



LOS ANGELES COUNTY DEVELOPMENT AUTHORITY NOFA ROUND 29 TERM SHEET

The Los Angeles County Development Authority (LACDA) is preparing to release Notice of Funding Availability Round 29 (NOFA 29), which will provide HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) capital funding, Section 8 Project-Based Vouchers (PBVs), and Project-Based Veterans Affairs Supportive Housing (PBVASH) Vouchers for the creation and operation of eligible permanent affordable multifamily rental housing units.

HOME-ARP funds are available only to development projects located in unincorporated Los Angeles County or in an LACDA HOME Participating Jurisdiction. Applicants are encouraged to use the LACDA's [NOFA 29 Map](#) to confirm eligibility:

The HOME-ARP Allocation Plan was developed after consultation sessions, surveys, and community meetings with various community stakeholders to identify the most underserved populations and funding gaps. HOME-ARP qualifying populations consist of individuals and families experiencing homelessness; individuals and families at risk of homelessness; individuals and families fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; individuals and families in other populations where providing supportive services or assistance would prevent the family's homelessness or would serve those with the greatest risk of housing instability; and veterans and families that include a veteran family member that meet one of the preceding criteria. For more information on the HOME-ARP program and guidelines, visit <https://www.hudexchange.info/programs/home-arp/>, <https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf>, and <https://www.hud.gov/sites/dfiles/OCHCO/documents/cpdWaiverHOMEARP.pdf>.

NOFA 29 will be released on or about August 31, 2023, and applications will be due 45 days from the release date. The LACDA will utilize the Universal NOFA (UNOFA) Application website to receive project applications. Applicants are encouraged to register to the [UNOFA website](#) before the release of NOFA 29. Applicants can register and review the user manuals for further information under the FAQs section.

Available Capital Funds

- Up to approximately \$29 million in HOME-ARP capital funding. Units must be reserved for HOME-ARP qualifying populations in HOME jurisdictions.

Available Rental Assistance

- Up to a total of 300 PBVs/PBVASH Vouchers are available to projects within LACDA's jurisdiction. At the sole discretion of the Executive Director, the LACDA will consider providing PBVs for projects in jurisdictions in which the local Housing Authority has

reached the statutory cap for PBVs. A letter from the Housing Authority confirming this status will be required and the local Housing Authority will need to enter into a Memorandum of Understanding with the LACDA.

- Projects must apply for and be awarded LACDA capital funds to qualify for rental assistance.

Eligible Applicants

Eligible applicants include nonprofit and for-profit organizations, limited liability companies, limited partnerships, public agencies, local jurisdictions, community land trusts, and joint ventures among any of these entities.

There is no restriction on the number of applications per applicant.

Eligible Project Types & Requirements

The following project types are eligible:

- Tax Credit Projects: Projects using tax credit financing must provide at least 25 units of permanent multifamily housing and set aside the greater of 20% of the total units or 15 units for a qualifying Special Needs population.
- Non-Tax Credit Projects: Projects that do not propose the use of tax credit financing must set aside at least 20% of the total units for permanent multifamily rental housing reserved for a qualifying Special Needs population and request at least \$1,000,000 in capital funds.

All eligible project types must meet the following requirements:

- Projects must be located entirely within Los Angeles County.
- Projects must be located within the LACDA's HOME Participating Jurisdiction, as long as the jurisdiction has not received a direct allocation of HOME-ARP funds. Projects in eligible jurisdictions may be confirmed via the LACDA's [NOFA 29 Map](#).
- For projects developed on land owned by or formerly owned by the LACDA or County of Los Angeles, at least 49% of the total units must be reserved for an eligible Special Needs population.
- If any portion of a proposed development site is within 500 feet of a freeway, the project must be designed in such a way as to exclude from this 500-foot freeway "buffer" area any portion of the residential building, as well as play areas, community rooms, gardens, patios, and other areas where residents may reasonably be expected to congregate. An example of a suitable use within the 500-foot freeway buffer is a parking lot. The LACDA shall review and approve, at its sole discretion, any site plans for developments of this type.
- Projects must be new construction, acquisition and operation, or acquisition with rehabilitation.
 - A rehabilitation project must:
 - Submit at the time of NOFA application a Capital Needs Assessment that meets the requirements of current CTCAC regulations.
 - Provide new affordable units to the housing stock. Projects with existing affordability covenants are not eligible unless the covenants are expiring within five (5) years of the NOFA application due date.
 - Not displace low-income households, or remove low-income units from the housing stock, unless the project provides for a two- (2) for-one (1) unit replacement.

