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## **GOVERNMENT CODE - GOV**

TITLE 6.9. Los Angeles County Affordable Housing Solutions Agency [64700 - 64832] (Title 6.9 added by Stats. 2022, Ch. 661, Sec. 1.)

PART 1. Formation of the Los Angeles County Affordable Housing Solutions Agency and General Powers [64700 -**64731**] ( Part 1 added by Stats. 2022, Ch. 661, Sec. 1. )

CHAPTER 2. The Los Angeles County Affordable Housing Solutions Agency and Governing Board [64710 - 64718.2] ( Chapter 2 added by Stats. 2022, Ch. 661, Sec. 1.)

- 64710. (a) (1) The Los Angeles County Affordable Housing Solutions Agency is hereby established with jurisdiction extending throughout the County of Los Angeles, except that the agency shall only have jurisdiction to act in a supplemental capacity when a municipality has, as of January 1, 2022, an existing program that provides similar supports and services, and in no circumstances shall any functions of existing programs be transferred to or undertaken by the agency, nor shall the agency perform or undertake any functions related to supports and services provided to people experiencing homelessness, unless such supports and services are explicitly authorized by this chapter or are directly related to the provision of other supports and services authorized explicitly by this chapter.
  - (2) Notwithstanding paragraph (1), the agency may transfer a portion of the revenue raised by a tax measure adopted pursuant to this title to the County of Los Angeles for programs that provide supports and services to prevent and combat homelessness.
- (b) The formation and jurisdictional boundaries of the agency are not subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5).
- (c) The agency's purpose is to increase the supply of affordable housing in the County of Los Angeles by providing for significantly enhanced funding and technical assistance at a regional level for renter protections, affordable housing preservation, and new affordable housing production of 100 percent affordable housing for households earning 80 percent of the appropriate area median income or below, with financing priority on the lowest levels of affordability.
- (d) The agency shall complement and supplement existing efforts by cities, counties, districts, and other local, regional, and state entities, related to addressing the goals described in this title.

(Amended by Stats. 2024, Ch. 80, Sec. 72. (SB 1525) Effective January 1, 2025.)

- 64711. (a) The agency shall be governed by a board of directors composed of 21 voting members and one nonvoting member, as follows:
  - (1) Five members of the Los Angeles County Board of Supervisors. If the number of members of the Los Angeles County Board of Supervisors is increased, the agency shall, within 60 days of the increase, submit a plan to the Legislature for revising the composition of the agency.
  - (2) (A) The mayor of the City of Los Angeles.
    - (B) Three members appointed by the mayor of the City of Los Angeles, each of whom shall be either a member of the Los Angeles City Council or a housing expert or advocate.
    - (C) One member who is a city council member or a housing expert or advocate appointed by the President of the Los Angeles City Council.
  - (3) The mayor of the City of Long Beach or the vice mayor of the City of Long Beach, as determined by the mayor of the City of Long Beach.

- (4) (A) Five members, each of whom shall be a mayor or a member of a city council, appointed by the Los Angeles County City Selection Committee.
  - (B) For purposes of the selection of four of the members appointed pursuant to subparagraph (A), Los Angeles County, excluding the City of Long Beach and the City of Los Angeles, shall be divided into the following four sectors:
    - (i) The North County and San Fernando Valley sector.
    - (ii) The Southwest Corridor sector.
    - (iii) The San Gabriel Valley sector.
    - (iv) The Southeast sector.
  - (C) For purposes of the selection of one of the members appointed pursuant to subparagraph (A), one of the members shall be an at-large member who will be selected each term from one of the four sectors described in subparagraph (B), in the following order: the Southeast sector; the San Gabriel Valley sector; the Southwest Corridor sector; and the North County and San Fernando Valley sector.
  - (D) The League of California Cities, Los Angeles County Division, shall define the sectors. Every city within a sector shall be entitled to vote to select a candidate from that sector for consideration for appointment by the Los Angeles County City Selection Committee. A city's vote shall be weighted in the same proportion that its population bears to the total population of all cities within the sector.
  - (E) The members appointed pursuant to subparagraph (A) shall be appointed by the Los Angeles County City Selection Committee upon an affirmative vote of its members that represent a majority of the population of all cities within the county, excluding the City of Los Angeles and the City of Long Beach.
- (5) (A) One at-large member from an eligible small city who is appointed by all members of the Los Angeles County City Selection Committee that are eligible for the seat, as determined by the board.
  - (B) For purposes of this paragraph, "eligible small city" means a city in the County of Los Angeles that meets all of the following requirements:
    - (i) The city has a population of less than 100,000, according to the most recent census, as of the date that the at-large member is selected.
    - (ii) The city is in the top 50 percent of the most impacted cities in the County of Los Angeles, as determined by the proportion of households that are low-income and severely cost-burdened according to data from the United States Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy database, as used in the CalEnviroScreen Housing Burden tool.
    - (iii) As of January 1, 2024, the city is in substantial compliance with housing element law.
    - (iv) As of January 1, 2027, the city has adopted programs and policies to support low-income renters at risk of eviction.
    - (v) The city has adopted at least one model land use standard created by the agency, or a substantially similar land use policy, by January 2027, or within two years after those land use standards are created, whichever date is later. If the agency has updated a particular model land use standard less than two years prior to the appointment, a city that has adopted the current or immediately preceding version of the model standard shall be considered a small city.
  - (C) The board shall compile a list of cities that satisfy the definition of "eligible small city."
- (6) (A) (i) The interim chair of the citizens' oversight committee created by Section 64718.
  - (ii) The interim chair shall be selected by the three members described in subparagraph (A) of paragraph (7) and then submitted to the full board for approval.
  - (iii) The interim chair shall have lived or experienced homelessness or housing instability.
  - (B) The chair of the citizens' oversight committee created by Section 64718 after the chair is elected pursuant to Section 64718.1, at which time the chair shall replace the interim chair described in subparagraph (A).
- (7) (A) Until permanent expert members are selected, three members as follows:

