



June 03, 2025

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:

**FISCAL YEAR 2025-26 BUDGET OF THE LOS ANGELES COUNTY DEVELOPMENT
AUTHORITY
(ALL DISTRICTS) (3 VOTE)**

SUBJECT

This letter recommends approval of Los Angeles County Development Authority's Fiscal Year (FY) 2025-26 Budget which totals \$1,000,608,800.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the approval of the LACDA's FY 2025-26 Budget is not subject to the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.
2. Adopt the Resolution approving the FY 2025-26 Budget totaling \$1,000,608,800.
3. Adopt the Resolution approving the Cost Allocation Plan (CAP) which outlines the methodology for equitably distributing shared service costs across all departments and programs within the LACDA.
4. Adopt the Public Housing Agency (PHA) Board Resolution approving the operating budget and certifying submission of the LACDA's FY 2025-26 Budget to the United States Department of Housing and Urban Development (HUD).
5. Approve the LACDA's employee pay schedule.
6. Instruct the Executive Director, or designee, to do the following:

- a. Implement the LACDA's FY 2025-26 Budget and take all related actions for this purpose, including execution of all required documents regarding the LACDA's FY 2025-26 Budget.
- b. Execute funding agreements with the County of Los Angeles (County) to accept funding for the following programs: \$475,000 for the Cooperative Extension Program, \$1,007,000 for the Community Safety Program (CSP), \$425,000 for South County Public Housing Scattered Sites, \$11,357,000 for Measure A (Homeless Prevention Initiative), and \$216,000 for the Homeless Coordinator and ancillary services, and execute, as necessary, all future amendments, modifications, extensions, and augmentations to such funding agreements.
- c. Execute a Memorandum of Understanding (MOU), and any necessary amendments to the MOU, with the County and all required documents necessary to accept \$668,947 for the Juvenile Justice Crime Prevention Act (JJCPA).
- d. Add positions during the fiscal year as needed to respond to unanticipated mid-year funding allocations or to expedite existing programs, subject to the availability of sufficient administrative funds to cover the associated expenses and alignment with program requirements.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to establish the FY 2025-26 appropriation authority for LACDA operations and activities.

The recommended FY 2025-26 Budget of the LACDA totals \$1,000,608,800, a decrease of 9% over the approved FY 2024-25 Budget of \$1,095,380,200. The decrease is driven by anticipated reduction in Housing Choice Voucher (HCV) Program; reduced state revenue from a weakened real estate market, the lack of ongoing No Place Like Home funding, and the depletion of Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) relief funds. Despite level Federal funding for Federal Fiscal Year (FFY) 2025, future funding is uncertain, and housing needs remain a concern, especially following local wildfire impacts. To address these challenges, the LACDA is strategically focusing on operational efficiency, core program delivery, and long-term sustainability through prudent resource management, actively seeking additional funding, and technological improvements, ensuring we continue to embody our mission of "Building Better Lives and Better Neighborhoods" for the residents and businesses we serve daily.

FISCAL IMPACT/FINANCING

The FY 2025-26 Budget includes \$164 million in County funds consisting of the following: Affordable Housing Trust Fund (AHTF), County Departments, Measure A, and other Countywide Initiatives.

BUDGET OVERVIEW:

The total FY 2025-26 Budget of \$1,000,608,800 consists primarily of Federal funding provided by HUD for housing and community development programs. Over half of the budget is in support of the Housing Assistance and Public Housing programs for low-income families, seniors, persons with disabilities, and veterans. Local revenue sources include County funds, public housing rental income, and other grants received in support of housing activities.

