

**FUNDING AGREEMENT BETWEEN**

**THE COUNTY OF LOS ANGELES**

**AND**

**LOS ANGELES COUNTY AFFORDABLE HOUSING SOLUTIONS AGENCY**

This Funding Agreement (“**Agreement**”) is entered into by and between the County of Los Angeles (“**County**”) and Los Angeles County Affordable Housing Solutions Agency (“**LACAHS**A”). The County and LACAHS A are jointly referred to herein as the “Parties,” and individually as “Party.”

**WHEREAS**, LACAHS A is a local agency and, with regard to certain functions is also a district formed pursuant to California Government Code section 64700 et seq. whose purpose is to increase the supply of affordable housing in Los Angeles County by providing for significantly enhanced funding and technical assistance at a regional level for renter protections, affordable housing preservation, and new affordable housing production;

**WHEREAS**, the County desires to support the efforts of LACAHS A as a public benefit service to residents and businesses of the County;

**WHEREAS**, the County has been providing various supportive services to LACAHS A and has been a pivotal partner in LACAHS A's formation phase;

**WHEREAS**, on August 8, 2024, LACAHS A's Board of Directors (“**Governing Board**”) authorized the LACAHS A Chair to make a request to the County for a loan in an amount of \$6 million for capacity-building and related activities;

**WHEREAS**, this Agreement was considered and approved by the LACAHS A Governing Board at its December 18, 2024 Board meeting, and delegation to the Chair to sign this Agreement was granted, subject to review as to form by LACAHS A counsel;

**WHEREAS**, on November 26, 2024, the County Board of Supervisors (“**Board**”) voted in favor of providing a loan of \$6 million to LACAHS A to ensure that LACAHS A is prepared to implement the housing outcomes included in Measure A; and

**WHEREAS**, the Board found that supporting LACAHS A through the contemplated loan will serve a public purpose pursuant to California Government Code section 26227 and authorized the County’s Chief Executive Officer, or designee (“**CEO**”) to negotiate and enter into an agreement with LACAHS A in the amount of \$6 million at an interest rate to be determined by the County.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions set forth herein, the Parties agree as follows:

1. **APPROVED FUNDING.** The County will provide LACAHSAs a loan of Six Million Dollars (\$6,000,000.00) (“**Loan**”) with the disbursement of the full Loan amount to be delivered to LACAHSAs within twenty (20) days of receiving an invoice from LACAHSAs’s authorized representative.

LACAHSAs shall repay the Loan, including interest accrued on the Loan as set forth below, in full by June 30, 2025. The Loan, plus any interest earned, by LACAHSAs shall be used for the public purposes in compliance with State and local laws.

The outstanding Loan balance shall bear interest at the average County Treasury Pool Rate in effect from the date of disbursement to LACAHSAs until the date of repayment to the County. Interest shall accrue daily based on the outstanding Loan amount.

LACAHSAs’s failure to make the payment specified in this Section 1 shall constitute an event of default. Upon occurrence of this event of default, the entire outstanding Loan amount, accrued interest, and all reasonable County costs of collection, including but not limited to, attorneys fees and costs, shall automatically become immediately due and payable. LACAHSAs understands and acknowledges the County is statutorily permitted to offset any delinquent amounts against any amount reciprocally owing pursuant to California Government Code section 907.

2. **TERM.** The term of the Agreement will commence upon the date that the Agreement is fully executed by the Parties and terminate when the Parties’ obligations under the Agreement are fully satisfied as determined by the County.
3. **REPORTING AND RECORD ACCESS.** LACAHSAs shall provide a report to County on a quarterly basis describing the use of the Loan funds. LACAHSAs agrees to maintain financial accounts, documents, and records consistent with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board and to make them available to the County for inspection. LACAHSAs also agrees to retain such financial accounts, documents, and records in compliance with the approved records retention policy of LACAHSAs.

At any time during this Agreement or at any time within five (5) years after the repayment of the Loan, authorized representatives of the County may conduct an inspection of LACAHSAs records to verify that the Loan expenditures were used for the purpose specified in this Agreement.

LACAHSAs will provide the County’s CEO, within one hundred twenty (120) days after the end of LACAHSAs’s fiscal year, a report itemizing actual expenditures funded by the Loan received pursuant to this Agreement.

4. **INDEMNIFICATION.** In contemplation of the provisions of California Government Code section 895.2 imposing certain tort liability jointly upon public entities solely by reason of such entities being Parties to this Agreement, as defined by California Government Code section 895. The Parties hereto, as between themselves,

pursuant to the authorization contained in California Government sections 895.4 and 895.6, will each assume the full liability that would be imposed upon it, or any of its officers, agents or employees by law for injury caused by negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such a liability would be imposed in the absence of California Government Code section 895.2. To achieve the above-stated purpose, each Party indemnifies and holds harmless the other Party for any loss, cost, or expense that may be imposed upon such other Party solely by virtue of California Government Code section 895.2. The Parties agree to indemnify, defend and hold harmless each other against any and all liability, expense and claims arising from their respective acts or omissions. The provisions of California Civil Code section 2778 are made hereof as if fully set forth.