- (i) One member with expertise in affordable housing production, who shall be a designee from the Southern California Association of Non Profit Housing.
- (ii) One member with expertise in affordable housing preservation, who shall be a designee from the Los Angeles Community Land Trust Coalition.
- (iii) One member with expertise in renter protection and support, who shall be a designee from the steering committee for Stay Housed L.A. County.
- (B) (i) The chief executive officer of the agency shall facilitate a selection process that results in three members as follows:
  - (I) One member with clear and demonstrated expertise in affordable housing production, including, but not limited to, affordable housing project finance and development.
  - (II) One member with clear and demonstrated expertise in affordable housing preservation, including, but not limited to, naturally occurring affordable housing, expiring affordability covenants, community land trusts, or related affordable housing preservation strategies.
  - (III) One member with clear and demonstrated expertise in renter protection and support, including, but not limited to, experience in advocating for or enforcing tenants' rights.
  - (ii) (I) The chief executive officer of the agency shall create three lists, one for each subclause in clause (i), each with at least five candidates who satisfy the criteria of that subclause.
    - (II) Members of the public shall be entitled to submit their names for consideration or to nominate other persons for consideration by the chief executive officer of the agency for inclusion in the candidates list required by subclause (I).
    - (III) The candidates required by subclause (I) shall be subject to the agency's conflict-of-interest policies.
  - (iii) The members described in clause (i) shall be selected by a vote of the 15 elected members of the board described in paragraphs (1) to (4), inclusive, from the lists created pursuant to this clause.
- (8) The Executive Director of the Southern California Association of Governments shall be a nonvoting member.
- (b) The board members specified in paragraphs (1) to (4), inclusive, of subdivision (a) may each appoint an alternate member to the agency to represent, at a meeting of the agency, a regular member it has appointed, but only if the regular member cannot attend the meeting.
- (c) For purposes of this section, an alternate member shall be:
  - (1) In the case of the member of the City Council of the City of Los Angeles appointed by the mayor of the City of Los Angeles, any person appointed by the mayor with the consent of the city council. If the alternate member is a member of the city council, then consent of that city council is not necessary.
  - (2) In the case of any public members, any persons designated by the appointing member so long as that person is a resident of Los Angeles County.
- (d) The board shall designate a chair, vice chair, and second vice chair, as well as establish guidelines for designation process and the term of each office.
- (e) (1) A member of the board may receive a per diem for each board meeting that the member attends. The board shall set the amount of that per diem for a member's attendance, but that amount shall not exceed one hundred dollars (\$100) per meeting. A member shall not receive a payment for more than two meetings in a calendar month.
  - (2) A board member may waive a payment of per diem authorized by this subdivision.
  - (3) Out-of-state travel and conference travel shall be compensated by the board member's home city or county.
- (f) In addition to the requirements imposed pursuant to subdivision (g), the agency shall engage in public participation processes, which shall include the following:
  - (1) Outreach efforts to encourage the active participation of a broad range of stakeholder groups in the planning process, including, but not limited to, affordable housing and homelessness advocates, nonprofit developers, neighborhood and community groups, environmental advocates, equity organizations, home builder representatives, and business organizations.
  - (2) The agency shall require proactive community engagement related to any project or development funded by the agency, in advance of any public meeting or notice of impending action, with a focus on residents of an impacted building and immediately adjacent residents. The agency shall give public notice, through posting on the internet, of any plans or projects funded directly by

the agency or by any eligible jurisdiction, at least 30 days in advance of that action. The agency staff may hold a public meeting where deemed appropriate, at a time and a location convenient for members of the public for any project that receives funding from the agency either through the agency itself or a local jurisdiction. The board may choose to hold a public meeting to discuss a project or development when appropriate.