HUD funds are budgeted at \$724.6 million and consist of the following: \$514.5 million in Section 8 Housing Choice Voucher and Emergency Housing Vouchers funding to provide rental assistance for

families; \$47.8 million in CoC funding to provide rental assistance and supportive services to families and individuals experiencing homelessness; \$37.6 million in Veterans Affairs Supportive Housing funding to provide rental assistance to homeless veterans; \$35.1 million in Public Housing Operating Fund funding to manage and maintain public and affordable housing units; \$31.7 million in Community Development Block Grant (CDBG) funding to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons; \$18.0 million in Capital Funds funding to rehabilitate and provide site improvements at the public housing sites; \$16.4 million in HOME Investment Partnerships Program (HOME) funding to increase homeownership and affordable housing opportunities for low- and very low-income households; \$5.9 million in Emergency Solutions Grants (ESG) funding for rapid rehousing for persons who are experiencing homelessness or at-risk of homelessness; \$4.3 million in Mainstream funding to provide rental assistance to non-elderly persons with disabilities; \$4.1 million in lead based paint funding for remediation of multi-family units with children; \$3.1 million in funding for the rehabilitation of the Norwood Library; \$2.6 million in Multi-Family Housing Assistance Payments funding to provide rental assistance at Kings Road and Lancaster Homes; \$1.4 million in Family Self-Sufficiency funding to help assisted families achieve self-sufficiency; \$1.2 million in funding for HOPWA to provide rental assistance services to low-income individuals living with AIDS; and the remaining funding is to support other HUD initiatives.

County funds are budgeted at \$164 million and consist of the following: \$61.8 million in AHTF funding to develop supportive and affordable housing for the homeless and/or individuals and families with mental illness; \$61.5 million in County Departments funding to support lead-based paint mitigation activities, to provide rapid rehousing to families experiencing homelessness in cases involving Child Protective Services, to rehabilitate and preserve existing adult and elderly residential care facilities, and to support Altadena's business community rebuild after the wildfire; \$20.5 million in Measure A and Open Doors funding to provide sign-on bonus, security deposit assistance, damage mitigation and vacancy loss incentives in support of unhoused individuals and families; \$13 million in Other County funding for various Housing Development Special projects to develop supportive and affordable housing and public housing improvements; \$3.1 million in County Capital Project funding to provide construction management services to complete Renovate business façade improvement projects; and the remaining funding is to support other County initiatives.

State funds are budgeted at \$85.6 million and consist of funding primarily from the California Department of Housing and Community Development to support affordable housing developments and to address unmet housing needs in local communities.

Other Federal funds are budgeted at \$6.7 million and consist of \$3.8 million in ARP funding to support the County's Stay Housed L.A. Program; \$1.9 million in Economic Development Administration de-federalized revolving loan funds for small business loan program in Altadena; and the remaining funding is to support Other Federal initiatives.

Other funds are budgeted at \$19.7 million and consist of the following: \$15.3 million in LACDA General Fund funding for general activities such as legal and the Antelope Valley Office building improvements; \$3.6 million in Court funding to provide oversight of traffic administration services and to monitor the Community Services Referral Agencies on behalf of the courts; and the remaining funding is to support Other Capital LACDA program initiatives.

The LACDA's FY 2025-26 Budget includes 685 positions, a decrease of 24 from the FY 2024-25 adopted budget. This reduction reflects both the impact of reduced funding across various programs and a thorough review of staffing levels in relation to operational needs and efficiencies. All 24

positions were vacant.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In January 2001, the Community Development Commission and the Housing Authority of the County of Los Angeles, predecessors to the LACDA, with the concurrence of the County Auditor-Controller, developed an administrative policy for establishing a Capital Budget. The FY 2025-26 operating budget includes \$18.7 million in Capital Budget.

On June 3, 2025, the Board of Supervisors is considering the FY 2025-26 One-Year Action Plan (Action Plan) for the allocation of Federal funds, which includes the planned use of CDBG, HOME, and ESG funding by the LACDA, County departments, participating cities, community-based organizations, and other public agencies. The Action Plan was created with citizen input, as required by Federal regulations.

Adoption of the attached Resolution approving the FY 2025-26 Budget (Attachment A) is necessary to establish new fiscal year appropriation authorities for the LACDA, to receive funding, and to comply with Federal Notice 94-66 (Public Housing Authority) from HUD's Office of Public and Indian Housing, issued September 2, 1994

The LACDA must receive approval annually for our employee pay schedule (Attachment B) and for our cost allocation plan (Attachment C), which outlines the methodology for equitably distributing shared service costs across all departments and programs. In June 2018, MGT of America Consulting, LLC (MGT) was retained to review the cost allocation plan that was developed by KPMG in 2002. The result of the review by MGT showed no significant difference from the one completed by KPMG. The allocation methodology remains the same for FY 2025-26.

