AFFORDABLE HOUSING SHORTFALL

• Los Angeles County has a shortfall of 568,000 homes affordable to the lowest income renters.

• This shortfall has increased by 16,448 homes from 2015 to 2016.

• Rental housing vacancy rate in LA County is at a historic low between 2 and 3%.

• Throughout the County, 11,439 homes in 182 developments are at risk of conversion to market-rate within the next 5 years.

• This includes homes with Federal, State and County-Administered funding restrictions.
In October 2015, the Board of Supervisors unanimously created an Affordable Housing Programs budget and multi-year funding plan:

- $20 million in FY 2016-17, increasing by increments of $20 million until reaching $100 million annually in FY 2020-21
- Created Affordable Housing Coordinating Committee to expedite housing production and preservation
- Commissioned a first-of-its-kind annual Affordable Housing Outcomes Report to evaluate the regional need and make recommendations for reducing the affordable housing gap
COUNTYWIDE COMMITMENT

- Department of Public Health
- Department of Public Works
- Health Agency Housing for Health
- Department of Regional Planning
- Chief Executive Office (Affordable Housing & Homeless Initiative)
- Department of Mental Health

- Community Development Commission / Housing Authority
CEO created the Affordable Housing Unit to administer the budget for affordable housing, implement recommendations from the Affordable Housing Outcomes Report, and manage other housing priorities.

2017-18 budget allocations included nearly $40 million to the CDC NOFA
- Supplemented by $50 million of MHSA funding and $10 million from Measure H

Additional funding from the State’s Affordable Housing and Sustainable Communities (AHSC) Program
- $40 million in grants to build 300+ units of housing and active transportation improvements

CEO reviewing other Outcomes Report recommendations and developing new strategies to acquire, develop, and preserve affordable housing assets.

CEO managing Board initiatives around Tenant Protections and Short-term Rental Regulations.
TOTAL PROJECT FUNDING - NOFA YEARS 2014 TO 2018

County Investment & Other Leveraged Resources

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Development Cost</td>
<td>$95,326,656</td>
<td>$233,023,795</td>
<td>$182,638,824</td>
<td>$280,534,516</td>
<td>$659,250,804</td>
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<tr>
<td>Other Leveraged Resources</td>
<td>$79,021,884</td>
<td>$204,024,295</td>
<td>$162,296,424</td>
<td>$251,278,766</td>
<td>$572,643,426</td>
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<tr>
<td>County Investment</td>
<td>$16,304,772</td>
<td>$28,999,500</td>
<td>$20,342,400</td>
<td>$29,255,750</td>
<td>$87,107,375</td>
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</table>
FIVE YEAR COUNTY INVESTMENT

COUNTY INVESTMENT
UNIT COUNT - NOFA YEARS 2014 TO 2018
General Affordable & Special Needs Units

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Units</th>
<th>Affordable</th>
<th>Special Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>266</td>
<td>54</td>
<td>212</td>
</tr>
<tr>
<td>2015</td>
<td>605</td>
<td>258</td>
<td>347</td>
</tr>
<tr>
<td>2016</td>
<td>498</td>
<td>190</td>
<td>308</td>
</tr>
<tr>
<td>2017</td>
<td>651</td>
<td>262</td>
<td>389</td>
</tr>
<tr>
<td>2018</td>
<td>1,342</td>
<td>436</td>
<td>906</td>
</tr>
</tbody>
</table>

Legend:
- Total Units
- Affordable
- Special Needs
2018-19

- AHSC NOFA 4 (Up to $500,000,000)
- CDC NOFA 24 A&B (Over $100,000,000)
- Measures H and HHH
- No Place Like Home
- SB 3 Bond
Affordable Housing & Sustainable Communities Program in Los Angeles County

July 9th 2018 | Alhambra, CA
AHSC Overview & Goals
California Climate Investments: Statutory Requirements

1. Reduce GHG emissions

2. Direct investment toward the most disadvantaged communities in the State

3. Maximize economic, environmental, and public health benefits to the State
AHSC Program Goal

To fund projects that result in:

- the reduction of greenhouse gas (GHG) emissions and vehicle miles traveled (VMT) and
- increased accessibility of housing, employment centers and key destinations through low-carbon transportation options such as walking, biking and transit.
Disadvantaged Communities & Low-income Communities Investments

- A minimum of 25 percent of the proceeds be invested in projects that are located within and benefiting individuals living in disadvantaged communities;

- An additional minimum of 5 percent be invested in projects that are located within and benefiting individuals living in low-income communities or benefiting low-income households statewide; and

- An additional minimum of 5 percent that are located within and benefiting individuals living in low-income communities, or benefiting low-income households, that are within a ½ mile of a disadvantaged community.

