

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	9/27/2023	
BOARD MEETING DATE	10/24/2023	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Department of Regional Planning	
SUBJECT	Pathways to Removing Obstacles to Housing (PRO Housing) Grant Application	
PROGRAM		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	Grant application deadline is October 30, 2023	
COST & FUNDING	Total cost: \$	Funding source:
	TERMS (if applicable):	
	Explanation:	
PURPOSE OF REQUEST	An application for the U.S. Department of Housing and Urban Development's Pathways to Removing Obstacles to Housing (PRO Housing) Grant to fund the preparation and adoption of planning documents for unincorporated Los Angeles County; and to authorize the Director of Planning to submit and accept the grant award.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The HUD grant process mandates a minimum 15-day public review period and public hearing before an application can be submitted. The grant application deadline is October 30, 2023. If successful, the 10 million dollar grant will be utilized to update, develop, and implement housing and land use policies to help facilitate affordable housing production and preservation.	
EQUITY INDEX OR LENS WAS UTILIZED	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The Department will utilize the PRO Housing grant to implement and support the Housing Element of the General Plan, which encourages the equitable distribution of affordable housing throughout unincorporated Los Angeles County. The grant requires applicants to identify local barriers they seek to address to help further fair housing and opportunities for protected class groups and vulnerable populations.	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No This project supports the Board-directed priorities including Homeless Initiative, and Anti-Racism, Diversity and Inclusion (ARDI). The grant will provide funding to help support implementation of Strategy I.1.5: Increase Affordable Housing Throughout L.A. County of the County Strategic Plan.	
DEPARTMENTAL CONTACTS	Connie Chung Deputy Director, Advance Planning Division (213) 893-7038 cchung@planning.lacounty.gov	

LOS ANGELES COUNTY DEPARTMENT OF REGIONAL PLANNING

AMY J. BODEK, AICP
Director,
Regional Planning

DENNIS SLAVIN
Chief Deputy Director,
Regional Planning

CONNIE CHUNG, AICP
Deputy Director,
Advance Planning

DAVID DE GRAZIA
Deputy Director,
Current Planning

JON SANABRIA
Deputy Director,
Land Use Regulations

JOSEPH HORVATH
Administrative Deputy,
Administration

October 24, 2023

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**PUBLIC HEARING ON APPLICATION FOR THE U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT'S PATHWAYS TO REMOVING OBSTACLES TO HOUSING
(PRO HOUSING) TO FUND THE PREPARATION AND ADOPTION OF PLANNING
DOCUMENTS IN UNINCORPORATED LOS ANGELES COUNTY
PROJECT NO. PRJ2023-003408
ADVANCE PLANNING PROJECT NO. RPPL2023004980
(ALL SUPERVISORIAL DISTRICTS) (3-VOTES)**

SUBJECT

The recommended action is to approve the application to the U.S. Department of Housing and Urban Development's (HUD) Pathways to Removing Obstacles to Housing (PRO Housing) Grant to fund the preparation and adoption of planning documents to increase the production and preservation of housing for unincorporated Los Angeles County.

IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING,

1. Find that the Project is exempt from the provisions of the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA);
2. Adopt the attached Resolution to approve the application for the HUD PRO Housing Grant Program to fund the preparation and adoption of planning documents, and to accept grant award of \$10,000,000, and;
3. Delegate authority to the Director of the Department Regional Planning (Director), or her designee, to execute all necessary documents to administer the grant.



320 West Temple Street, Los Angeles, CA 90012 • 213-974-6411 • TDD: 213-617-2292

   @LACDRP • planning.lacounty.gov

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The PRO Housing Grant is established through the federal Consolidated Appropriations Act, 2023, which appropriates \$85 million for competitive grant funding for the identification and removal of barriers to housing. The PRO Housing Grant is open to state, county, city or township governments; metropolitan planning organizations; and multi-jurisdictional entities. Before submitting to HUD, applicants must post their PRO Housing application for public comment for at least 15 days, conduct at least one public hearing, and provide ongoing public access to information about the use of grant funds. Awards can be used to further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate affordable housing production and preservation.

Implementation of Strategic Plan Goals

The Project supports the County's Strategic Plan Goal I: Make Investments That Transform Lives; Objective I.1.5: Increase Affordable Housing Throughout L.A. County by preserving the County's supply of existing affordable housing.

FISCAL IMPACT/FINANCING

Approval of the Project will not result in any significant new costs to the Department of Regional Planning or other County departments and agencies.

