

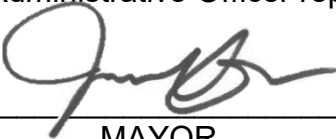
0220-00540-1733

**TRANSMITTAL**

TO The City Council	DATE	COUNCIL FILE NO.
	09/30/2025	
FROM The Mayor		COUNCIL DISTRICT Citywide

**Request to Accept Regional Early Action Planning 2.0 Program Award  
and Authority to Enter into a Memorandum of Understanding with the  
Southern California Association of Governments**

Transmitted for your consideration.  
See the City Administrative Officer report attached



MAYOR

(Jenny Delwood for)

MWS:YC:VES:EAB:02260030c

**REPORT FROM**

**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

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Date: September 18, 2025

CAO File No. 0220-00540-1733

Council File No. NEW

Council District: Citywide

To: The Mayor

From: *for* Matthew W. Szabo, City Administrative Officer 

Reference: Los Angeles Housing Department report dated August 27, 2025; received by the City Administrative Officer on August 28, 2025; additional information received through September 15, 2025

Subject: **REQUEST TO ACCEPT REGIONAL EARLY ACTION PLANNING 2.0 PROGRAM AWARD AND AUTHORITY TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

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**RECOMMENDATIONS**

That the Council, subject to the approval of the Mayor:

1. Note and file the Los Angeles Housing Department (LAHD) report dated August 27, 2025;
2. Authorize the General Manager of the Los Angeles Housing Department (LAHD), or designee, to:
  - a. Accept the Regional Early Action Planning (REAP) 2.0 grant funds of up to \$337,500 and accept contractual services up to \$1,912,500 for a total award of up to \$2.25 million on behalf of the City of Los Angeles;
  - b. Enter into a Memorandum of Understanding, subject to the approval of the City Attorney as to form and legality, with the Southern California Association of Governments (SCAG) to facilitate planning and housing-related work under REAP 2.0 through June 30, 2026;
  - c. Lead the coordination, partnership, and preparation of progress reports or any related documents, consistent with REAP 2.0 grant requirements;
3. Request the Controller to:
  - a. Record a grant receivable in the amount of \$337,500 within the LAHD Small Grants and Awards Fund No. 49N/43;

- b. Establish new accounts and appropriate funds within the LAHD Small Grants and Awards Fund No. 49N/43 as follows:

Account	Account Name	Amount
43C143	Housing	\$202,500
43C299	Reimbursement of General Fund Costs	\$135,000
TOTAL		\$337,500

4. Authorize the LAHD General Manager or designee to prepare Controller instructions to make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and request the Controller to implement the instructions.

## SUMMARY

The Los Angeles Housing Department (LAHD) requests authority to accept Regional Early Action Planning (REAP) 2.0 grant in an amount not to exceed \$2.25 million, execute a Memorandum of Understanding (MOU) with the Southern California Association of Governments (SCAG), and other related actions. The REAP 2.0 grant will be provided in the form of consultant services valued at \$1,912,500 and reimbursement of LAHD salaries and related costs in the amount of \$337,500 to facilitate project delivery. The REAP 2.0 grant will fund a feasibility study of potential City-owned sites that could be developed into affordable housing, and allow the LAHD to prioritize those sites for development. All funds must be expended and final reports submitted to SCAG by June 30, 2026. SCAG is seeking an extension of that deadline through the state budget process.

Subsequent to the release of its report, the LAHD corrected the amount of funding available for staff cost reimbursement and provided a revised MOU that more accurately describes the relationship between SCAG and the City. The revised MOU states that SCAG will contract directly with consultants to deliver program activities on behalf of the LAHD. The Scope of Work Approval Form, an exhibit to the MOU, details the program deliverables and states that 15 percent of the total grant award (\$337,500) may be used to reimburse the LAHD for salary and related costs. The LAHD will not be directly administering the REAP 2.0 grant and will not be eligible for program administration funds. This Office recommends the LAHD be authorized to execute the revised MOU.

SCAG used a competitive process to develop a bench of consultants, from which it will select a contractor or contractors to work with the LAHD. According to the City Attorney, the SCAG procurement process satisfies the City's contracting requirements. Further, the insurance requirements in the MOU meet the City's requirements.

