

October 23, 2025

Agenda

1. LACAHSAs NOFA Update
2. Housing Policy Update
 - SB 79
 - Housing Element and LACAHSAs

PPO NOFA – Program Description

Eligible Applicants: Non-Profit and For-Profit Developers (the legal entity applying must be the entity that owns or controls the project)

Eligible Projects: Multifamily Rental Projects

Available Funds: Approximately \$210,967,600, assuming proceeds of bond issuance (in the absence of bond proceeds, approximately \$51,467,100 would be available)

| Activity | |
|---|----------------------|
| MF Rental–Large Projects New Construction (Capital and Subsidies) | \$151,415,000 |
| MF Rental–Small Projects New Construction (Capital and Subsidies) | \$30,283,100 |
| MF Rental–Preservation (40+ units) | \$12,013,300 |
| MF Rental–Preservation (5-39 units) | \$17,256,200 |
| Total | \$210,967,600 |

NOFA – Program Description

| LACAHSA Financial Products | |
|----------------------------|--|
| Short-Term Financing | Predevelopment Loan |
| | Senior Construction Loan |
| | Light Rehab Preservation Loan |
| | Mini -Perm Preservation Loan |
| Permanent & Gap Financing | Senior Permanent Loan |
| | Subordinate Must -Pay Loan |
| | Residual Receipts Loan |
| | Matching Capital Grant |
| Ongoing Subsidies | Rental Subsidies (30% AMI or below) |
| | Operating Subsidies (80% AMI or below) |

| LACAHSA Scoring Matrix | |
|------------------------|-----------------------|
| 1. | Affordability |
| 2. | Family-Sized Units |
| 3. | Low Development Costs |
| 4. | Project Readiness |

- Applicants can request up to 3 financial products
- The NOFA prioritizes projects 100% owned by not -for -profit organizations; however, developer partnerships are allowed.

NOFA –Timeline



Future NOFAs

- CLTs
- Homeownership

SB 79

- Signed October 10th & effective July 1, 2026
- Introduces **by-right development standards** for parcels within **¼ mile and ½ mile** of eligible transit stops
- Applies to lots that allow **residential, commercial, or mixed-use development**
- Defines **Transit-Oriented Development (TOD) stops** and classifies them into **two tiers: Tier 1 & Tier 2**
- Projects with more than 10 units must set aside:
 - 7% of units for ELI households (30% AMI); or
 - 10% of units for VLI households (30%-50% AMI); or
 - 13% of units for LI households (50%-80% AMI)
- **Excludes:** , hotel and transient lodging projects, Historic districts, Very High Fire Severity Zones, sites with rent-controlled housing, Cities with a population less than 35,000

SB 79 – Transit Tiers

| City | Address | Stop Name | Transit Type | SB 79 Eligible? | Tier |
|---------------|--|-------------------------------|--------------------|--|--------|
| Carson | Carson St/110 Fwy | Harbor Fwy / Carson | Bus Rapid Transit | Yes | Tier 2 |
| West Carson | Carson St/110 Fwy | Harbor Fwy / Carson | Bus Rapid Transit | No, not a city with a population greater than 35,000 | N/A |
| Gardena | 731 W 182nd St, Gardena, CA 90248 | Harbor Gateway Transit Center | Bus Rapid Transit | Yes | Tier 2 |
| Hawthorne | Crenshaw Blvd/105 Fwy | Crenshaw C-line station | Light Rail Station | Yes | Tier 2 |
| | Hawthorne Blvd/105 Fwy | Hawthorne/Lennox Station | | | |
| El Segundo | E Mariposa Station/N Nash St | Mariposa Station | Light Rail | No, not a city with a population greater than 35,000 | N/A |
| | E El Segundo Station/N Nash St | El Segundo Station | | | |
| | 700 S Douglas St, El Segundo, CA 90245 | Douglas Station | | | |
| Redondo Beach | 5301 Marine Avenue Redondo Beach, California | Redondo Beach Station | Light Rail | Yes | Tier 2 |
| Inglewood | 321 East Florence Avenue Inglewood, California | Downtown Inglewood Station | Light Rail | Yes | Tier 2 |
| | 1130 East Redondo Boulevard Inglewood. California | Fairview Station | | | |

SB 79 – Transit Tiers

| TOD Tier | Transit Type |
|----------|--|
| Tier 1 | <ul style="list-style-type: none"> - Heavy Rail - Very High Frequency Commuter Rail (72 trips per day) |
| Tier 2 | <ul style="list-style-type: none"> - Light Rail - BRT stations - High Frequency Computer Rail (48 trips per day) - Bus Service that is both a major transit stop and has a 24-hour bus-only lane |

| | Tier 1 | | | Tier 2 | | |
|--------|---------------|---------------|---------------|---------------|---------------|---------------|
| Tier | Within 200 ft | Within ¼ mile | Within ½ mile | Within 200 ft | Within ¼ Mile | Within ½ mile |
| Height | 95 ft | 75 ft | 65 ft | 85 ft | 65 ft | 55 ft |

Redondo Beach – Housing Element

- **Court invalidated** Redondo Beach’s Housing Element
- Found that the city’s **overlay zoning approach** failed to meet state housing law requirements:
 - Underlying commercial/industrial zoning permitted **100% nonresidential development**, so overlay alone couldn’t satisfy minimum-density and residential-use mandates
 - Overlay maintained the ability for projects with **zero housing units** which is inconsistent with requirement that lower-income sites be designated for residential use
- Redondo Beach must revise its Housing Element to comply
- Other cities using similar overlays could face challenges or **Builders Remedy** exposure
- LACAHSAs PPO Funds cannot be used in cities without a housing element