

FY 2025-2026 LACAHSA Production, Preservation, and Ownership (PPO) Guidelines Overview

South Bay Regional Housing Trust

5/21/2026

SBCCOG Funding Allocation

- \$7.3 million includes funding for legal, financing, and consultant services (Activity Delivery Costs)
- Funds must be obligated within one year of allocation
- Obligated funds must be spent within three years

AGENCY	PPO - NEW CONSTRUCTION	PPO - FLEXIBLE	TOTAL
1 LACAHS (including small cities TA)	\$55,220,624	\$13,678,661	\$68,899,286
2 Burbank-Glendale-Pasadena Regional Housing Trust	\$3,058,288	\$900,661	\$3,958,949
3 City of Glendale	\$2,044,455	\$602,089	\$2,646,544
4 City of Long Beach	\$4,083,071	\$1,202,458	\$5,285,528
5 City of Los Angeles	\$67,414,093	\$19,853,341	\$87,267,434
6 City of Santa Clarita	\$1,872,563	\$551,467	\$2,424,030
7 Gateway Cities Council of Governments/ Gateway Cities Affordable Housing Trust	\$7,018,735	\$2,067,006	\$9,085,742
8 Las Virgenes/Malibu Council of Governments	\$204,737	\$60,295	\$265,032
9 North Los Angeles County Transportation Coalition JPA	\$2,237,149	\$658,837	\$2,895,986
10 San Fernando Valley Council of Governments	\$267,874	\$78,888	\$346,762
11 San Gabriel Valley Council of Governments/ San Gabriel Valley Regional Housing Trust	\$12,480,955	\$3,675,621	\$16,156,577
12 South Bay Cities Council of Governments/ South Bay Regional Housing Trust	\$5,641,046	\$1,661,279	\$7,302,325
13 Unincorporated Los Angeles County	\$14,356,803	\$4,228,055	\$18,584,858
14 Westside Cities Council of Governments	\$3,511,192	\$1,034,041	\$4,545,233
TOTAL	\$179,411,586	\$50,252,699	\$229,664,285

Approved Eligible Uses- PPO Product Overview

PPO Product Overview	
Direct Project Investments	Grants, loans, equity, interest rate subsidies, gap financing for new construction and preservation
Rent & Operating Subsidies	Ongoing payments for utilities, maintenance, management, and debt service
LACAHTSA Mortgage	Tax-exempt bond financing for 100% affordable and mixed-income projects (A-Notes and B-Notes with Guarantee)
Impact Fund	Below-market capital for NOAH preservation, subsidized affordable housing, and homeownership
Community Land Trust (CLT)	Land acquisition, rehab, new construction for permanently affordable homeownership
Social Housing	Resident-governed, mission-driven development or preservation; new construction or NOAH
Ownership Products	Downpayment assistance, soft second mortgages, interest rate subsidies, ADU loans, foreclosure prevention, limited equity cooperatives

Statutory Requirements

Allocation Requirements	Project Labor Requirements
<p><u>PPO - New Construction</u> 77.25% of the total allocation required to be spent on new construction and rent and operating subsidies that support new construction.</p> <p><u>PPO - Flexible</u> Can be spent on any eligible PPO program including construction, preservation, acquisition, rehabilitation, ownership, and rent and operating subsidies</p>	<p>All PPO construction/rehabilitation projects require prevailing wages</p> <p>Projects with 40+ units must comply with:</p> <ul style="list-style-type: none">• City of Los Angeles Department of Public Works Project Labor Agreement (PLA), if within the City of Los Angeles, or;• Countywide Community Workforce Agreement (CWA)

Statutory Requirements - Affordability

New Construction Project Options	Portfolio Requirements
<ul style="list-style-type: none">• 100% affordable (all units $\leq 80\%$ AMI)• Projects with at least 50 units, or 50% of total units, whichever is greater, in a larger development that includes units targeted up to 120% AMI	<p>Portfolio of Measure A funded units must meet these requirements over any two-year period:</p> <ul style="list-style-type: none">• At least 25% of all funded/constructed units reserved for $\leq 30\%$ AMI (Extremely Low Income)• At least 25% of all funded/constructed units reserved for $\leq 50\%$ AMI (Very Low Income) <p>Compliance monitored by LACAHSa and the Citizens' Oversight Committee</p>

*minimum 55-year affordability covenant for rental new construction, acquisition, or rehabilitation