The total cost for the above-mentioned work program is estimated to be \$10,000,000 and will be fully offset by the PRO Housing grant funding. The funds will be used to hire consultants and to support personnel costs and operating expenses.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Approval will enable the County to prepare specific planning documents and make process improvements that will assist in accelerating production and preservation of all types of housing, including affordable housing. The \$10,000,000 PRO Housing Grant will also assist the County in implementing the General Plan; in particular, the Housing Element, which was adopted by the Board on May 17, 2022, and certified by the State Department of Housing and Community Development on May 27, 2022. Specific activities include the following:

Infrastructure: Study infrastructure and develop capital improvement plans to identify specific infrastructure improvements and outline a financing plan, for the following General Plan planning areas: Metro, East San Gabriel Valley, West San Gabriel Valley, South Bay, Gateway, and Westside. Prepare an area plan for the Gateway Planning Area to support the rezoning program for the Gateway Planning Area.

Transit Oriented Districts (TODs): Update the East Los Angeles Third Street TOD Specific Plan, and to establish a new TOD specific plan for East Pasadena-East San Gabriel. TODs provide more opportunities for affordable housing, encourage transit-oriented development, promote active transportation, improve access to transit, reduce vehicle miles traveled by cars, and streamline the environmental review of future development projects.

Missing Middle Program: Land use and zone changes to encourage missing middle housing, or the development of low to mid-density housing types, such as bungalow and cottage courts, duplexes, triplexes and fourplexes that are context-sensitive in existing residential neighborhoods to increase housing opportunities in traditionally low-density residential zones in high resource areas.

Equity Audit: Conduct a comprehensive review of the General Plan, all community-based plans and specific plans, and the Zoning Code from an anti-racist and equity lens. It will seek to remove barriers to equitable housing production, remove racist definitions and terminology, and make proactive changes to promote more inclusive communities and prevent incompatible land uses from affecting communities of color.

More information on the PRO Housing application can be found at the following web page:
<https://planning.lacounty.gov/long-range-planning/pro-housing/>.

All documents required for the acceptance of the awarded grant will be subject to approval by County Counsel prior to execution by the Director.

ENVIRONMENTAL DOCUMENTATION

The proposal is not a project for which review is required under CEQA in accordance with Section 15378(b)(4) of CEQA. Section 15378(b)(4) of CEQA states that a "Project" does not include the "creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment." The acceptance of the grant will allow the County to fund various planning projects and process improvements. Appropriate environmental documents will be prepared for the individual projects as needed.

In addition, as the application is related to "information and financial services," and "administrative and management activities," the proposal is exempt from NEPA in accordance with Section 58.34(a)(1) of NEPA.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the Project will not significantly impact County services.

Should you have any questions, please contact Connie Chung, Deputy Director, Advance Planning Division, at (213) 974-6457 or cchung@planning.lacounty.gov.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Amy Bodek", with a long horizontal flourish extending to the right.

AMY J. BODEK, AICP
Director of Regional Planning

AJB:CC

Attachments:

1. Draft Application
2. Hearing Notice

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Fire Department
Development Authority
Public Works
Public Health

S_10_24_2023_AP_BL_HUD_PRO_HOUSING_GRANT



LACDA

Los Angeles County Development Authority

Homeownership Programs

September 27, 2023



AGENDA

1

Introductions

2

**Homeownership Program (HOP80) -
80% Area Median Income (AMI)**

3

**Homeownership Program (HOP120)
– 120% Area Median Income (AMI)
(Proposed Fall 2023)**

4

**Density Bonus and Inclusionary
Housing Ordinance Affordable
Homeownership Program
(DBIHHOP)**

Introduction

- Homeownership programs operated within the Los Angeles County Development Authority (LACDA) **Housing Investment and Finance Division** (HIF):
 - Administers Federal, State, and local funds made available to for-profit and non-profit housing developers for the development and preservation of affordable and special needs housing.
- Programs administered by the LACDA **Housing Strategies Unit**:
 - Supports low- and moderate-income homeownership, rehabilitation and sound mitigation, land use planning, housing policy.



Home Ownership Program 80% Area Median Income (HOP80)

Program Overview – HOP80

- HOP is financed with HOME funds provided by the U.S. Department of Housing and Urban Development (HUD)
- Homebuyers **80% AMI** and below
- HOP80 Loan is a silent second trust deed mortgage with 0% interest and deferred payments
- Property types: Single-family homes, condos, or townhouse
- Maximum loan amount **\$85,000** or 20% of purchase price, whichever is less
- Maximum purchase price **\$700,000**
- Homebuyer's maximum investment cannot exceed \$150,000



Homebuyer's Requirements – HOP80

- Household annual income cannot exceed 80% of the Los Angeles Area Median Income (AMI).
- Borrower must provide a minimum 1% of their own funds for the down payment and it **cannot** be from gift funds.
- All Borrowers must attend an eight-hour Homebuyer Counseling Seminar approved by HUD (HUD Certified).
- All Borrowers must be U.S. Citizens or Permanent Resident Aliens.
- The maximum debt to income ratio may not exceed fifty percent (50%) of the Borrower's monthly income. On a case-by-case basis, FHA-approved First Trust Deeds may not exceed the total debt to income ratio of fifty five percent (55%).