## FISCAL IMPACT STATEMENT

The City will receive up to \$2.25 million in Regional Early Action Planning (REAP) 2.0 grant funds in the form of contractual services up to \$1,912,500 and salary and related cost reimbursements

for the Los Angeles Housing Department up to \$337,500. The REAP 2.0 grant has no matching funds requirement. There is no General Fund impact.

## **FINANCIAL POLICIES STATEMENT**

The recommendations in this report comply with the City Financial Policies as there is no obligation for current or ongoing matching funds.

*MWS:YC:VES:EAB:02260030c*

Attachment

**MEMORANDUM OF UNDERSTANDING**

**No. M-0~~XX~~62-2~~5~~X**

**SCAG Overall Work Program (OWP) No: 305-4925.01**

**Federal/State Awarding Agency:** State of California, Department of Housing and Community Development

**Funding Source:** Regional Early Action Planning Grants Program of 2021 (REAP 2.0)

**Sub-Recipient Name:** City of Los Angeles

**Sub-Recipient's UEI No:** W495UF8CWPQ5

**Total Amount of Federal Funds Obligated to Sub-Recipient:** \$0

**Total Amount of Non-Federal Funds Obligated to Sub-Recipient:** \$2,250,000

**Total Amount of the Sub-Award:** \$2,250,000

**Subaward Period of Performance Start Date:** See Section 37

**Subaward Period of Performance End Date:** June 30, 2026

**Type of Contract:** Project Specific

**Method of Payment:** See Section 6 of this MOU

**Project R&D:** N/A

**Indirect Cost Rate for the Award:** -See MOU Rate Confirmation Sheet\* \*See Section 9 of this MOU

**Fringe Benefits Cost Rate for the Award:** N/A

**Subaward Project Title:** City of Los Angeles REAP 2.0 Housing Infill on Public and Private Lands Pilot Program Grant

**Subaward Project Description:** City of Los Angeles will utilize REAP 2.0 funding for a project focused on assessing available infill public-owned and private-owned lands for affordable and mixed-income housing and neighborhood serving uses, and/or land use regulatory initiatives for increasing residential development capacity in corridor-wide and area-wide infill areas based in justice, equity, diversity, and inclusion.

**MEMORANDUM OF UNDERSTANDING**

**No. M-062XX-25X**

**BETWEEN THE  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
AND CITY OF LOS ANGELES  
FOR REAP 2.0 HOUSING INFILL ON PUBLIC AND PRIVATE LANDS PILOT PROGRAM  
GRANT**

(SCAG Project/OWP No. **305-4925.01**)

This Memorandum of Understanding (“MOU”) is entered into by and between the **Southern California Association of Governments** (“SCAG”) and **City of Los Angeles** (“Sub-Recipient”), for a Housing Infill on Public and Private Lands (“HIPP”) Pilot Program Grant. SCAG and Sub-Recipient may be individually referred to as “Party” and collectively as “Parties.”

**RECITALS**

WHEREAS, the Regional Early Action Planning Grants Program of 2021 (“REAP 2.0”) was established with a principal goal to make funding available to Metropolitan Planning Organizations (“MPO”) and other regional entities for transformative planning and implementation activities that meet housing and equity goals, reduce Vehicle Miles Traveled per capita, and advance implementation of the region’s Sustainable Communities Strategy or Alternative Planning Strategy, as applicable;

WHEREAS, the California Department of Housing and Community Development (“HCD”) administers REAP 2.0 in accordance with Health and Safety Code sections 50515.06 to 50515.10 (“Statutes”) and REAP 2.0 guidelines for MPO applicants released by HCD pursuant to the Statutes (“REAP 2.0 Guidelines”);

WHEREAS, SCAG is the federally designated MPO for Southern California, primarily responsible for the development of a Regional Transportation Plan/Sustainable Communities Strategy (“RTP/SCS” also known as “Connect SoCal”) for the counties of Imperial, Los Angeles, Orange, San Bernardino, Riverside, and Ventura;

