

MULTIFAMILY TAX CREDIT DEVELOPMENT PROGRAM

Themes below include delegating authority to staff, and providing high loan amounts and flexible leveraging.

1. Eligibility

- a. Applicants must demonstrate a history of affordable housing development and/or affordable housing property management experience. Community Land Trusts (CLTs) and Limited Equity Housing Co-ops can gain necessary experience by partnering with an experienced non-profit.

2. Early, Flexible Local Commitment

- a. Funding should be allocated over the counter, whenever possible
- b. If Notice of Funding Availability (NOFA) structure is used, NOFAs should be released a minimum of two times a year, with calendar regularity
- c. Highest loan amounts possible, ~\$350K per unit, adjusted over time to inflation
- d. Flexible local commitment: either fully fund projects locally or can be leveraged more heavily at state level, depending on project
 - i. If money is put into Managed Pipeline, eliminate scoring which awards projects for having committed funds to allow ULA dollars to be an early local commitment
- e. Rather than the City giving an award based on the need, LAHD could fully fund a project with the expectation that the developer will apply for other leveraged sources.
 - i. In order to balance both streamlining and leveraging, LAHD could request that developers apply to at least one round of other funding
 - ii. Developers would identify what leverage source would fit the project. If successful, LAHD can then reduce the local amount.
 - iii. Because homelessness is an emergency, projects with at least 40 units of permanent supportive housing could be absolved of any leverage requirement
- f. To continue responding to the homelessness crisis, LAHD should consider additional incentives to ensure adequate development of supportive housing with these funds, such as scoring bonuses or set asides.

3. Gap Funding

- a. This pot of funding could have a gap funding set aside, to be allocated to projects on a rolling basis at any time during the year.
- b. LAHD would have to develop strategies to vet projects and invest funds wisely

4. Target & Rental Subsidy

- a. If there is a lack of project-based vouchers, this program area should be coupled with funding for operating subsidies, especially when LAHD requires construction of deeply affordable units
- b. The ULA coalition has submitted a recommended program for ULA's operating subsidies money, which pools funds into an insurance pool, coupled with tenant-based voucher assistance that can be reviewed later in this packet.

5. Labor Standards

- a. Applicants are made aware of and commit to adhere to the labor standards in the language of Measure ULA.