Property Inspection – HOP80

- All properties requires the following inspections:
 - Home Inspection & Clearance
 - Environmental Clearance Report
 - Lead-Based Paint Clearance Report (built prior to 1978)
 - Appraisal Report
 - Termite Report and Clearance
- Newly constructed homes – Certificate of Occupancy
- All noted repairs stated in any inspection report must be completed prior to funding




Service Area – HOP80

Agoura Hills	Hawaiian Gardens	Rolling Hills Estates
Arcadia	Hermosa Beach	San Dimas
Avalon	Hidden Hills	San Fernando
Azusa	Irwindale	San Gabriel
Bell	La Canada Flintridge	San Marino
Bell Gardens	La Habra Heights	Santa Fe Spring
Beverly Hills	La Mirada	Sierra Madre
Calabasas	La Puente	Signal Hill
Claremont	La Verne	South El Monte
Commerce	Lawndale	South Pasadena
Covina	Lomita	Temple City
Cudahy	Malibu	Walnut
Culver City	Manhattan Beach	West Hollywood
Diamond Bar	Maywood	West Lake Village
Duarte	Monrovia	
El Segundo	Rancho Palos Verdes	

Only available in
the unincorporated
areas of Los
Angeles County
and HOP
Participating
Cities.

Process – HOP80

1. Applicant works with a HOP-approved Participating Lender.
 2. Participating Lender pre-qualifies Applicant for the first mortgage and LACDA assistance together at the same time.
 3. Participating Lender is responsible for informing and communicating the program details with the Applicant and Realtor throughout the loan process.
 4. Applicant enters into a purchase agreement, escrow opens, Participating Lender processes file and submits complete application package to the LACDA.
- 

A hand is shown placing a wooden block on top of a structure made of wooden blocks. The structure is shaped like a house, with a dark brown roof and a light brown base. The background is a dark, textured surface.

Home Ownership Program 120% Area Median Income (HOP120)

Proposed Fall 2023

Proposed Program Overview – HOP120

- Household annual income between **81% and 120%** of the Los Angeles Area Median Income (AMI).
- HOP120 loan provides a second trust deed mortgage loan with **0% interest** and all payments deferred until a sale, transfer, or the subject property is no longer the applicant's principal residence.
- The property must be a single-family residence, condominium, or townhouse dwelling.
- The **maximum loan amount is \$85,000 or 20% of the purchase price**, whichever is less.
- The HOP120 subject property **maximum purchase price is \$850,000**.
- A homebuyer's **total** investment (initial deposit, additional deposits, gift funds, and closing funds) cannot exceed \$250,000.
- All other program information and processes will mirror HOP80.

Leveraging Additional First-Time Homebuyer Assistance Programs

- **WISH Grant**
 - 4 to 1 matching grant
 - After 5 years 100% of grant is forgiven
 - \$29,000 maximum match per household
 - First-time homebuyer
 - 80% AMI
- **Bank of America Down Payment Grant**
 - Grant amount up to 3% of the home purchase price or up to \$10K, whichever is less
 - Available in select markets
- **Chase Homebuyer Grant**
 - \$2,500 or \$5,000 toward home purchase
 - Available in select markets

****All grants offered at the discretion of the lender and subject to fund availability***



A woman in a white top and striped skirt is handing a set of keys to an elderly couple. The man is wearing a light blue shirt and the woman is wearing a light blue blazer. They are standing in front of a dark wooden door with a brass knocker. The background shows a house with a window and some red flowers.

Density Bonus and Inclusionary Housing Ordinance Affordable Homeownership Program (DBIHHOP)

Program Overview – DBIHHOP

- The State's Density Bonus Law was enacted in 1979. The purpose of the Law is to **increase the production of affordable rental and homeownership** housing opportunities in California.
- Developers **voluntarily apply for a density bonus**. Developers enter into an agreement with LA County to provide a certain number of affordable units in exchange for an increase in project density.
- LACDA works with the Department of Regional Planning (DRP), developers, lenders, and homebuyers to administer a non-monetary loan program that allows **low-, moderate, and middle-income** home buyers to purchase units at an affordable sales price. This program uses an equity share model.



Program Overview - DBIHHOP

- The DBIHHOP silent second loan is sized based on the gap between the Appraised value and the Affordable sales price.
 - Loan is secured by a secondary Deed of Trust with 0% interest and no monthly payments
- Loan is due in full if Applicant sells the home, transfers title or refinances the first Mortgage.
 - Applicant must repay principal loan amount and net appreciation.