Senate Bill 535 and Assembly Bill 1550 Implementation
## What does it fund?

<table>
<thead>
<tr>
<th>Eligible Capital Projects</th>
<th>Eligible Programs (3 Year Grants)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Affordable Housing Development (loan)</td>
<td>1. Active Transportation Programs</td>
</tr>
<tr>
<td><em>Bricks and Mortar</em></td>
<td></td>
</tr>
<tr>
<td>2. Housing-Related Infrastructure (grant)</td>
<td>2. Transit Ridership Programs</td>
</tr>
<tr>
<td><em>Required as Condition of Approval</em></td>
<td></td>
</tr>
<tr>
<td>3. Sustainable Transportation Infrastructure (grant)</td>
<td></td>
</tr>
<tr>
<td><em>Transit, Bike Lanes, Sidewalks</em></td>
<td></td>
</tr>
<tr>
<td>4. Transportation-Related Amenities (grant)</td>
<td></td>
</tr>
<tr>
<td><em>Bike Parking, Repair Kiosks, Urban Greening, Bus Shelters</em></td>
<td></td>
</tr>
</tbody>
</table>
# Eligible Project Types

<table>
<thead>
<tr>
<th>TOD</th>
<th>ICP</th>
<th>RIPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Oriented Development</td>
<td>Integrated Connectivity Project</td>
<td>Rural Innovation Project Area</td>
</tr>
<tr>
<td>Required:</td>
<td>Required:</td>
<td>Required:</td>
</tr>
<tr>
<td>✓ High Quality Transit</td>
<td>✓ Qualifying Transit</td>
<td>✓ Qualifying Transit</td>
</tr>
<tr>
<td>✓ Affordable Housing</td>
<td>✓ Sustainable Transportation Infrastructure</td>
<td>✓ Sustainable Transportation Infrastructure</td>
</tr>
<tr>
<td>Required: At least one additional components from the following:</td>
<td>Required: At least one additional components from the following:</td>
<td>Required: At least one additional components from the following:</td>
</tr>
<tr>
<td>❑ Sustainable Transportation Infrastructure</td>
<td>❑ Affordable Housing</td>
<td>❑ Affordable Housing</td>
</tr>
<tr>
<td>❑ Transportation Related Amenities</td>
<td>❑ Transportation Related Amenities</td>
<td>❑ Transportation Related Amenities</td>
</tr>
<tr>
<td>❑ Programs</td>
<td>❑ Programs</td>
<td>❑ Programs</td>
</tr>
<tr>
<td>Required Minimum Density: 30 units/acre</td>
<td>Required Minimum Density: 20 units/acre</td>
<td>Required Minimum Density: 15 units/acre</td>
</tr>
</tbody>
</table>
### Who is Eligible to Apply?

#### Eligible Applicants

<table>
<thead>
<tr>
<th>Category</th>
<th>Local Governments (City, County, City/County)</th>
<th>Local Transportation Agencies</th>
<th>Public Housing Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Agency or Operator</td>
<td>Regional Transportation Planning Agency</td>
<td>Congestion Management Agency</td>
<td></td>
</tr>
<tr>
<td>Joint Powers Authority</td>
<td>School District</td>
<td>Facilities District</td>
<td></td>
</tr>
<tr>
<td>University or Community College District</td>
<td>Developer: Public, Private, or Nonprofit</td>
<td>Program Operator: Public, Private, or Nonprofit</td>
<td></td>
</tr>
<tr>
<td>Federally Recognized Indian Tribes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Florence Neighborhood Mobility
TOD Project – County of Los Angeles

Project Details

- 96-100% DAC
- 108 affordable housing units for 30-60% AMI
- 100% Affordable
- Density: 117 units/acre
- 54 units set aside for those at risk of homelessness; workforce development center
- Transportation Service: Bikeway and walkway improvements
- Creates a walking path in local park that enhances stormwater capture

AHD: $7,027,908
STI: $3,020,230
TRA: $622,435
Program: $127,495
Total Award amount: $10,798,068
Keeler Court/Southcrest AHSC
ICP Project – City of San Diego

Project Details

• 86-90% DAC
• 70 affordable housing units for 30-60% AMI
  ▪ 10 efficiency units
  ▪ 20 one-bedroom
  ▪ 18 two-bedroom
  ▪ 22 three-bedroom
  ▪ 100% Affordable

