## MOTION BY SUPERVISOR HOLLY J. MITCHELL

## <u>Advancing Housing Solutions in Unincorporated Areas of the County of Los</u> Angeles

One of the primary drivers of homelessness is the lack of affordable housing. According to the California Housing Partnership's Housing Needs Dashboard, <sup>1</sup> approximately 485,667 low-income renters in Los Angeles County (County) lack access to an affordable home. While Los Angeles has reduced its housing shortfall by 82,000 homes over the past decade, the region still has a long way to go to create affordable housing for all.

The County has taken proactive measures for the past few years to address this shortfall and the broader housing crisis. For example, in 2022, through California Senate Bill 679, the state authorized the creation of the Los Angeles County Affordable Housing Solutions Agency (LACAHSA) to produce and preserve affordable housing and prevent homelessness. Subsequently, on November 5, 2024, County voters also passed Measure A, a half-cent sales tax, to address homelessness and its root causes.

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<sup>&</sup>lt;sup>1</sup> https://chpc.net/housingneeds/?view=37.405074,-

<sup>119.26758,5&</sup>amp;county=California,Los+Angeles&group=housingneed&chartgroup=cost-burden-parent|current&chart=shortfall|current,cost-burden-all|current,cost-burden-oa|current,cost-burden-yc|current,cost-burden-re-inc,homelessness,overcrowding,overcrowding-ten,tenure-re,historical-rents,vacancy,asking-rents|2024,budgets|2023,funding|current,state-funding,multifamily-production,lihtc|2010:2024:historical,rhna-progress|5

Measure A is expected to generate over \$1 billion dollars, with 61.2% of the funds allocated to the County for Comprehensive Homelessness Services, the Local Solutions Fund, Homelessness Solutions Innovations, and Accountability, Data and Research, 3% to the Los Angeles County Development Authority (LACDA) for housing and 35.7%, — approximately \$385 million—allocated to LACAHSA. The current revenue projections include \$20.65 million for unincorporated areas (UA).

On December 3, 2024, the Board adopted a motion<sup>2</sup> establishing a framework for allocating LACAHSA's funds to UAs. This motion directed the Chief Executive Office-Homeless Initiative (CEO-HI), in consultation with the Executive Director of LACDA and other entities, to "report back with a framework and distribution plan for the Production, Preservation, and Ownership Funds as well as other funding programs instituted by LACAHSA."

The report back<sup>3</sup> recommended: allocating \$14 million for production, preservation, and ownership of housing to be administered by LACDA as a set-aside within an existing solicitation; allocating \$5.7 million for tenant protections to be administered by the Department of Consumer and Business Affairs (DCBA); and allocating \$954,000 in technical assistance to CEO-HI, LACDA, and DCBA to fund one staff position in each department that is solely focused on production, preservation, homeownership, and tenant protections in UAs.

In alignment with the December 2024 motion and April 2025 report back, this motion builds upon those directives and further expands by establishing a strategic plan and requiring each department to submit proposals outlining how LACAHSA UA funds will be used in the first two years and over a four-year timeline. The directives also incorporate LACAHSA's expenditure plan and program guidelines, which detail allowable uses, administrative operations, and requirements.

## I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1) Direct the Chief Executive Office (CEO) Municipal Unincorporated Area Services Unit (MUAS) in collaboration with the Executive Director of Los Angeles County Development Authority (LACDA), the Director of the

<sup>&</sup>lt;sup>2</sup> https://file.lacounty.gov/SDSInter/bos/supdocs/197906.pdf

<sup>&</sup>lt;sup>3</sup> https://file.lacounty.gov/SDSInter/bos/supdocs/198072.pdf

Department of Consumer and Business Affairs (DCBA), and the Director of CEO-Homelessness Initiative (HI) to report to the Board in writing within 60 days with an Unincorporated Area (UA) strategic plan for the implementation of the Los Angeles County Affordable Housing Solutions Agency (LACAHSA) UA allocations with 2-year and 4-year timelines.

- 2) Direct the Executive Director of LACDA to include in the strategic plan the recommended programs and accompanying recommended budget allocations for the \$14,356,803 designated for production, preservation, and ownership (PPO) and the \$4,228,055 PPO flexible fund. The recommended programs and budget allocations should include, but not be limited to, integrating a set-aside for UAs in the upcoming Notice of Funding Availability (NOFA) or into a new solicitation to develop and/or preserve affordable housing focused on UAs.
  - i. In creating this plan, LACDA should consider how funds can support diverse housing solutions to meet the needs of the constituencies across the County's UAs. This includes, but is not limited to, multifamily units, permanent supportive housing, extending affordability covenants, acquisition and rehabilitation of naturally occurring affordable housing, community land trusts, adaptive reuse, accessory dwelling units, preservation of mobile homes, senior home repairs, or small landlord property rehabilitation programs.
  - ii. The plan should also outline potential uses of funds for rent and operating subsidies or project-based rental assistance to support extremely low-income households.
  - iii. The set aside for UAs, whether through a new program or added to existing programs, should not exclude them from other NOFAs or funding streams. The funding plan put forth should augment, not supplant, funding opportunities for affordable housing in UAs.
  - b. Direct the Director of DCBA to incorporate the \$5 million in Renter Protection and Homeless Prevention (RPHP) into DCBA's Eviction Prevention and Tenant Stabilization programs, including but not limited

- to Stay Housed LA and rent relief. The plan should support the County's Right to Counsel program in UAs and include rental assistance not tied to tenant legal services.
- c. Direct CEO-HI, the Executive Director of LACDA, and the Director of DCBA to allocate \$885,409 of LACAHSA UA technical assistance to fund three full-time employee positions as identified in the April 3, 2025, report back. Departments should request these positions through the County's budget cycle and report back in writing in 60 days detailing how the three established positions will coordinate across departments, share data, and function as a coordinated unit to advance a continuum of housing programs in UAs.
- 3) Direct CEO-MUAS to work in coordination with the Executive Director of LACDA and the Director of DCBA to develop formulas for the aforementioned LACAHSA UA PPO, PPO Flexible, and RPHP funds to be distributed to each district and report back in writing within 30 days on the proposed formulas. The formulas should include a base amount for each district and utilize key data points such as Regional Housing Needs Allocation numbers, expiring covenants of affordable housing, and ownership rates. CEO MUAS should review the Measure A Local Solutions Fund proposed formulas, as well as the County's Unincorporated Utility Tax (UUT) formula, to develop the LACAHSA UA formulas.