HUD Form 52574 (Attachment D) must also be approved by the Board of Commissioners to certify the LACDA's operating budget. This letter also recommends authority for the Executive Director, or designee, to execute any other documents for implementation of the budget, such as financial reports, audit requests and related documents required by HUD or any other governing bodies.

We are recommending the Board authorize the Executive Director, or designee, (collectively, Executive Director) to execute and/or amend funding agreements with the County for the following:

- \$475,000 for the Cooperative Extension Program for direct and indirect support towards the offering of educational programs to residents in the Los Angeles County area.
- \$1,007,000 for CSP in public housing sites throughout the County to help pay for security officers.
- \$425,000 for the South County Public Housing Scattered Sites operational costs.
- \$11,357,000 for the Measure A Program to offer monetary incentives to encourage landlords to rent their available units to homeless individuals and families with Section 8 vouchers.
- \$216,000 for the Homeless Coordinator position and ancillary services.

We are recommending the Board authorize the Executive Director to execute an MOU with the County for the JJCPA program to implement effective programs aimed at reducing crime and delinquency among at-risk youth and youthful offenders. These programs focus on prevention and

intervention strategies to address juvenile delinquency and promote positive outcomes for young individuals.

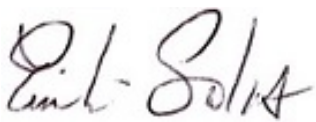
ENVIRONMENTAL DOCUMENTATION

Approval of the LACDA's FY 2025-26 Budget is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34(a)(3) because they involve administrative activities that will not have a physical impact or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378(b) because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the FY 2025-26 Budget will enable the LACDA to conduct program activities to benefit low- and moderate-income residents of the County and participating cities and will support the County's Declaration of Emergency on Homelessness.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Emilio Salas", written in a cursive style.

Emilio Salas

Executive Director

ES:MF:SLA

Enclosures

ATTACHMENT A

RESOLUTION APPROVING THE FISCAL YEAR 2025-26
BUDGET OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

WHEREAS, the Board of Commissioners of the Los Angeles County Development Authority has received the Budget for Fiscal Year 2025-26 and has found:

1. That the proposed expenditures are necessary for the efficient and economical operation of housing programs for the purpose of serving low- and very-low income families.
2. That the budget is reasonable in that:
 - (a) It indicates a source of funding adequate to cover all proposed expenditures.
 - (b) It does not provide for use of federal funding in excess of that payable under the provisions of 24 Code of Federal Regulations Part 990.
3. That all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contracts with the U.S. Department of Housing and Urban Development.
4. That no employee serving in a variety of positions is reflected in the operating budget as serving an aggregate amount of time exceeding 100 percent.

WHEREAS, it is necessary for the Board of Commissioners of the Los Angeles County Development Authority to adopt an annual budget.

NOW, THEREFORE, the Board of Commissioners of the Los Angeles County Development Authority hereby resolves as follows:

1. The above recitals are true and correct.
2. The Los Angeles County Development Authority adopts the following budgeted revenues and appropriations for Fiscal Year 2025-26, as set forth in the Annual Budget for the Los Angeles County Development Authority:

Estimated Funding	<u>\$1,000,608,800</u>
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Expenditure and Reserve Appropriations:	<u>\$1,000,608,800</u>
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3. This Resolution shall take effect immediately.

APPROVED AND ADOPTED by the Board of Commissioners of the Los Angeles County Development Authority on this ____ day of _____, 2025.

