

**FUNDING AGREEMENT
BETWEEN THE
SOUTH BAY CITIES COUNCIL OF GOVERNMENTS
AND THE SOUTH BAY REGIONAL HOUSING TRUST**

This Funding Agreement (“Agreement”) by and between the South Bay Cities Council of Governments, a joint powers agency (“SBCCOG”) and the South Bay Regional Housing Trust, a joint powers agency (“SBRHT”) is entered into to be effective this May 28, 2026 (“Effective Date”).

RECITALS

A. The SBCCOG membership consists of cities located within the South Bay region of Los Angeles County as well as the County of Los Angeles. The SBCCOG was established to coordinate regional planning, policy development, and program implementation among its member cities.

B. The SBRHT membership is comprised exclusively of cities within the South Bay subregion. The SBRHT Board of Directors shall consist of [11 directors and 11 alternates appointed by each member city together with two (2) additional directors possessing expertise in homelessness or housing policy, who are approved by the SBCCOG City Managers Committee. All members of the SBRHT Governing Board are to be ratified by the SBCCOG Board of Directors.

C. The SBRHT was established to maximize and leverage public and private funding sources to support the development, preservation, and financing of housing for extremely low-, very low-, low-, and as defined in Section 50093 of the California Health and Safety Code, within the South Bay subregion, and to serve as a regional mechanism for addressing the shortage of affordable housing.

D. On November 4, 2024, voters of Los Angeles County approved Measure A, a countywide funding measure intended to support homelessness services and affordable housing programs. Los Angeles County Affordable Housing Solutions Agency (LACAHSAs) administers funding generated pursuant to Measure A. Pursuant to that certain Memorandum of Understanding between SBCCOG and LACAHSAs, effective July 1, 2025 (the “LACAHSAs MOU”), SBCCOG receives allocations of funds derived from Measure A for program implementation within the South Bay subregion (the “Measure A Funds”), which funds are to be used in a manner consistent with Measure A.

E. The SBCCOG has determined that the transfer of certain Measure A Funds to SBRHT is consistent with its role in supporting regional coordination, planning, and implementation of programs addressing issues of regional concern, including homelessness and the provision of affordable housing within the South Bay subregion and that such use shall be in compliance with Measure A requirements and the terms of the LACAHSAs MOU.

AGREEMENT

1. MEASURE A FUND TRANSFER.

A. SBCCOG agrees to transfer, and SBRHT agrees to accept Measure A Funds remaining from Fiscal Year (25-26) from the Production, Preservation and Ownership (PPO) program and the proportional share of Technical Assistance funds (final amount to be determined after close of the fiscal year and to include accrued interest), and the same categories of Measure A Funds for Fiscal Year (26-27) in the amount of-\$7,934,126 for the purpose of administering Production, Preservation and Ownership (PPO) programs (including technical assistance). Such transfer is contingent upon actual receipt by SBCCOG of the funds from LACAHSAs. In the event the amount of the allocation is greater or less than the amount stated herein, SBCCOG shall transfer the amount actually received for this purpose from LACAHSAs.

B. Upon receipt, SBRHT shall use the Measure A Funds in accordance with the terms, conditions, and restrictions applicable to such PPO funds, including those set forth in the LACAHSAs MOU. SBRHT accepts the Measure A Funds subject to such requirements

2. THIRD PARTY BENEFICIARIES

In entering this Agreement, the parties do not intend, and the Agreement shall not be interpreted to, create any third-party beneficiaries, or provide any right to any person or entity not a party to this Agreement to enforce its provisions.

3. REMEDIES.

In the event either party fails to perform its obligations set forth in this Agreement, the non-defaulting party shall have all remedies available to it under the law, including, but not limited to, specific performance. In the event of any such default the parties shall first attempt to resolve the default, which resolution shall include discussion of a possible extension to the transfer of the funds.

4. POWER AND AUTHORITY.

The parties have full power and authority to enter, execute, deliver, and perform this Agreement and to perform all obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

<signatures on following page>

SOUTH BAY CITIES COUNCIL
OF GOVERNMENTS

SOUTH BAY REGIONAL
HOUSING TRUST
