



April 07, 2026

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 A 64-UNIT MULTIFAMILY AFFORDABLE HOUSING
DEVELOPMENT LOCATED IN THE CITY OF LOS ANGELES
(DISTRICT 3) (3 VOTES)**

SUBJECT

This letter recommends that the Board approve a loan totaling up to \$3,000,000 in Affordable Housing Trust Funds (AHTF) for the development of The Main, a 64-unit affordable multifamily rental housing development selected through the Notice of Funding Availability (NOFA) Round 31, issued by the Los Angeles County Development Authority (LACDA).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that approval of funding for this project is not subject to the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and the record.
2. Approve a loan to the recommended developer, Abbey Road, Inc. (Abbey Road), for development of the Main using up to a total of \$3,000,000 in AHTF.
3. Authorize the Executive Director or designee to negotiate, execute, and if necessary, amend, or reduce the loan agreement with Abbey Road, or an LACDA-approved assignee, and all related documents, including but not limited to documents to subordinate the loan to construction and permanent financing, and any intergovernmental, interagency, or inter-creditor agreements necessary for the implementation of the development, following approval as to form by County Counsel.
4. Authorize the Executive Director or designee to accept and incorporate, as needed, up to

\$3,000,000 AHTF into LACDA's approved Fiscal Year 2025-2026 budget for the purposes described herein.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Main is an affordable multifamily rental housing development that will provide a total of 64 housing units, comprised of 17 units for chronically homeless households, 16 units for transition age youth, 29 units for general affordable families, and two onsite manager's units.

Approval is requested to ensure that the housing development project can meet upcoming deadlines for submitting applications to other leveraged finance sources.

FISCAL IMPACT/FINANCING

The recommended loan will provide a total amount of up to \$3,000,000 in AHTF which will be incorporated into LACDA's approved Fiscal Year 2025-2026 budget for the purposes described herein.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On February 3, 2025, LACDA issued NOFA Round 31, received a total of 38 complete funding applications, and recommended 12 projects for award. NOFA Round 31 offered a total of \$69 million in AHTF, however, project applications requested more than \$205 million in total funding.

The Board approved nine projects through a previous Board action and the remaining projects will be recommended through a future action(s).

The loan agreement and related documents will incorporate affordability restrictions, target assisted populations, and contain provisions requiring the developer to comply with all applicable federal, state, and local laws. The 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 project included in this action will leverage approximately \$56 million in additional external funding sources.

The loan agreement and related documents for this project 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 agreement will require that the affordable housing units be set aside for a period of 55 years. Subject to various underwriting requirements, the developer may be required by LACDA or other lenders to create a single asset entity to designate ownership of the project. This LACDA-approved "assignee" will be a single asset entity created by the developer prior to execution of the loan agreement and all related loan documents. As part of project financing, LACDA signs a custodial agreement for a reserve account held by a bank which will not contain mandated terms and provisions. However, there is minimal risk involved, as confirmed by County Counsel. The parties to the custodial agreement waive any right to a trial by jury in any dispute arising under or related to the

agreements.

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 developer. 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 loan amount would occur after 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.

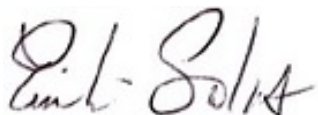
ENVIRONMENTAL DOCUMENTATION

The recommended action to provide additional funding for the project, The Main, 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 action will increase the supply of Special Needs and affordable housing units in Los Angeles County.

Respectfully submitted,



Emilio Salas

Executive Director

ES:LK:ML:BL

Enclosures

ATTACHMENT A
NOFA 31
RECOMMENDED FUNDING ALLOCATION (April 7, 2026)

					NOFA 31		
Sup. Dist.	Jurisdiction	Development/ Applicant	Type of Housing	Total Project Units	ATHF	Other Funding Resources	Total Development Cost
3	Los Angeles	The Main/ Abbey Road, Inc.	Special Needs	64	\$3,000,000	\$ 56,245,678	\$59,245,678
Totals				64	3,000,000	56,245,678	59,245,678