Homebuyer Requirements - DBIHHOP

- The Applicant cannot have had an ownership interest in any real property at any time during the past three-year period ending on the date the DBIHHOP Loan is executed.
- An eligible Applicant and/or household size must be appropriate for the capacity of the Designated Unit: A minimum of one person per bedroom is required.
- The Applicant must have an annual household income that does not exceed the limits set forth by DRP which are subject to change on an annual basis. Dependent on the project, the density bonus units can serve **50%, 80%, 120% and 150% AMI** level homebuyers.
- Designated units to be occupied as a principal residence and may not be leased or used as short-term rentals.

Homebuyer Requirements - DBIHHOP

- Max debt to income ratio 50% conventional First Mortgage
- Case-by-Case basis, FHA First Mortgage can go to a max debt to income ratio 55%
- Applicant must invest 5% of the affordable sales price of their own funds toward the purchase
- Homeownership counseling and education Certificate from an HUD approved agency is required

Process - DBIHHOP

- **Application Phase:**
 - Applicant chosen from lottery submits pre-qualifying documents
 - Affordable sales price calculator is executed
- **Commitment Phase:**
 - Underwriting Loan Package submitted to LACDA for underwriting.
 - Loan documents is drafted for Loan approval
- **Closing Phase:**
 - LACDA loan documents is sent to Escrow for signing.
 - When all Prior to funding conditions is met – Loan can fund.



A woman with long brown hair, wearing a white top and a striped skirt, is handing a set of keys to an older couple. The couple, consisting of a man and a woman with grey hair, are smiling and embracing each other. They are standing in front of a dark wooden door with a brass handle and a decorative knocker. The woman holding the keys is also holding a tablet. The scene is set outdoors, with a white wall and some greenery visible in the background.

Questions?



Contact Us

Liz Bieber

Manager

Housing Strategies Unit

Liz.Bieber@lacda.org

Am Vuong

Supervisor

Housing Strategies Unit

Am.Vuong@lacda.org





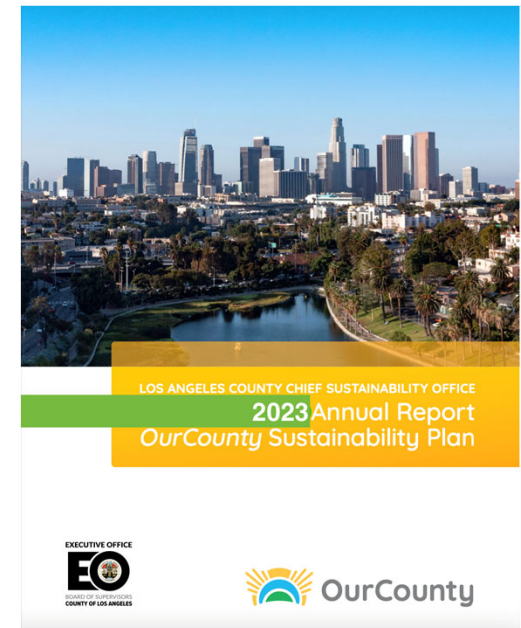
OurCounty

2023 OurCounty Annual Report

Community Services Cluster
September 27, 2023

Overview

- Fourth Annual OurCounty Report since original 2019 Plan release
- Priority Actions are identified by departments and stakeholders as critical areas of focus
 - Over the past four years, the Priority Action list has grown three-fold across all 12 Goals
- Discussion Draft posted for public review August 7, 2023
 - Three week public comment period
 - Two virtual office hours hosted by CSO for stakeholders



For illustrative purposes only

Priority Action Status and Progress



- One third of Priority Actions have been completed, and this year, three new Priority Actions were added
 - Action 37: Support efforts to maximize sustainable yield from local groundwater basins
 - Action 41: Advocate for a collaborative approach to partnering with the region's various groundwater managers to sustainably manage regional groundwater basins
 - Action 91: Streamline permitting and construction of zero-emission vehicle infrastructure
- Notable recent milestones have significantly advanced the work including:
 - Ordinance phasing out oil and gas extraction
 - Ban of polystyrene and single-use service ware at restaurants
 - Adoption of County Formal Land Acknowledgement
 - Permanent rent stabilization ordinance
 - Florence-Firestone Transit-Oriented District Specific Plan

Looking Ahead



- There are several important efforts underway that will guide and further advance the OurCounty work:
 - Climate Resilience Initiative and Heat Action Plan
 - Oil well amortization study and Just Transition Task Force
 - Building decarbonization ordinance development
 - Urban Forest Management Plan
 - County Water Plan
 - LA County Food Equity Roundtable Action Plan implementation and establishment of the Office of Food Equity
 - LA County Youth Climate Commission

Next Steps



- Final 2023 OurCounty Annual Report submitted to Board of Supervisors by October 31, 2023
- OurCounty refresh
 - Over the coming year, the CSO will work with Board offices, departments, and stakeholders
 - CSO committed to a robust public input process to identify new targets or actions and set a more ambitious agenda
 - An Open Solicitation RFP will be released to support these efforts