ATTEST:

EDWARD YEN
Executive Officer-Clerk of the
Board of Commissioners

KATHRYN BARGER
Chair, Board of Commissioners

By: _____
Deputy

By: _____

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: Behnaz Tashakorian
Deputy

LACDA Annual Salary Schedule

Effective May 17, 2025

Classification	Annual Salary	
	Minimum	Maximum
ACCOUNTANT	\$71,253.00	\$99,755.00
ACCOUNTING TECHNICIAN	\$55,829.00	\$78,161.00
ADMINISTRATIVE ASSISTANT	\$53,170.00	\$74,439.00
ADMINISTRATIVE SPECIALIST	\$71,253.00	\$99,755.00
ANALYST	\$74,816.00	\$104,743.00
ASSISTANT DIRECTOR	\$131,672.00	\$197,508.00
ASSISTANT MANAGER	\$108,327.00	\$162,490.00
BUDGET MANAGER	\$113,743.00	\$170,615.00
CENTRAL SERVICES ASSISTANT	\$45,931.00	\$64,303.00
CENTRAL SERVICES SPECIALIST	\$61,551.00	\$86,172.00
CENTRAL SERVICES SUPERVISOR	\$71,253.00	\$99,755.00
CHIEF FINANCIAL OFFICER	\$152,427.00	\$228,640.00
CHIEF INFORMATION OFFICER	\$152,427.00	\$228,640.00
COMMUNICATION AND PUBLIC AFFAIRS OFFICER	\$108,327.00	\$162,490.00
COMMUNICATIONS OFFICER	\$67,860.00	\$95,005.00
CONSTRUCTION INSPECTOR	\$82,485.00	\$115,479.00
CONSTRUCTION PROJECT MANAGER	\$105,274.00	\$147,383.00
CONSTRUCTION PROJECT SPECIALIST	\$82,485.00	\$115,479.00
CONTRACT MANAGER	\$74,816.00	\$104,743.00
DEPUTY EXECUTIVE DIRECTOR	\$204,266.00	\$306,399.00
DEVELOPMENT OFFICER	\$86,609.00	\$121,253.00
DIRECTOR	\$152,427.00	\$228,640.00
EMPLOYEE RELATIONS OFFICER	\$108,327.00	\$162,490.00
ENVIRONMENTAL COMPLIANCE OFFICER	\$95,486.00	\$133,681.00
EXECUTIVE ASSISTANT	\$64,629.00	\$90,481.00
EXECUTIVE ASSISTANT TO EXECUTIVE DIRECTOR	\$78,557.00	\$109,980.00
EXECUTIVE DIRECTOR	\$260,701.00	\$391,052.00
HOUSING INSPECTOR	\$55,829.00	\$78,161.00
HOUSING SERVICES SPECIALIST	\$55,829.00	\$78,161.00
INFORMATION SECURITY OFFICER	\$113,743.00	\$170,615.00
INFORMATION TECHNOLOGY ANALYST	\$90,939.00	\$127,315.00
INFORMATION TECHNOLOGY SPECIALIST	\$78,557.00	\$109,980.00
INFORMATION TECHNOLOGY SUPERVISOR	\$108,327.00	\$162,490.00
INFORMATION TECHNOLOGY TECHNICIAN	\$64,629.00	\$90,481.00

