

COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, CA 90012 (213) 974-1101 ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

April 24, 2025

To: Supervisor Kathryn Barger, Chair

Supervisor Hilda L. Solis Supervisor Holly J. Mitchell Supervisor Lindsey P. Horvath

Supervisor Janice Hahn

From: Fesia A. Davenport FAD FAD (Apr 24, 2025 06:14 PDT)

Chief Executive Officer

REPORT ON CREATION OF FRAMEWORK FOR LOS ANGELES COUNTY AFFORDABLE HOUSING SOLUTIONS AGENCY UNINCORPORATED FUNDS ALLOCATION (ITEM NO. 8, AGENDA OF DECEMBER 3, 2024)

On December 3, 2024, the Los Angeles County (County) Board of Supervisors (Board) adopted a motion directing 1) the Chief Executive Office - Homeless Initiative (CEO-HI), Executive Director of the Los Angeles County Development Authority (LACDA), and the Director of the Department of Consumer and Business Affairs (DCBA), in consultation with the Chief Executive Officer, the Office of Inspector General, and the Citizens Oversight Committee of the Los Angeles County Affordable Housing Solutions Agency (LACAHSA) to report back with a framework and distribution plan for the Production, Preservation, and Ownership Funds and for any other funding programs instituted by LACAHSA; 2) CEO-HI, in consultation with the Director of DCBA, the Chief Executive Officer, the Office of Inspector General, and the Citizens Oversight Committee of LACAHSA to report back with a framework for the Renter Protection Funds to support existing and new programs including, but not limited to, rental assistance, right to counsel, and Stay Housed LA for Unincorporated County residents; and 3) CEO-HI, in consultation with the Chief Executive Officer and the Office of Inspector General and the Citizens Oversight Committee of LACAHSA and the Executive Director of LACDA to report back with a proposal to use the Technical Assistance Funding that includes creating an Unincorporated Team within CEO-HI and a position within LACDA, both of which would focus on the needs in the Unincorporated County. This serves as the 120day report back.



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LACAHSA was created in 2022 through State legislation-Senate Bill (SB) 679-and was established to make housing more affordable, help people stay in their homes, and increase housing options for people experiencing homelessness. Measure A, a half-cent sales tax approved by County voters on November 5, 2024, is estimated to provide \$383 million in funding to LACAHSA in Fiscal Year (FY) 2025-26. SB 679 provides a framework for the allocation of LACAHSA funding as to the types of programs and the geographic distribution of funding. In FY 2025-26, it is estimated that LACAHSA will allocate \$14 million to the unincorporated areas of the County for Production, Preservation, and Ownership of Housing; \$5.7 million for tenant protection and support programs; and \$954,000 for Technical Assistance.

CEO-HI and LACDA recommend that in FY 2025-26 the estimated \$14 million allocated to the unincorporated areas for Production, Preservation, and Ownership of Housing be administered by LACDA. LACDA would incorporate these funds into an upcoming solicitation to develop affordable housing that would include a set-aside of LACAHSA funding for the unincorporated areas or into a new solicitation to develop and/or preserve affordable housing that is specifically focused on the unincorporated areas. LACDA will work with Board offices on how these funds are allocated within the unincorporated areas.

CEO-HI and DCBA recommend that in FY 2025-26 the estimated \$5.7 million allocated to the unincorporated areas for tenant protection and support programs, including legal and financial assistance, be administered by DCBA. DCBA would use these funds for the Stay Housed LA program, the County's branded eviction defense program¹, and in support of the County's Tenant Right to Counsel program² that provides eligible households in the unincorporated areas with legal representation in eviction proceedings. DCBA will work with Board offices on how these funds are allocated within the unincorporated areas.

CEO-HI, LACDA, and DCBA recommend using the estimated \$954,000 Technical Assistance funding to fund the staff needed by each entity to support and coordinate the Production and Preservation of Housing, homeownership programs, and tenant protection and support programs in the unincorporated areas. As directed by the motion, the funds are anticipated to support a team at CEO-HI of two to three staff and one staff person for LACDA. It is also recommended that this funding be used to support one staff person at DCBA. CEO-HI, LACDA, and DCBA will work with their respective human resources and budget staff to request these positions through the County budget cycle.

It is important to note that these recommendations are being made prior to LACAHSA approving and releasing their spending plan or contract documents. LACAHSA is scheduled to discuss these items at upcoming LACAHSA meetings and approve them at or before their June 2025 meeting. These documents will provide important information on allowable uses of the funds, administrative and operations costs versus direct program costs, fiscal and expenditure requirements, and

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programmatic and outcome expectations and deliverables. When this information is available, CEO-HI, LACDA, and DCBA will provide an update to the Board if there is a need to modify any of these recommendations. LACAHSA staff reviewed and contributed to this report back.

As the LACAHSA spending plan and contract documents are not expected to be finalized until shortly before the start of the new FY, the recommendations from CEO-HI, LACDA, and DCBA are focused on investing in existing programs with established infrastructures that will support the allocation and/or expenditure of the funds during FY 2025-26. These departments will work with Board offices on priorities for the use of these funds in future fiscal years. For example, DCBA recommends evaluating the possibility of leveraging this funding to implement a Tenant Opportunity to Purchase Act program for the unincorporated areas as noted in the May 22, 2023, report back³ to the Board in response to the motion on Developing Recommendations for a Tenant Opportunity to Purchase Act for Unincorporated Los Angeles County.

Should you have any questions concerning this matter, please contact me or Cheri Todoroff, Executive Director of the Homeless Initiative and Affordable Housing, at (213) 974-1752 or CTodoroff@ceo.lacounty.gov.

FAD:JMN JG:CT:ns

c: Executive Office, Board of Supervisors
County Counsel
Consumer and Business Affairs
Los Angeles County Affordable Housing Solutions Agency
Los Angeles County Development Authority

https://www.stayhousedla.org/

² https://dcba.lacounty.gov/trtc/

³ https://file.lacounty.gov/SDSInter/bos/bc/1142362_20230522FinalReportBackonTOPA_rc.pdf