WHEREAS, HCD awarded funds to SCAG under REAP 2.0;

WHEREAS, SCAG’s Regional Council authorized funding for the HIPP Pilot Program and approved the guidelines for the HIPP Pilot Program (“Program Guidelines”);

WHEREAS, SCAG released a Call for Applications for the HIPP Pilot Program;

WHEREAS, Sub-Recipient, eligible for funds under the HIPP Pilot Program, developed and submitted a proposed project for the HIPP Pilot Program (“Project”);

WHEREAS, SCAG reviewed the Project and determined it to be consistent with the REAP 2.0 Guidelines and Program Guidelines, and approved the Project to receive funding; and

WHEREAS, the purpose of this MOU is to describe the responsibilities of the Parties.

**NOW THEREFORE, IT IS MUTUALLY AGREED THAT:**

**1. Recitals and Exhibits**

The Recitals and all exhibits referred to in this MOU are incorporated herein by this reference and made a part of the provisions of this MOU.

**2. Term**

The Term of this MOU shall begin on the Effective Date and continue until June 30, 2026, ("Completion Date"), unless terminated earlier as provided herein. Time is of the essence in the performance of services under this MOU. As indicated in Section 37 to this MOU, the "Effective Date" is the last date this MOU is fully executed by all of the Parties.

**3. Scope of Work and Sub-Recipient's Responsibilities**

- a. Sub-Recipient shall be responsible for implementing the Project in accordance with the "Scope of Work," attached as Exhibit A.
- b. Interim deliverables and tasks, including budgets and schedules, required to implement the Scope of Work shall be documented using the "Scope of Work Approval Form," attached as Exhibit B ("SOW Approval Form"). The SOW Approval Form must be signed by SCAG Project Manager, SCAG Department Manager, SCAG Deputy Director or their designee, and Sub-Recipient prior to the performance of the work outlined in the SOW Approval Form. The SOW Approval Form may be signed by way of a manual or authorized digital signature, or a signature stamp. The SOW Approval Form may be used to document interim deliverables and interim deliverable budgets and schedules but may not be used to modify the deliverables and budget noted in this MOU. The SOW Approval Form may be amended subject to approval by SCAG. No amendment to the SOW Approval Form shall be valid unless made in writing and signed by the Parties. If there is a conflict between the SOW Approval Form and this MOU, this MOU shall prevail.
- c. Sub-Recipient must demonstrate a clear and significant nexus to all the REAP 2.0 Goals and Objectives, as described in Section 9 of this MOU, and must carry out the Project to meet the REAP 2.0 Goals and Objectives. Any lack of action or action inconsistent with REAP 2.0 Goals and Objectives may result in review and could be subject to modification of funding, termination of this MOU, and repayment of the Grant Funds.
- d. Sub-Recipient shall commit to supporting the Project and be accountable to SCAG and HCD for the Project.
- e. SCAG will procure a consultant ("Consultant") to assist with performing the Scope of Work.
- f. Sub-Recipient shall provide review, comment, and approval of Consultant's Scope of Work and SOW Approval Form(s).