- (3) A process for enabling members of the public to provide an annual written request to receive agency notices, information, and updates.
- (g) (1) Members of the board are subject to Article 2.4 (commencing with Section 53234) of Chapter 2 of Part 1 of Division 2 of Title 5
  - (2) The agency shall be subject to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5), the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), and the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)).

(Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

**64711.1.** Notwithstanding subdivision (c) of Section 64711, if a member appointed by the mayor of the City of Los Angeles is not a member of the city council of that city, the person appointed may serve for 60 days without consent of the city council. (Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

**64711.2.** Every member of the board is subject to Article 2 (commencing with Section 87200) of Chapter 7 of Title 9. (Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

- <u>64711.3.</u> (a) Except as provided in subdivision (b), each member of the board shall serve a term of four years or until a successor is appointed and qualified. A member may be removed at the pleasure of the appointing entities described in subdivision (a) of Section 64711. A member that is not an elected official shall only be reappointed for one additional term.
- (b) The membership of any member serving on the agency as a result of holding another public office shall terminate when the member ceases holding the other public office.

- <u>64711.4.</u> (a) The board shall appoint a full-time chief executive officer who shall act for the agency under its direction and perform those duties delegated by the agency.
- (b) The chief executive officer shall be appointed to a renewable term of four years and shall be removed from office only upon the occurrence of one or both of the following:
  - (1) A two-thirds majority of the members of the board votes for removal.
  - (2) The board determines that the chief executive officer has violated a federal or state law, regulation, local ordinance, or policy or practice of the agency, relative to ethical practices, including, but not limited to, the acceptance of gifts or contributions.
- (c) The agency shall appoint a general counsel, inspector general, and board secretary. (Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)
- **64711.5.** (a) The board shall appoint an inspector general to a renewable term of office of four years. The inspector general shall be removed from office by a two-thirds vote of the members of the board if the board determines that the inspector general has violated a federal or state law or regulation, a local ordinance, or a policy or practice of the agency, relative to ethical practices, including, but not limited to, acceptance of gifts or contributions.
- (b) The inspector general shall, at a noticed public hearing of the agency, report quarterly on the expenditures of the agency for travel, meals and refreshments, private club dues, membership fees and other charges, and any other expenditures specified by the agency.
- (c) Any investigatory file compiled by the inspector general is an investigatory file compiled by a local law enforcement agency subject to disclosure pursuant to Article 1 (commencing with Section 7923.600) of Chapter 1 of Part 5 of Division 10 of Title 1. (Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)
- **64712.** (a) The agency may determine its organizational structure, which may include, but is not limited to, the establishment of departments, divisions, subsidiary units, or similar entities. Any department, division, subsidiary unit, or similar entity established by the agency shall be referred to in this chapter as an "organizational unit."

- (b) The board may delegate to an organizational unit or to its chief executive officer any powers and duties it deems appropriate. Powers and duties that may be delegated to an organizational unit include, but are not limited to, the following:
  - (1) Approval of contracts up to authority limits established by the board, except that final approval of labor contracts shall require board approval.
  - (2) Hearing and resolving bid protests.

(Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

<u>64713.</u> The members of the board shall be appointed by April 1, 2023. The agency shall have no powers, duties, or responsibilities until April 1, 2023.

(Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

<u>64714.</u> A member of the board shall exercise independent judgment on behalf of the interests of the residents, the property owners, and the public of Los Angeles County in furthering the intent and purposes of this title.

(Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

- <u>64715.</u> (a) The board shall hold its first meeting at a time and place within Los Angeles County fixed by the Los Angeles County Clerk, as a ministerial duty.
- (b) After the first meeting described in subdivision (a), the board shall hold meetings at times and places determined by the board. (Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)
- <u>64716.</u> (a) The board may make and enforce rules and regulations necessary for governing the board, the preservation of order, and the transaction of business, including by establishing an executive committee and other committees as necessary.
- (b) In exercising the powers and duties conferred on the agency by this title, the board may act by ordinance, resolution, or minute action.

