment A can meet upcoming deadlines for submitting applications to other leveraged finance sources.

### **FISCAL IMPACT/FINANCING**

The recommended loans to the developers identified in Attachment A will provide a total amount of up to \$49,530,000 in NPLH and \$10,000,000 in AHTF. This amount will be incorporated into the LACDA's approved Fiscal Year 2024-2025 budget for the purposes described herein.

The recommended loan amounts are identified in Attachment A.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On December 27, 2023, the LACDA issued NOFA Round 30. The LACDA received a total of 34 complete applications for funding. NOFA Round 30 offered a total of \$140 million in NPLH and \$20 million AHTF funds, with project applications seeking more than \$200 million in funding.

Of the 34 applications received, 16 applications were submitted during the initial application deadline of February 12, 2024. At the initial February 12 deadline, the NOFA was undersubscribed, therefore, the application period was extended until May 31, 2024, to receive additional applications to fully utilize NPLH funds available. During the extended application period, the LACDA received 19 additional applications.

Projects were scored based on the total number of points awarded during both Technical Review and results of the appeal process. Final scores and the order in which applications were submitted during the second application period were used to determine the order of project awards.

The loan agreements and related documents will incorporate affordability restrictions, target assisted populations, and contain provisions requiring the developers to comply with all applicable federal, state, and local laws. Each 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. Approval of the projects included in this action will leverage approximately \$430 million in additional external funding sources.

The loan agreements and related documents for these projects will reflect the respective tenant population set-asides and indicate that the assisted units will be affordable to households earning no more than 30% of the median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for family size, as established by the U.S. Department of Housing and Urban Development. The loan agreements will require that the affordable housing units be set aside for a period of 55 years. Subject to various underwriting requirements, the developers may be required by the LACDA or other lenders to create a single asset entity to designate ownership of the project. These “assignees” will be LACDA-approved single asset entities created by the developers prior to execution of the loan agreements and all related loan documents.

This letter recommends that the Executive Director, upon approval by County Counsel, have the authority to execute and amend loan agreements, as needed, with the recommended developers. Amendments may be necessary in cases where project specifics change after execution of the loan agreement.

The recommended authority to reduce any loan below the amounts stated in this action is requested in cases where the financing shows the maximum loan amount is not needed by the project. In this case, any reduction in a loan amount would occur during project underwriting and would take place prior to execution of a loan agreement.

This letter also recommends that the Executive Director have the authority to reallocate funds set aside for affordable housing development at the time of project funding to better align project funds with available resources. Any reallocation of funds will be made within each project’s approved funding limit, in line with project needs, and within the requirements for each funding source.

### **ENVIRONMENTAL DOCUMENTATION**

The recommended action to provide additional funding for the projects listed in Attachment A is not subject to 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.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

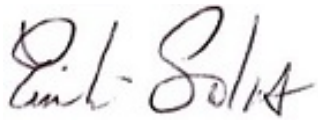
The requested actions will increase the supply of Special Needs and affordable housing units in the County of Los Angeles.

The Honorable Board of Commissioners

10/8/2024

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Emilio Salas". The signature is written in a cursive style with a large initial "E" and "S".

Emilio Salas

Executive Director

ES:LK:ML:BL

Enclosures

**ATTACHMENT A  
NOFA 30  
RECOMMENDED FUNDING ALLOCATIONS (October 8, 2024)**

Sup. Dist.	Jurisdiction	Development/ Applicant	Type of Housing	Total Project Units	NOFA 30		Other Funding Resources	Total Development Cost
					No Place Like Home (NPLH) Funds	Affordable Housing Trust Funds (AHTF)		
1	Montebello	Bellamontes/ Clifford Beers Housing	Large Family	57	\$4,460,000	\$0	\$32,836,109	\$37,296,109
1	El Monte	Esperanza Village/ National Community Renaissance of California	Special Needs	202	\$8,000,000	\$10,000,000	\$120,307,552	\$138,307,552
2	Unincorporated Compton	East Rancho Apartments/ Coalition for Responsible Community Development	Special Needs	72	\$6,120,000	\$0	\$41,185,284	\$47,305,284
2	Los Angeles	Fourth Clover/ West Hollywood Community Housing Corporation	Large Family	89	\$4,500,000	\$0	\$61,431,018	\$65,931,018
3	Los Angeles	Selby/ A Community of Friends	Mixed Population	65	\$5,310,000	\$0	\$45,452,924	\$50,762,924
4	Long Beach	300 Alamitos/ Mercy Housing California	Seniors	82	\$3,600,000	\$0	\$51,001,191	\$54,601,191
4	San Pedro	Hope on 6th/ 1010 Development Corporation	Special Needs	54	\$4,310,000	\$0	\$36,505,567	\$40,815,567
5	Claremont	St. Ambrose Senior Housing/ National Community Renaissance of California	Seniors	59	\$5,040,000	\$0	\$26,383,095	\$31,423,095
5	Pasadena	Pasadena Ramona Seniors/ National Community Renaissance of California	Seniors	100	\$8,190,000	\$0	\$74,457,377	\$82,647,377
<b>Totals</b>				<b>780</b>	<b>49,530,000</b>	<b>10,000,000</b>	<b>489,560,117</b>	<b>549,090,117</b>
					<b>\$</b>	<b>59,530,000</b>		