• Transportation Service: Bus, walkway, bikeways
• Construction of new 6 mile bike facility
• Circulate San Diego—active transportation and transit access programming

AHD: $7,188,481
STI: $2,503,642
PGM: $242,150
Total Award amount: $9,934,273
### Project Details

- 91-95% DAC
- 147 affordable housing units for 30-60% AMI
  - 22 one-bedroom
  - 81 two-bedroom
  - 34 three-bedroom
  - 10 four-bedroom
- 80% Affordable
- Community center with social services
- Transportation Service: Bikeway and walkway
- Half-mile of safe and accessible walkways that will connect housing to local Elementary school

#### Funding Breakdown

- **AHD:** $7,188,481
- **STI:** $2,503,642
- **PGM:** $242,150
- **Total Award amount:** $9,934,273
AHSC Program Requirements & Scoring
Statutory Set-A-Sides

- 50% of available funds for Affordable Housing
- 50% of available funds to Disadvantaged Communities
Threshold Overview

• Key Project Elements
  • Transit Station/Stop within ½ mile of AHD
  • Demonstrate VMT reduction
Threshold Overview

Readiness Requirements

• CEQA/NEPA for Affordable Housing Developments
• Discretionary Land Use Approvals
• Demonstration of Site Control
• Developer Experience
• No active or Pending Litigation
• Housing Element Compliance
• Committed Funding Threshold
Threshold Overview

Program Goals

• Sustainable Communities Strategy Implementation
• Agricultural Land Preservation
• Urban Greening Components
• Transit Passes for Residents
• “Smoke Free” Buildings
• Adequate Lighting for Public Spaces
• Affordability Threshold
Transit Pass Threshold

• Requirements:
  • At least one pass per restricted unit for at least three years
  • Pass should be able to cover commute entirely
    • Minimum of 40 commute rides per month
  • Can be unlimited free pass, discounted pass, or reloadable transit card
  • For discounted passes, at least 50% paid for by grant
    • Rewarded in QM for larger subsidy
Urban Greening

• 2 urban greening features per **project** (not 2 per component)

• **What type?**
  • Definition of Urban Greening lists options (Appendix A (qqq))
  • Pick those best suited to project

• **How Much?**
  • enough to be “impactful”—not one tree, but a block of street trees
  • Depends on project components

• **Where?**
  • **Publically accessible** spaces in project area
Developer Experience – AHD / HRI

Applicant or co-applicant must provide evidence the completion of two projects in the last 10 years, similar in scope and size.
Experience Requirements – STI / TRA

Experience of the Locality or Transportation Agency – with an Executed Agreement. No longer required to be a co-applicant.
## AHSC Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GHG Quantification Methodology Scoring</strong></td>
<td></td>
</tr>
<tr>
<td>GHG Efficiency</td>
<td>15</td>
</tr>
<tr>
<td>GHG Total</td>
<td>15</td>
</tr>
<tr>
<td><strong>Quantitative Policy Scoring</strong></td>
<td></td>
</tr>
<tr>
<td>Active Transportation Improvements</td>
<td>10</td>
</tr>
<tr>
<td>Green Buildings and Renewable Energy</td>
<td>10</td>
</tr>
<tr>
<td>Housing and Transportation Collaboration</td>
<td>10</td>
</tr>
<tr>
<td>Location Efficiency and Access to Destinations</td>
<td>5</td>
</tr>
<tr>
<td>Funds Leveraged</td>
<td>5</td>
</tr>
<tr>
<td>Programs</td>
<td>3</td>
</tr>
<tr>
<td>Anti-Displacement Strategies</td>
<td>5</td>
</tr>
<tr>
<td>Local Workforce Development and Hiring Practices</td>
<td>2</td>
</tr>
<tr>
<td>Housing Affordability</td>
<td>5</td>
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<tr>
<td><strong>Narrative-Based Policy Scoring</strong></td>
<td></td>
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<tr>
<td>Collaboration &amp; Planning</td>
<td>6</td>
</tr>
<tr>
<td>Community Benefit &amp; Engagement</td>
<td>6</td>
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<tr>
<td>Community Climate Resiliency</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total Scoring</strong></td>
<td>100</td>
</tr>
</tbody>
</table>
• Removed measures that were redundant to program threshold, or difficult to measure at this stage in project.
• Bolstered several measures to better capture differences between projects, such as increase of density baselines for GHG calculations
• Added several new measures to better capture project reductions, such as bike share and Class IV bikeways
• Alignment of CalEEMod Project Settings and Project Area Types