- Projects seeking capital funds must not have commenced construction.
- Projects must adhere to the County's local hire provisions.
- Projects that propose or implement a local preference will not be eligible for funding. An exception to this prohibition may be made for projects in jurisdictions with their own Continuum of Care.
- Projects must comply with nondiscrimination, affirmative marketing, and minority outreach program requirements at 24 CFR 92.350 and 24 CFR 92.351.
- Projects must comply with environmental review requirements and labor standards as stated in 24 CFR 92.352 and 24 CFR 92.354.
- Projects must comply with applicability of lead -based paint requirements.
- Projects must comply with conflicts of interest requirements in accordance with 24 CFR 92.356.
- Projects must comply with applicability of displacement, relocation, and acquisition requirements accordance with 24 CFR 92.353.
- Projects must comply with Violence Against Women Act requirements in accordance with 24 CFR 92.359.

Target Special Needs Populations

HOME-ARP units must serve qualifying populations¹, which include:

- Homeless Households
- Homeless Seniors
- Chronically Homeless
- Homeless Veterans
- Homeless Living with a Mental Illness
- Persons Living with HIV / AIDS
- Persons with Intellectual and Developmental Disabilities
- Transition Age Youth
- Survivors of Domestic Violence/Human Trafficking

Preference will be given to the following Homeless subpopulations:

- Persons of Advanced Age (62+)
- Persons living with a disability²
- Survivors of Human Trafficking

Application of preference must comply with all applicable fair housing, civil rights, and nondiscrimination requirements.

Affordability Requirements

- Qualifying households are eligible for HOME- ARP units solely by meeting the definition of one of the qualifying populations. Household income information will be used to determine an affordable rental contribution by the qualifying household, or to establish

¹ HOME-ARP assisted households must fall into one of the following qualifying populations: 1. Homeless as defined in 24 CFR 91.5; 2. At-risk of homelessness as defined in 24 CFR 91.5; 3. Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; 4. In other populations where providing supportive services or assistance would prevent the family's homelessness or would serve those with the greatest risk of housing instability; or 5. Veterans and families that include a veteran family member that meet one of the preceding criteria.

² Person living with a disability as defined by HUD in 24 CFR Part 91.5, means an individual with a disabling condition is a diagnosable substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions. A disabling condition limits an individual's ability to work or perform one or more activities of daily living.

- eligibility for another funding source.
- Units assisted by PBVs must be reserved for households within incomes up to 30% of the Area Median Income (AMI).
- PBVASH Vouchers may target residents with incomes up to 50% AMI.

Funding and Geographic Restrictions

The LACDA provides funds for eligible projects based on the target populations and geographic area.

Maximum Funding Per Funding Source:

CAPITAL FUNDS			
Fund Type	Target Population	Eligible Geography	Maximum Subsidy Per Project
HOME- ARP	HOME ARP Qualifying Populations	HOME participating Jurisdictions that did not receive a direct HOME-ARP funding allocation.	\$10,000,000 Funds are allocated on a per-unit basis for eligible assisted unit types.

HOME CAPITAL FUND SUBSIDY LIMITS	
Number of Bedrooms	Maximum Per Unit Subsidy
Studio	\$173,011
1	\$198,331
2	\$241,176

* Projects proposing 3-bedroom units or larger for special needs populations must receive LACDA approval.

RENTAL ASSISTANCE**			
Type of Funds	Target Population	Eligible Geography	Maximum Subsidy Per Unit
PBVs	Special Needs at 30% of AMI	LACDA's HOME Participating Jurisdictions	As specified by LACDA Section 8 payment standards
PBVASH Vouchers	Homeless veterans & their families up to 50% of AMI		

** The LACDA will consider providing PBVs for projects in jurisdictions in which the local Housing Authority has reached the statutory cap for PBVs. A letter from the Housing Authority confirming this status will be required and the local Housing Authority will need to enter into a Memorandum of Understanding with the LACDA.

Key Threshold Requirements

Applications will be reviewed in two stages: 1) threshold review and 2) technical review.

The following are key minimum threshold requirements that applicants and projects must meet to be considered for technical scoring:

- Lead Developer: Must have completed a minimum of three (3) affordable rental housing

projects that have been in operation for at least three (3) years. Two of the projects must have been completed within the last 10 years.