- <u>64717.</u> (a) Five years after the voters approve an initial ballot measure proposed pursuant to Section 64721, the board shall review the implementation of the measure. The review shall include the following:
  - (1) An analysis of the expenditures to date.
  - (2) The number of affordable housing units produced and preserved at different household income levels.
  - (3) The tenant protection services provided, and the role of the agency.
- (b) No earlier than five years after approval of a funding measure under Chapter 2 (commencing with Section 64810) and subject to consultation with the agreement of the citizens' oversight committee by a two-thirds vote, the board may change any of the minimum requirements in subdivision (d) of Section 64830 if the board adopts a finding that both allocated funding has been unspent in a given category across multiple years and the region's needs in a given category differ from those requirements. The board is required to approve the finding by a two-thirds vote. Approval of the finding shall be subject to the public participation requirements provided in subdivision (f) of Section 64711.
- (c) (1) The board shall, after the citizens' oversight committee approves the annual expenditure plan, adopt the annual expenditure plan for the use of housing revenue by July 1 of each year, except the board shall select the deadline to adopt the first annual expenditure plan. To support long-term planning, the annual expenditure plan may cover multiple years, as determined by the board. In the event any of the planned annual expenditures do not correspond to actual expenditures that meet the minimum annual expenditure requirements set forth in this chapter, the board shall ensure subsequent expenditure plans account for previous underspending so that the average spending over at least a three-year budget period achieves the minimum annual expenditure set forth in this chapter.
  - (2) The annual expenditure plan shall set forth the share of revenue and estimated funding amount to be spent on each of the categories established in subdivision (d) of Section 64830, indicate the household income levels to be served within each category of expenditures, and estimate the number of affordable housing units to be built or preserved and the number of tenants to be protected. To the extent feasible, the annual expenditure plan shall include a description of any specific project or program proposed to receive funding, including the location, amount of funding, and anticipated outcomes. If a tax measure is adopted pursuant to subdivision (a) of Section 64720 and the agency transfers a portion of the revenue raised by such measure to the

County of Los Angeles for programs that provide supports and services to prevent and combat homelessness, the portion of revenue transferred shall be excluded from the annual expenditure plan.

(Amended by Stats. 2023, Ch. 730, Sec. 2. (AB 1607) Effective January 1, 2024.)

- 64718. (a) The board shall form a citizens' oversight committee that adheres to the guiding principles of ensuring that the region produce enough housing at all income levels, particularly at the lowest levels of affordability, while preserving affordable housing, and protecting residents from displacement. The committee shall be composed of 11 voting members and 1 nonvoting member with knowledge and experience in the areas of affordable housing finance and development, or tenant protection, or housing preservation. The citizens' oversight committee shall meet as necessary and provide substantial assistance in the development of funding guidelines and the overall implementation of agency programs. The committee shall have a vote to approve the annual organizational expenditure plan prior to approval by the board pursuant to subdivision (c) of Section 64717. The committee shall report directly to the board and the public. Consistent with the provisions of this chapter, the committee shall provide consultation and make recommendations to the board. The committee shall meet as often as is necessary to fulfill its roles and responsibilities.
- (b) Committee members shall carry out the responsibilities laid out in this section and play a valuable and constructive role in the ongoing improvement and enhancement of the agency. Committee members will offer their unique knowledge and experience in the areas of affordable housing finance and development, tenant protection, and housing preservation. The committee members shall meet the following requirements:
  - (1) All members shall reside in Los Angeles County.
  - (2) All members shall be subject to conflict-of-interest provisions. No person currently serving as an elected or appointed city, county, special district, state, or federal public officeholder, or currently employed by a city or county agency, shall be eligible for membership on the committee.
  - (3) In addition to all conflict-of-interest provisions all members shall be required to divest of any investments from which their participation on the committee may further their personal or institutional financial interests.
- (c) A person may apply to the Office of the Inspector General to become a member of the committee. The Office of the Inspector General shall select the members of the committee by a date set by the board. The committee shall have at least one member representing each of the following professions or areas of expertise, except as provided in subdivision (d):
  - (1) A person with experience in the field of municipal or public finance and budgeting with a minimum of five years of relevant experience in that field.
  - (2) A person with experience in senior-level decisionmaking in affordable housing development, preservation, and operations and with a minimum of five years of relevant experience in that field.
  - (3) A person with experience in housing finance and with a minimum of five years of experience in that field.
  - (4) A person with experience in tenant rights organizing or advocacy and with a minimum of five years of experience in that field.
  - (5) A person with experience in housing seniors or people with disabilities and with a minimum of five years of experience in that field.
  - (6) A person with experience as a legal expert advancing or enforcing fair housing policies on behalf of a community-based organization and with a minimum of five years of experience in that field.
  - (7) A person with experience in the management of large-scale housing construction projects and associated labor practices and with a minimum of five years of experience in that field.
  - (8) A person with a minimum of five years of lived experience as a low- or moderate-income tenant who has experienced being homeless for a minimum of one year.
  - (9) A person with a minimum of five years of lived experience as a low- or moderate-income tenant or who has experienced being homeless for a minimum of one year.
  - (10) A recognized representative of employees at the Los Angeles Homeless Services Authority.
  - (11) A person with experience in managing, forming, serving, or operating community land trusts or community development corporations and with a minimum of five years of experience in that field.