<table>
<thead>
<tr>
<th>GHG Quantification Methodology Scoring</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>GHG Reduction: Cost Efficiency</td>
<td>15</td>
</tr>
<tr>
<td>GHG Reduction: Total GHGs Reduced</td>
<td>15</td>
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</tbody>
</table>
Quantitative Policy Scoring- 55 Points

<table>
<thead>
<tr>
<th>Quantitative Policy Scoring</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Transportation Improvements</td>
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<td>Programs</td>
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</tr>
<tr>
<td>Anti-Displacement Strategies</td>
<td>5</td>
</tr>
<tr>
<td>Local Workforce Development and Hiring Practices</td>
<td>2</td>
</tr>
<tr>
<td>Housing Affordability</td>
<td>5</td>
</tr>
</tbody>
</table>

- Easy to score, quantifiable items; “checklist” approach
- Self-scored by applicant, reviewed by AHSC Staff, with chance for appeal
- Intent is not for projects to receive 100%; this will not be achievable for most projects
Narrative-Based Policy Scoring - 15 Points

<table>
<thead>
<tr>
<th>Narrative-Based Policy Scoring</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaboration &amp; Planning</td>
<td>6</td>
</tr>
<tr>
<td>Community Benefit &amp; Engagement</td>
<td>6</td>
</tr>
<tr>
<td>Community Climate Resiliency</td>
<td>3</td>
</tr>
</tbody>
</table>

- Open-ended narrative to allow for Applicants to showcase important aspects of Project
- Reviewed by team of subject matter experts
- One team will review all applications to ensure consistency
- Scored by consensus
- This score cannot be appealed
AHSC Program Application Process & Timeline
## AHSC Application Process

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly Cap &amp; Trade Auction</td>
<td>August 2018</td>
</tr>
<tr>
<td>Listening Sessions on Lessons Learned in AHSC Round 3</td>
<td>July 2018</td>
</tr>
<tr>
<td>TCAC Applications Due</td>
<td>July 2018</td>
</tr>
<tr>
<td>Release of Round 4 Draft Program Guidelines</td>
<td>August 2018</td>
</tr>
<tr>
<td>Stakeholder Meetings/Comments on Draft Guidelines</td>
<td>September 2018</td>
</tr>
<tr>
<td>Release of Round 3 Application</td>
<td>October 2018</td>
</tr>
<tr>
<td>Quarterly Cap &amp; Trade Auction</td>
<td>November 2018</td>
</tr>
<tr>
<td>Application Due Date</td>
<td>February 2019</td>
</tr>
<tr>
<td>Quarterly Cap &amp; Trade Auction</td>
<td>February 2019</td>
</tr>
<tr>
<td>Quarterly Cap &amp; Trade Auction</td>
<td>May 2019</td>
</tr>
<tr>
<td>Awards Adoption</td>
<td>June 2019</td>
</tr>
</tbody>
</table>

Figure 2: Tentative Schedule for AHSC Round 4
Affordable Housing & Sustainable Communities Program in Los Angeles County

July 9th 2018 | Alhambra, CA
LA County AHSC:
What worked in R3
+ Looking Forward to R4
July 9, 2018
Round 3 AHSC Process in Los Angeles County
About Enterprise and our AHSC TA Practice

Enterprise is a national affordable housing non-profit whose mission is to create opportunity for low- and moderate-income people through affordable housing in diverse, thriving communities.

Enterprise has been deeply involved in the AHSC program since its inception, supporting it through our policy work and thriving TA practice. We have four full time staff members fully dedicated to the program year round, and worked on 14 out of 19 awarded projects in R3.
## Round 3 Timeline

### June-July
- Healthy Design Work Group/County Committee discuss potential projects in pipeline
- Identified sites and made a call for projects
- AHSC Countywide Training from Enterprise
- Outreach to developers about potential collaboration
- Guidelines released and approved

### August-September
- Identified potential AHSC applications
- Began check in calls with DPW on identifying pipeline projects for project areas
- NOFA & Application released
- Discussions with Metro about project areas and potential bikeshare
- Continued HDWG meetings to check in about progress and other project ideas.