- Lead Supportive Services Provider: Must have a minimum of 12 months of experience in providing services to the project's Special Needs population in at least one (1) housing-setting project. If the Lead Supportive Services Provider does not have experience serving the proposed Special Needs population, the applicant must justify how the prior experience serving other Special Needs populations in a housing setting is transferrable to the proposed population.
- Supportive Services: The Supportive Services Plan must address adequate service provision to all project populations not covered by the Veterans Administration, DMH, or the Los Angeles County Department of Health Services.
- Property Management Provider: Must have experience in managing at least two (2) projects with similar tenant populations and of similar scale as the proposed project. The Property Manager may be the applicant's own personnel, or a third-party contractor.
- Design: The project architect must have completed at least two (2) affordable multifamily rental housing projects, or one (1) LACDA-funded affordable multifamily rental housing project of the type currently being proposed (new construction or rehabilitation). All projects must meet the LACDA's Design Requirements.
- Compliance: Applicants must be in compliance with all regulatory agreements with the LACDA and requirements of other governmental entities or permitting agencies. The LACDA retains sole discretion to approve or reject applicants based on past performance.
- Cash Flow: Must demonstrate positive cash flow for 20 years and, at application, elements of the cash flow statement must generally adhere to the LACDA's underwriting guidelines.
- Affordability: HOME- ARP units are reserved for households based only upon their status as a qualifying household. Income information will be collected to establish rent limitations. In no instance, will PBVASH units be above 50% of AMI.

All applicable checklist items must be submitted in the NOFA application for a project to be considered for award of funds by the LACDA.

Key Technical Scoring Categories

The following are the general categories that will be used to score applications.

- Committed Public Financing: Ratio of committed capital funds from public agencies to total development costs.
- Committed Rental Subsidy: Projects located in an eligible LACDA jurisdiction will receive full points, assuming that the project is also requesting PBVs.
- Applicant Team Experience:
 - In addition to meeting the minimum threshold experience, the Lead Developer will be scored based on additional completed Special Needs and affordable rental housing projects.
 - In addition to meeting the minimum threshold experience, the property management company will be scored based on experience managing Special Needs and affordable rental housing projects.
 - In addition to meeting the minimum threshold experience, the Architect of Record (individual) will be scored based on experience with affordable rental housing projects of the type proposed (new construction or rehabilitation).
 - Equity Points: Additional points are available for developers, managing general partners, property management companies, and architects with an active Los Angeles County LSBE, DVBE, SE, or CBE business certification. Certification information is available at: <https://www.lacda.org/affordable-housing/multifamily-rental-housing-nofa>.

- Supportive Services:
 - Supportive services will be evaluated on a Pass/Fail basis.
 - A Pass rating will be awarded to Supportive Services Plans that appropriately complete address the service criteria for the population(s) the project will serve, which will be defined in the NOFA. The Plan must include a detailed description of each service and identify the provider. For mixed population projects, there must be clear distinction between the staffing resources and services allocated to each population.
 - Those projects that receive a Pass rating may also be issued a Final Conditions List detailing sections of the Supportive Services Plan that must be revised prior to release of any loan funds.
 - The property management plan and the tenant selection plan must adhere to HOME-ARP Guidelines.
- Design: Projects will be evaluated on a Pass/Fail basis. Projects will be assigned a rating of Pass if they generally adhere to the LACDA's Design Requirements.
- AHSC Participation: Points will be awarded to projects selected by the County's Affordable Housing and Sustainable Communities (AHSC) workgroup. Applicants are encouraged to learn more about the AHSC program, information is available at: <https://www.lacda.org/affordable-housing/multifamily-rental-housing-nofa>.
 - Tangible County Support: Points will be awarded to projects that received capital funding from a County agency.
- Special Needs Project: Points will be awarded to projects in which at least 49% of total units are set aside for Special Needs Households.
- Projects located in high or highest resources areas based on the Opportunity Area Maps developed by TCAC/California State Department of Housing and Community Development.
- Projects located in an identified area of displacement based on a Displacement Vulnerability index.
- Available funding will be prioritized and awarded through a two-tier system. Tier 1 projects will be first priority and will include projects that provide units to a HOME-ARP preferred homeless subpopulation: Persons of Advanced Age (62+), Persons living with a disability, or Survivors of Human Trafficking. Once all eligible projects in Tier 1 are funded, if available funds remain, Tier 2 projects will be considered for funding. Tier 2 projects are those eligible projects that provide units to any remaining HOME-ARP qualifying population.

Funding under this NOFA will be awarded on a competitive basis and the ability to meet County housing goals. The LACDA reserves the right in its sole discretion to modify any terms in this Term Sheet. This Term Sheet is issued to highlight general program goals and requirements. Full requirements and regulations will be included in the published NOFA.