



October 14, 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:

**APPROVAL OF FUNDING FOR SIX MULTIFAMILY AFFORDABLE HOUSING DEVELOPMENTS
LOCATED IN CLAREMONT, LOS ANGELES, AND UNINCORPORATED LOS ANGELES
COUNTY
(DISTRICTS 1 & 5) (3 VOTES)**

SUBJECT

This letter recommends that the Board approve loans totaling up to \$35,500,000 in No Place Like Home (NPLH) and Affordable Housing Trust Funds (AHTF) to fund the development of six affordable multifamily rental housing developments selected through the Notice of Funding Availability (NOFA) Round 30, issued by the Los Angeles County Development Authority (LACDA).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that approval of funding for these projects is not subject to the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and the record.
2. Approve loans to the recommended developers identified in Attachment A, using up to a total of \$32,060,000 in NPLH funds and \$3,440,000 in AHTF.
3. Authorize the Executive Director or designee to negotiate, execute, and if necessary, amend, or reduce the loan agreements with the recommended developers identified in Attachment A, or their LACDA-approved assignees, and all related documents, including but not limited to documents to subordinate the loans to construction and permanent financing, and any intergovernmental, interagency, or inter-creditor agreements necessary for the implementation of each development, following approval as to form by County Counsel.

4. Authorize the Executive Director or designee to incorporate, as needed, up to \$32,060,000 in NPLH funds and \$3,440,000 in AHTF into the LACDA's approved Fiscal Year 2025-2026 budget for the purposes described herein.

5. Authorize the Executive Director or designee to reallocate the LACDA funding set aside for affordable housing at the time of project funding, as needed and within each project's approved funding limit, in line with each project's needs, and within the requirements for each funding source.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The six projects seeking approval through this action are affordable multifamily rental housing developments that will provide a total of 529 housing units, comprised of 197 units for homeless households living with a mental illness, 323 units for low-income families, and nine onsite manager's units.

Approval is requested to ensure that the housing development projects identified in Attachment A can meet upcoming deadlines for submitting applications to other leveraged finance sources.

FISCAL IMPACT/FINANCING

The recommended loans to the developers identified in Attachment A will provide a total of up to \$32,060,000 in NPLH funds and \$3,440,000 in AHTF. These amounts will be incorporated into the LACDA's approved Fiscal Year 2025-2026 budget for the purposes described herein.

The recommended loan amounts are identified in Attachment A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On December 27, 2023, the LACDA issued NOFA Round 30. The LACDA received a total of 34 complete applications for funding. NOFA Round 30 offered a total of \$140 million in NPLH and \$20 million AHTF funds, with project applications seeking more than \$200 million in funding.

A total of 16 applications were submitted by the initial application deadline of February 12, 2024. Because the NOFA was undersubscribed, the LACDA extended the application period until May 31, 2024, to receive additional applications to fully utilize NPLH funds available. During the extended application period, the LACDA received 19 additional applications, for a total of 35 applications.

Projects were scored based on the total number of points awarded during both Technical Review and results of the appeal process. Final scores and the order in which applications were submitted during the second application period were used to determine the order of project awards.

On October 8, 2024, the Board approved nine recommended projects from NOFA 30. We are now recommending the approval of these additional six projects.

The loan agreements and related documents will incorporate affordability restrictions, target assisted populations, and contain provisions requiring the developers to comply with all applicable federal, state, and local laws. Each loan will be evidenced by a promissory note and secured by a deed of trust, with the term of affordability enforced by a recorded regulatory agreement. Approval of the projects included in this action will leverage over \$306 million in additional external funding sources.

The loan agreements and related documents for these projects will reflect the respective tenant population set-asides and indicate that the assisted units will be affordable to households earning no more than 30% of the median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for family size, as established by the U.S. Department of Housing and Urban Development. The loan agreements will require that the affordable housing units be set aside for a period of 55 years. Subject to various underwriting requirements, the developers may be required by the LACDA or other lenders to create a single asset entity to designate ownership of the project. These “assignees” will be LACDA-approved single asset entities created by the developers prior to execution of the loan agreements and all related loan documents.

This letter recommends that the Executive Director, upon approval by County Counsel, have the authority to execute and amend loan agreements, as needed, with the recommended developers. Amendments may be necessary in cases where project specifics change after execution of the loan agreement.

The recommended authority to reduce any loan below the amounts stated in this action is requested in cases where the financing shows the maximum loan amount is not needed by the project. In this case, any reduction in a loan amount would occur during project underwriting and would take place prior to execution of a loan agreement.

This letter also recommends that the Executive Director have the authority to reallocate funds set aside for affordable housing development at the time of project funding to better align project funds with available resources. Any reallocation of funds will be made within each project’s approved funding limit, in line with project needs, and within the requirements for each funding source.

ENVIRONMENTAL DOCUMENTATION

The recommended action to provide additional funding for the projects listed in Attachment A is not subject to CEQA pursuant to SB 406 and Public Resources Code section 21080.10. CEQA does not apply to the provision of financial assistance by a local agency not acting as a lead agency for the development and construction of residential housing for persons and families of low and moderate income, as defined in Section 50096 of the Health and Safety Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

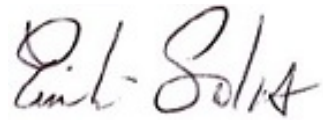
The requested actions will increase the supply of Special Needs and affordable housing units in the County of Los Angeles.

The Honorable Board of Commissioners

10/14/2025

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Respectfully submitted,

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

Emilio Salas

Executive Director

ES:LK:BL

Enclosures

ATTACHMENT A
NOFA 30
RECOMMENDED FUNDING ALLOCATIONS (October 14, 2025)

| Sup. Dist. | Jurisdiction | Development/ Applicant | Type of Housing | Total Project Units | NOFA 30 | | Other Funding Resources | Total Development Cost |
|---------------|--------------------------|--|-----------------|---------------------|---------------------------------|------------------|-------------------------|------------------------|
| | | | | | No Place Like Home (NPLH) Funds | HOME Funds | | |
| 1 | Los Angeles | Lucha Reyes Apartments/ East LA Community Corporation | Mixed Populaton | 60 | \$4,880,000 | | \$42,980,354 | \$47,860,354 |
| 1 | Los Angeles | 443 Soto/ East LA Community Corporation | Mixed Populaton | 138 | \$5,040,000 | | \$87,756,330 | \$92,796,330 |
| 1 | Unincorporated LA County | 1st and Townsend Apartments/ Community Housing Works | Mixed Populaton | 68 | \$5,760,000 | | \$45,056,720 | \$50,816,720 |
| 5 | Claremont | Mercy Claremont/ Mercy Housing California | Mixed Populaton | 74 | | \$3,440,000 | \$44,215,071 | \$47,655,071 |
| 5 | Unincorporated LA County | Covina Housing/ Affirmed Housing Group, Inc. | Mixed Populaton | 94 | \$8,370,000 | | \$43,740,823 | \$52,110,823 |
| 5 | Unincorporated LA County | Live Oak Housing/ Affirmed Housing Group, Inc. | Mixed Populaton | 95 | \$8,010,000 | | \$42,612,609 | \$50,622,609 |
| Totals | | | | 529 | 32,060,000 | 3,440,000 | \$306,361,907 | 341,861,907 |