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September 27, 2024

Council File: 23-0038-S7
Council District: Citywide
Contact Person(s): Greg Good
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Honorable Members of the City Council
City of Los Angeles
c/o City Clerk, City Hall
200 N. Spring Street
Los Angeles, CA 90012

SUPPLEMENTAL REPORT FROM THE LOS ANGELES HOUSING DEPARTMENT REGARDING THE FISCAL YEAR 2024-2025 UNITED TO HOUSE LOS ANGELES (ULA) EXPENDITURE PLAN

SUMMARY

On September 25, 2024, the Budget, Finance and Innovation Committee continued its consideration of the Fiscal Year (FY) 2024-2025 United to House Los Angeles (ULA) Expenditure Plan, and requested that the Department provide a detailed breakdown of the proposed sub-program allocations, as outlined in the proposed ULA Program Guidelines, submitted on behalf of the ULA Citizen Oversight Committee (COC) and currently pending consideration under CF 23-0038-S8. This report provides a sub-program breakdown of those proposed allocation categories, contingent on City Council and Mayoral approval of the proposed Program Guidelines.

PROPOSED SUBPROGRAM ALLOCATIONS

The ULA measure and ordinance prescribes sub-program allocations for the Homeownership Opportunities, Capacity-Building, and Operating Assistance Program as follows:

- Homeownership Opportunities: Up to 40% of the Program total
- Capacity-Building Program: At least 10% of the Program total
- Operating Assistance Program: At least 50% of the Program total

With respect to the Alternative Models for Permanent Affordable Housing (Alternative Models) Program and the Acquisition & Rehabilitation of Affordable Housing (Acq/Rehab) Program, the proposed ULA Program Guidelines recommend the creation of two sub-programs for each program, with different funding allocations identified each FY. These proposed sub-programs and associated proposed allocations are as follows:

- Alternative Models for Permanent Affordable Housing Program
 - New Construction Sub-Program
 - Allocated at least 60% in FY 2024-2025, at least 70% in FY 2025-2026, and at least 85% in FY 2026-2027
 - Preservation Sub-Program

- Allocated no more than 40% in FY 2024-2025, 30% in FY 2025-2026, and 15% in FY 2026-2027
- Acquisition and Rehabilitation of Affordable Housing Program
 - Small Naturally Occurring Affordable Housing (NOAH) Sub-Program
 - Allocated at least 50% in FY 2024-2025 and at least 60% in FYs 2025-2026 and 2026-2027
 - Preserving Affordability Sub-Program
 - Allocated no more than 50% in FY 2024-2025 and no more than 40% in FYs 2025-2026 and 2026-2027

The ULA Program Guidelines are currently pending consideration by the City Council and have not yet been adopted; therefore, the sub-program allocations provided in this report for the Alternative Models and Acq/Rehab Programs represent draft proposed allocations.

The following table provides a detailed breakdown of these proposed subprogram allocations for Fiscal Years 2024-2025, 2025-2026 and 2026-2027, in line with the proposed ULA Expenditure Plan.

Proposed Sub-Program Allocations						
<u>Program/Sub-Program</u>	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>		<u>FY 2026-2027</u>	
Alternative Models for Permanent Affordable Housing Program						
Alternative Models: New Construction Program	60%	\$38,780,054	70%	\$42,986,381	85%	\$52,197,748
Alternative Models: Preservation Program	40%	\$25,853,370	30%	\$18,422,735	15%	\$9,211,367
Program Total	100%	\$64,633,424	100%	\$61,409,115	100%	\$61,409,115
Acquisition & Rehabilitation of Affordable Housing Program						
Acq/Rehab: Small NOAH Program	50%	\$14,362,983	60%	\$16,375,764	60%	\$16,375,764
Acq/Rehab: Preserving Affordability Program	50%	\$14,362,983	40%	\$10,917,176	40%	\$10,917,176
Program Total	100%	\$28,725,966	100%	\$27,292,940	100%	\$27,292,940
Homeownership Opportunities, Capacity-Building & Operating Assistance Program						
Homeownership Opportunities Program	40%	\$11,490,387	40%	\$10,917,176	40%	\$10,917,176
Capacity-Building Program	10%	\$2,872,597	10%	\$2,729,294	10%	\$2,729,294
Operating Assistance Program	50%	\$14,362,983	50%	\$13,646,470	50%	\$13,646,470
Program Total	100%	\$28,725,966	100%	\$27,292,940	100%	\$27,292,940