5. **AMENDMENTS.** Except as otherwise provided herein, any amendment(s) to this Agreement shall be at the mutual consent of the County and LACAHSAs and shall be executed by an authorized designee of both the County and LACAHSAs, and approved as to form by County Counsel.
6. **DISPUTE RESOLUTION.** Whenever the County and LACAHSAs disagree as to any matter governed by this Agreement, the dispute resolution process set forth in this Section shall govern. Until the dispute is resolved or unless this Agreement is terminated by its terms, LACAHSAs shall repay the Loan amount, accrued interest, and all reasonable County costs of collection to the County as set forth in this Agreement.

If after thirty (30) days, the Parties cannot resolve any dispute, either Party may give the other Party a written request for a meeting between LACAHSAs's authorized representatives and the County's CEO for the purpose of resolving a disagreement between the Parties.

If such meeting is requested, the meeting shall be held within ten (10) business days of the receipt of such request. If after the meeting between the LACAHSAs's authorized representative and the County's CEO the dispute between the Parties is not resolved, the dispute may be submitted to the LACAHSAs's Governing Board and separately to the County Board, subject to compliance with applicable Ralph M. Brown Act requirements.

7. **ASSIGNMENTS.** LACAHSAs shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of the County, in its sole discretion, and any attempted assignment or delegation without such consent shall be null and void.

For purposes of this Section, the County consent shall require a written amendment to this Agreement, which is formally approved and executed by the Parties. In the event a transfer, exchange, assignment, or divestment results in a change in the person or entity with majority control of LACAHSAs at the time of

execution of this Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

8. **NOTICES AND APPROVALS.** All notices and approvals shall be directed to and made by the following representatives of the Parties via U.S. Mail with a copy sent to the e-mail address provided below:

To the County:

Chief Executive Officer  
Kenneth Hahn Hall of Administration, Room 493  
500 West Temple Street  
Los Angeles, CA 90012  
Attn: Erika Bonilla  
Email: [ebonilla@ceo.lacounty.gov](mailto:ebonilla@ceo.lacounty.gov)

To LACAHSAs:

Chief Executive Officer (CEO)  
Los Angeles County Affordable Housing Solutions Agency  
c/o Commission Services Department  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room B50-b  
Los Angeles, CA 90012  
Office: (213) 974-1431  
Email Address: [commserv@bos.lacounty.gov](mailto:commserv@bos.lacounty.gov)

With copy to:

LACAHSAs Counsel  
c/o Commission Services Department  
Email Address: [commserv@bos.lacounty.gov](mailto:commserv@bos.lacounty.gov)

9. **SEVERABILITY.** If any provision of this Agreement, or the application thereof, is held to be invalid, then that invalidity shall not affect other provisions or applications of the Agreement that can be given effect without the invalid provision or application, and to this end the provisions of the Agreement are severable.
10. **ENTIRE AGREEMENT.** This Agreement contains the entire and complete understanding of the Parties with respect to the Loan provided to LACAHSAs and terms set forth in this Agreement.
11. **COMPLIANCE WITH LAW.** Notwithstanding anything to the contrary contained in this Agreement, the Parties agree that no provision of this Agreement shall require any Party to violate any applicable statute, rule of law or regulation.

12. **AUTHORIZED AND ELECTRONIC SIGNATURES.** The Parties to this Agreement represent that the signatories executing this document are fully authorized to enter into this Agreement and bind the respective Parties. This Agreement may be executed by electronic signature(s) and transmitted either by facsimile or in a portable document format version by email and such electronic signature(s) shall be deemed as original for purposes of this Agreement and shall have the same force and effect as a manually executed original.
13. **COUNTERPARTS.** This Agreement may be executed in two or more counterpart copies, each of which shall be deemed as an original and all of which, when taken together, shall constitute one and the same instrument.
14. **EFFECTIVE DATE.** After the Agreement has been executed by LACAHSAs authorized representative, the effective date of the Agreement shall be the date that the Agreement is fully executed by the County’s CEO.

[Signatures on the following page]

IN WITNESS WHEREOF, LACAHSAs has executed this Agreement, or caused it to be duly executed by its authorized representative, and the County of Los Angeles by order of its Board of Supervisors, has delegated to its Chief Executive Officer, or her designee, the authority to execute this Agreement on its behalf on the date and year written below.

**LACAHSAs:**

Los Angeles County Affordable Housing Solutions Agency

**COUNTY:**

County of Los Angeles

\_\_\_\_\_  
By: Rex Richardson, Chair

\_\_\_\_\_  
By: Fesia Davenport, Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

LACAHSAs Counsel

By:

\_\_\_\_\_

APPROVED AS TO FORM:

Dawyn R. Harrison  
County Counsel

By:

\_\_\_\_\_

Principal Deputy County Counsel