- (12) A young person between 18 and 24 years of age with demonstrated lived experience of homelessness, experience as a lowor moderate-income tenant, or demonstrated experience as an organizer or advocate for tenant rights with community based organizations, who shall be a nonvoting member.
- (d) If, after making a good faith effort to select individuals who meet the requirements of subdivision (c), the Office of the Inspector General is unable to identify individuals who meet the requirements of subdivision (c), then no more than two members from one or more of the remaining areas of expertise may be selected, except in the case of paragraphs (8) and (9) of subdivision (c), which positions shall remain vacant until filled.
- (e) A committee member may be removed from their position if a majority of the committee members votes for removal upon finding that the committee member has violated a federal or state law, a regulation, a local ordinance, or a policy or practice of the agency, relative to ethical practices.

(Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

- **64718.1.** (a) The members of the citizens' oversight committee shall be subject to the agency's conflict-of-interest policies. The members shall have no legal action pending against the agency and are prohibited from acting in any commercial activity directly or indirectly involving the agency, such as being a consultant to the agency or to any party with pending legal actions against the agency during their committee tenure. Committee members shall not have direct commercial interest or employment with any public or private entity that receives funds authorized by this title.
- (b) The committee members shall receive a reasonable stipend as compensation, which shall be set by the Office of the Inspector General and shall be subject to board approval. A member may choose to waive this stipend in its entirety.

Each member of the committee shall serve for a term of five years, and until a successor is appointed, except that initial appointments may be staggered with terms of three years as proposed by the Inspector General.

- (c) A committee member shall serve no more than two terms on the committee.
- (d) Any member may, at any time, resign from the committee upon written notice delivered to the agency. Acceptance of any public office, the filing of intent to seek public office, including a filing under Section 85200, or change of residence to outside Los Angeles County shall constitute a member's automatic resignation.
- (e) The members shall elect a chair and vice chair at the first meeting of the citizens' oversight committee. The chair and vice chair shall each serve a renewable one-year term for as long as the chair or vice chair is eligible to serve on the commission.

- **64718.2.** The committee shall, at a minimum, meet on a quarterly basis to carry out its responsibilities and is hereby charged with the following responsibilities:
- (a) The committee shall have the annual responsibility to consider and approve the annual expenditure plan pursuant to subdivision (c) of Section 64717 as a precondition to approval by the full board of directors.
- (b) Each recipient of revenue under this title shall contract for an annual audit, to be completed within six months after the end of the fiscal year being audited, for the purpose of determining compliance by the recipient with the provisions of this title relating to the receipt and expenditure of revenues during the fiscal year. The audit shall be required by any contract between the agency and any recipient. The board may establish standards for these audits, and the committee may provide input on the standards for recipients that are not public agencies. Audits of public agencies shall comply with generally applicable standards. The committee shall review the results of the audits, prepare an annual report on the audits, and hold an annual public hearing to report on the results of the audits.
- (c) The agency, led by the Office of the Inspector General and in partnership with the citizens' oversight committee, shall conduct a comprehensive review of all projects and programs implemented under the expenditure plan every five years. The review shall evaluate project and program performance and make recommendations to improve plan performance, based on current practices, best practices, and organizational changes that could improve coordination.
- (d) The agency shall establish an internet website dedicated to demonstrating compliance with this title. The internet website shall include the agency's periodic financial reports and its current adopted plans required by this title. All audit reports, findings, and recommendations shall be made accessible to the public on the internet website prior to the public hearing and upon request.
- (e) The committee may review all of the following, in its discretion:
  - (1) For each agency area of focus, the efficiency and effectiveness of the agency's use of funds.
  - (2) For local direct allocations of funding pursuant to Section 64830.5, the program revenues and uses for each local jurisdiction.
  - (3) The percentage of the expenditure plan expenditures compared to project milestone completion.