### October
- Began weekly check-ins with affordable housing development teams
- Began conversations with LADOT about potential bus expansion for DASH
- Began talking to Parks Dept
- 1st DPW STI/TRA Scoping meeting
- Continued bike share meetings with LA Metro
- SGC TA Awards announced
Round 3 Timeline - Continued

**November**
- 1\textsuperscript{st} developer and DPW meeting to discuss STI/TRA scopes
- Developers begin filling out application
- Continued bikeshare discussion
- Application development begins in earnest
- Commence attachment development

**December**
- LA County Park Dept refines potential parks projects
- Final STI/TRA Review Meeting for developer teams with DPW
- Board approves resolution for 4 projects
- Begin reviewing narratives and compiling information for developers
- Editing of developer workbook including STI/TRA tabs

**January**
- LA CDC awards announcement
- Finalization of all budgets for housing and non-housing
- Final public agency documents delivered to development team
- Final Maps delivered to team
- GHG scores and backup finalized
- Final Bike share info delivered
- Final narrative review
- Final application review
- IIG Application submitted
- Application submitted and mailed by January 16, 2018
LA County AHSC R3 Awarded Projects

- **Downey I and II**
  - aka East Los Angeles Wellness Center
  - Meta Housing
  - 111 Unit ICP
  - $8,722,423 Award
  - First District

- **Florence Apartments**
  - Amcal Housing
  - 108 Unit TOD
  - $10,798,068 award
  - Second District

- **Willowbrook 2**
  - LINC Housing
  - 100 Unit TOD
  - $12,531,304 Award
  - Second District
AHSC awards will bring to the community:

• 319 new affordable housing units, of which 180 are supportive housing
AHSC awards will bring to the community:

- 319 new affordable housing units, of which 180 are supportive housing
- 7.94 miles of new bike lanes
AHSC awards will bring to the community:

- 319 new affordable housing units, of which 180 are supportive housing
- 7.94 miles of new bike lanes
- 197 new crosswalks
AHSC awards will bring to the community:

- 319 new affordable housing units, of which 180 are supportive housing
- 7.94 miles of new bike lanes
- 197 new crosswalks
- 261 new street trees
AHSC awards will bring to the community:

- 319 new affordable housing units, of which 180 are supportive housing
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- 197 new crosswalks
- 261 new street trees
- 38 new bus shelters
AHSC awards will bring to the community:

• 319 new affordable housing units, of which 180 are supportive housing
• 7.94 miles of new bike lanes
• 197 new crosswalks
• 261 new street trees
• 38 new bus shelters
• 3 new walking paths
AHSC awards will bring to the community:

- 319 new affordable housing units, of which 180 are supportive housing
- 7.94 miles of new bike lanes
- 197 new crosswalks
- 261 new street trees
- 38 new bus shelters
- 3 new walking paths
- 2 new bike share stations
AHSC awards will bring to the community:

And as if that weren’t enough!

Traffic calming, way finding, upgraded lighting, and urban greening throughout
SUCCESS STORY: WILLOWBROOK 2
Willowbrook 2 County-Developer Collaboration

- 100 affordable units across from Rosa Parks Metro Station
- Drew Daycare Center
- Located on County-owned Public Health parking lot
- County park improvements
- Traffic calming measures
- Miles of bike and pedestrian improvements
Preparing for a Competitive AHSC Application
There is no “winning formula”, but…..

AHSC scoring is complicated, and there are **many ways** to reach the winners circle. However, winning projects generally have a combination of the following factors:

1. Located in a walkable, amenity rich area. Located in a DAC. Located in a county with poor air quality.
2. Housing development is large, dense, and mixed use, with limited parking
3. Housing includes green/sustainability features, including on-site energy generation
4. Housing has substantial leverage
5. Housing includes extremely low income units (over 20%)
6. Application maximizes # transit passes (30 years)
7. Application includes substantive bike and ped project components, and a transit component that increases ridership
Tips: What You Should Be Doing Now

1. Reach out to the County to discuss your project

2. Learn the AHSC Guidelines, GHG Methodology and Application Process

3. Check Threshold & Readiness Requirements

4. Self score and look for ways to maximize points

5. Meaningfully engage community through outreach and program design

6. Start to scope out STI and TRA ideas
What we’re looking for

• Competitive projects that are a good fit for the AHSC program

• Projects that are threshold eligible & able to meet readiness requirements in time for R4 application (due early 2019)

• Creative development team that will work collaboratively with LA County and commit to extensive application development process

• Willingness to include substantive non-housing components into AHSC scope and budget request
Sally Greenspan
Senior Program Director
415.400.0979
sgreenspan@enterprisecommunity.org