

**MOTION BY SUPERVISOR JANICE HAHN**

AGN. NO.  
September 9, 2025

**GROUND LEASE TERM EXTENSION FOR THE PROPOSED AFFORDABLE HOUSING DEVELOPMENT FOR COUNTY-OWNED PROPERTY**

The Veteran Commons project (Project) is a 100-unit housing development that will be completed by Abode Communities and PATH Ventures, both California nonprofit public benefit corporations (together, Developer). The Project will include 50 units for homeless veterans, 49 units for low-income families, one manager's unit, and 20,164 square feet of open space located on a 2.23-acre property, owned by the County of Los Angeles (County), located at 11269 Garfield Avenue, Downey, CA 90242 (Property).

On August 30, 2022, the Board of Supervisors (Board) authorized the Los Angeles County Development Authority (LACDA) to act on behalf of the County to execute an Option to Lease Agreement (Option) with the Developer and to finalize a ground lease with a 75-year term for development and operation of the Project. The LACDA and the Developer executed the Option on December 28, 2022, and have worked together through the term of the Option and subsequent extensions to finalize the ground lease and secure all funding sources for development of the Project.

The Project has secured all necessary funding sources, including 4% low-income housing tax credits/bonds, which are subject to certain tax rules including a true debt test. To satisfy the true debt test, the Developer has requested that the ground lease include

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an option to extend the term by an additional 20 years. A longer ground lease term would strengthen the collateral and security position of the lenders, showing that the debt is genuine and helping the Project meet the true debt test. The 20-year extension would be granted only if the Project is in good standing and no defaults exist under the terms of the ground lease.

The Project will provide housing for homeless veterans and is, therefore, aligned with the County's declared Local Emergency for Homelessness. The proposed actions are not a project pursuant to the California Environmental Quality Act (CEQA) because they are activities that are excluded from the definition of a project by Section 15378 (b) of the State CEQA guidelines. The proposed actions are administrative activities of government which will not result in direct or indirect physical change to the environment. These actions are within the scope of the Board's August 30, 2022, determination that the Project is exempt from CEQA, pursuant to the determination prepared by the City of Downey as lead agency.

**I, THEREFORE, MOVE** that the Board of Supervisors:

1. Find that the proposed actions are not a project pursuant to CEQA because they involve activities that are excluded from the definition of a project, pursuant to section 15378 (b) of the State CEQA guidelines. The proposed actions are administrative activities of government, which will not result in direct or indirect physical change to the environment; and
2. Reaffirm prior delegations of authority to the LACDA on August 30, 2022 to execute the ground lease, upon satisfaction of the conditions set forth in the Option and approval as to form by County Counsel, with an initial term of 75 years, with an option to extend it by an additional 20 years, and any other transaction documents consistent

with, and/or necessary for, the implementation of the foregoing approvals, including execution of any amendments to the foregoing documents.

**I, FURTHER, MOVE THAT THE BOARD OF SUPERVISORS, ACTING AS THE COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:**

1. Find that the proposed actions are not a project pursuant to CEQA because they involve activities that are excluded from the definition of a project pursuant to section 15378 (b) of the State CEQA guidelines. The proposed actions are administrative activities of government, which will not result in direct or indirect physical change to the environment; and
2. Reaffirm prior delegations of authority to the Executive Director, or designee, on August 30, 2022 to execute the ground lease, upon satisfaction of the conditions set forth in the Option and approval as to form by County Counsel, with an initial term of 75 years, with an option to extend it by an additional 20 years, and any other transaction documents consistent with, and/or necessary for, the implementation of the foregoing approvals, including execution of any amendments to the foregoing documents.

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