AGN. NO.

MOTION BY SUPERVISOR HOLLY J. MITCHELL April 14, 2026

Developing a Local Preference Policy for Housing Development in Unincorporated Los Angeles County

Los Angeles County (County) continues to face one of the most severe housing affordability crises in the nation, which disproportionately impacts low-income renters and residents of unincorporated communities. The County invests substantial public resources to develop and preserve housing for low-income residents and people experiencing homelessness. These resources are administered by several County departments and agencies, including the Department of Homeless Services and Housing and the Los Angeles County Development Authority. Together, these two entities administer the largest share of public resources dedicated to housing and homelessness programs in the County.

As housing costs continue to rise, residents of unincorporated communities face increasing displacement pressures and limited access to newly constructed affordable housing developments in their neighborhoods. On January 10, 2023, the County declared a local emergency on homelessness and over the course of that year, adopted four strategic missions focused on encampment resolution, housing, mental health and substance use disorder services, and tenant prevention, while continuing to prioritize strategies that increase affordable housing supply and expand access to market-rate housing through rental subsidy programs. At the same time, the County can and should

- MORE -

	MOTION
MITCHELL	____________________
HORVATH	____________________
HAHN	____________________
BARGER	____________________
SOLIS	____________________

develop policies that prevent displacement in unincorporated communities and increase access for residents to housing opportunities in their communities.

Over the past several years, the County has financed thousands of affordable housing units through County funding programs, including developments located in unincorporated communities. Yet residents of unincorporated communities such as East Los Angeles, Florence-Firestone, Willowbrook, West Rancho Dominguez, Lennox, and Athens, face increasing displacement pressures due to rising rents, limited housing supply, and historic patterns of disinvestment. In unincorporated areas, more than 83,000 renter households – approximately 59 percent of all renter households — are cost-burdened, spending more than 30 percent of their income on housing. Countywide, more than 500,000 renter households are severely rent burdened, spending more than half of their income on housing.

Many jurisdictions in California have adopted local preference policies that prioritize access to publicly funded housing developments for residents with demonstrated ties to the surrounding community. Under federal housing regulations administered by the U.S. Department of Housing and Urban Development, jurisdictions may establish limited local preference systems under certain housing programs, provided these policies comply with the Fair Housing Act, applicable civil rights requirements, and do not create discriminatory intent or effect. California law likewise allows such policies when they are implemented consistent with applicable fair housing laws, including the obligation to affirmatively further fair housing.

The former Community Redevelopment Agency of the City of Los Angeles historically implemented neighborhood-based housing preferences to ensure residents impacted by redevelopment activities could remain in or return to their communities. Several California jurisdictions including San Francisco, San Diego, and Oakland, have adopted similar policies, which incorporate local residency or displacement-based preferences in housing programs. Housing authorities across the country, including those within the County, apply local preference criteria in the administration of their respective programs, prioritizing, for example, residents who live or work locally, veterans, seniors, people with disabilities, or participants in certain targeted programs.

To explore policy options that could help stabilize unincorporated communities while maintaining compliance with applicable laws, the County should evaluate potential frameworks for implementing a local preference policy applicable to any housing developments that receive County funding or assistance.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS ACTING AS THE BOARD OF COMMISSIONERS FOR THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:

1. Direct the Director of the Homeless Services and Housing (HSH) Department, or designee, in collaboration with the Executive Director of the Los Angeles County Development Authority (LACDA), the Director of the Department of Regional Planning (DRP), and any other relevant department heads administering housing programs, in consultation with County Counsel, to report back to the Board in writing in 120 days with recommendations regarding the establishment of a local preference policy for housing developments receiving financial assistance from the County of Los Angeles (County) and located within unincorporated areas of the County. The report should include but not be limited to:
   a. Examples of local preference policies adopted by other jurisdictions in California and nationally.
   b. An analysis of past local preference policies adopted by redevelopment agencies, including the former Community Redevelopment Agency of the City of Los Angeles.
   c. Potential eligibility criteria for a County local preference policy, including residency, employment, displacement risk, or other community-based factors.
   d. Recommendations for how such a policy could be applied to County-funded housing programs, including Notice of Funding Availability processes.
   e. Administrative and monitoring considerations for implementing such a policy.

f. Potential impacts on project financing, including implications for Low-Income Housing Tax Credit developments.
g. Policy options and recommended implementation approaches.

2. Direct the Directors of HSH, DRP, and other relevant department heads administering housing programs, along with the Executive Director of LACDA, to engage stakeholders, including affordable housing developers, fair housing organizations, and community-based organizations serving residents of unincorporated communities, in the development of the policy options and recommendations.

# # #

(IG)