LACDA Annual Salary Schedule

Effective May 17, 2025

Classification	Annual Salary	
	Minimum	Maximum
MAINTENANCE SUPERINTENDENT	\$90,939.00	\$127,315.00
MAINTENANCE SUPERVISOR	\$78,557.00	\$109,980.00
MAINTENANCE WORKER	\$53,170.00	\$74,439.00
MAINTENANCE WORKER TRAINEE	\$45,931.00	\$64,303.00
MANAGEMENT ANALYST	\$90,939.00	\$127,315.00
MANAGER	\$125,402.00	\$188,103.00
OFFICE ASSISTANT	\$45,931.00	\$64,303.00
OPERATIONS SPECIALIST	\$71,253.00	\$99,755.00
PRINCIPAL	\$103,168.00	\$154,753.00
PRINCIPAL DEVELOPMENT OFFICER	\$108,327.00	\$162,490.00
PROGRAM COORDINATOR	\$67,860.00	\$95,005.00
PROPERTY MANAGER	\$100,261.00	\$140,365.00
REGIONAL HOUSING OPERATIONS MANAGER	\$113,743.00	\$170,615.00
RESIDENT MANAGER	\$48,227.00	\$67,518.00
SENIOR ACCOUNTANT	\$82,485.00	\$115,479.00
SENIOR COMMUNICATIONS OFFICER	\$78,557.00	\$109,980.00
SENIOR CONTRACT MANAGER	\$90,939.00	\$127,315.00
SENIOR DEVELOPMENT OFFICER	\$100,261.00	\$140,365.00
SENIOR DIRECTOR	\$160,048.00	\$240,072.00
SENIOR HOUSING INSPECTOR	\$67,860.00	\$95,005.00
SENIOR HOUSING SERVICES SPECIALIST	\$67,860.00	\$95,005.00
SENIOR HUMAN RESOURCES ANALYST	\$90,939.00	\$127,315.00
SENIOR INFORMATION TECHNOLOGY ANALYST	\$105,274.00	\$147,383.00
SENIOR MAINTENANCE WORKER	\$67,860.00	\$95,005.00
SENIOR MANAGEMENT ANALYST	\$105,274.00	\$147,383.00
SENIOR OPERATIONS SPECIALIST	\$78,557.00	\$109,980.00
SUPERVISING HOUSING INSPECTOR	\$78,557.00	\$109,980.00
SUPERVISING HOUSING SERVICES SPECIALIST	\$78,557.00	\$109,980.00
SUPERVISING OFFICE ASSISTANT	\$58,620.00	\$82,069.00
SUPERVISING TRAFFIC COURT SPECIALIST	\$58,620.00	\$82,069.00
SUPERVISOR	\$103,168.00	\$154,753.00
TRAFFIC COURT SPECIALIST	\$45,931.00	\$64,303.00
TRAFFIC COURT SPECIALIST TRAINER	\$50,639.00	\$70,894.00

ATTACHMENT C

RESOLUTION APPROVING THE FISCAL YEAR 2025-26 COST ALLOCATION PLAN OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

WHEREAS, the Board of Commissioners of the Los Angeles County Development Authority has received the Cost Allocation Plan for Fiscal Year 2025-26 and has found:

1. That the proposed cost allocation plan is a reasonable and supportable methodology of allocating centralized administration costs to housing and/or development programs.
2. That the proposed cost allocation plan will be consistent with cost principles set forth 2 CFR Part 200 and other generally applied cost allocation methods.

WHEREAS, it is necessary for the Board of Commissioners of the Los Angeles County Development Authority to adopt a cost allocation plan.

NOW, THEREFORE, the Board of Commissioners of Los Angeles County Development Authority, hereby resolves as follows:

1. The above recitals are true and correct.
2. The Los Angeles County Development Authority adopts the following cost allocation plan.
3. The U.S. Department of Housing and Urban Development (HUD) requires that a cost allocation plan be formally adopted by the governing body.
4. This resolution shall take effect immediately following Board approval and will be effective until a major change is made in the methodology, whereas the new cost allocation plan will be submitted for approval by the governing body.

APPROVED AND ADOPTED by the Board of Commissioners of the Los Angeles County Development Authority on this ____ day of _____, 2025.

ATTEST:

EDWARD YEN
Executive Officer-Clerk of the
Board of Commissioners

KATHRYN BARGER
Chair, Board of Commissioners

By: _____
Deputy

By: _____

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: *Behnaz Tashakorian*
Deputy

ATTACHMENT D

PHA Board Resolution
Approving Operating Budget**U.S. Department of Housing and
Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0029 (exp. 04/30/2027)

Public reporting burden for this collection of information is estimated to average 136.2 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing the operating budget and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden, to the Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410. When providing comments, please refer to OMB Approval No. 2577-0029. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed and budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating budget adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA complies with HUD prescribed procedures. PHA boards must approve the operating budget and HUD requires boards to certify their approval through this form. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: **Los Angeles County Development Authority** PHA Code: **CA002**PHA Fiscal Year Beginning **July 1, 2025**

Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

	<u>DATE</u>
<input checked="" type="checkbox"/> Operating Budget approved by Board resolution on:	06/03/2025
<input checked="" type="checkbox"/> Operating Budget submitted to HUD, if applicable, on:	06/20/2025
<input type="checkbox"/> Operating Budget revision approved by Board resolution on:	
<input type="checkbox"/> Operating Budget revision submitted to HUD, if applicable, on:	

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct.

WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

Print Board Chairperson's Name: Kathryn Barger	Signature: 	Date:
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