- g. Sub-Recipient shall provide SCAG and Consultant with technical guidance for the Project.
- h. Sub-Recipient shall provide any required decisions as promptly as practicable to avoid unreasonable delay and provide support for reporting or invoicing as necessary.
- i. Sub-Recipient shall cooperate with SCAG and the Consultant.
- j. Upon request, Sub-Recipient shall assist to oversee and manage Consultant's activities.
- k. Upon request, Sub-Recipient shall provide documentation of compliance with the terms and conditions of this MOU within thirty (30) days.
- l. Sub-Recipient shall be responsible for conducting a complete and reasonably detailed review of Consultant's invoices and provide feedback within 10 working days of receipt from SCAG, except within 5 days for SCAG's fiscal year end, unless an extension is approved by SCAG Project Manager. The review shall include, but not be limited to, review of the following ensuring: (1) the work included in the invoice is correctly invoiced and supported; (2) hours worked equal hours invoiced; (3) charged rates are equal to the contracted rates; (4) materials and services were received; and (5) that the work performed is consistent with the Scope of Work. Upon review, Sub-Recipient shall pay Consultant(s)' invoices prior to submitting invoices to SCAG for reimbursement.
- m. Sub-Recipient shall be responsible for conducting a complete and reasonably detailed review of Consultant's deliverables and provide feedback within 10 working days of receipt from SCAG, except within 5 days for SCAG's fiscal year end, unless an extension is approved by SCAG Project Manager. The review shall ensure the Consultant(s)' deliverables are consistent with the Scope of Work, as outlined in the most current fully executed SOW Approval Form.
- n. Any and all notices, reports, or other communications required by this MOU, including but not limited to invoices, accounting reports, supporting documentation, and monitoring reports, shall be submitted under the penalty of perjury.
- e-o. Sub-Recipient shall be responsible for ensuring compliance with all applicable California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) requirements, and, as applicable, shall serve as the implementing agency for environmental approval(s).
- ~~d. In compliance with Section 3.e., Sub-Recipient may procure and manage one or more consultants to ensure the Scope of Work, as outlined in the most current fully executed SOW Approval Form, is fully performed and the Project is completed in compliance with this MOU and all applicable laws and regulations. As a recipient of federal and state funds, SCAG has the responsibility for ensuring that its procurement process complies with all applicable federal, state and funding requirements. For all agreements entered into containing funds provided under this MOU or to perform work under this MOU, SCAG is responsible to require that Sub-Recipient's procurement process complies with all applicable federal, state, and local laws and regulations. All REAP 2.0 funded procurements must be conducted using a fair and competitive procurement process and sole source procurements are expressly prohibited.~~



- e. ~~As a recipient of federal and state funds, SCAG has the responsibility for ensuring that its procurement process complies with all applicable federal, state and funding requirements. For all agreements entered into containing funds provided under this MOU or to perform work under this MOU, Sub Recipient shall procure in compliance with all applicable federal, state, and local laws and regulations. All REAP 2.0 funded procurements must be conducted using a fair and competitive procurement process and sole source procurements are expressly prohibited.~~
- f. ~~The term "Consultant(s)" shall hereinafter refer to all entities that Recipient or Sub Recipient procures, manages, or otherwise enters into contracts or agreements with, in furtherance of the Project or this MOU regardless of the timing, nature of service/work provided or type of organization, including but not limited to government entities, political subdivisions, subrecipients, consultants, contractors, service providers, suppliers, independent contractors, professionals, managers, architects, engineers, and subcontractors. The Sub Recipient requires all Consultants to fully defend, indemnify and hold harmless Sub Recipient, its members, officers, employees, and agents as specified in Sec. 14 of this Agreement.~~
- g. ~~Upon request, Sub Recipient shall provide information to the SCAG Project Manager regarding any existing solicitation including but not limited to Requests for Proposals, Invitation for Bids, Request for Qualifications, and Requests for Quotation (collectively "RFP"). For new RFPs developed or finalized after the Effective Date of this MOU, Sub Recipient shall provide information to the SCAG Project Manager and obtain SCAG Project Manager's written approval on any final RFP prior to its issuance. SCAG may require documentation of RFPs and Notices to Proceed before approval of invoice reimbursement.~~
- h. ~~When requested, Sub Recipient shall provide other related documentation of compliance, as determined by SCAG, with applicable procurement requirements and terms and conditions of this MOU within ten (10) days of the request.~~
- i. ~~Sub Recipient shall be responsible for conducting a complete detailed review of Consultant(s)' invoices prior to payment. The review shall include, but not be limited to, ensuring: (1) the work included in the invoice is correctly invoiced and supported; (2) hours worked equal hours invoiced; (3) charged rates are equal to the contracted rates; (4) materials and services were received; and (5) that the work performed is consistent with the Scope of Work. Upon review, Sub Recipient shall pay Consultant(s)' invoices prior to submitting invoices to SCAG for reimbursement.~~
- j. ~~Sub Recipient shall be accountable to SCAG and HCD to ensure Consultant(s)' performance. Sub Recipient's Project Manager shall be responsible for final approval of Consultant(s)' deliverables consistent with the Scope of Work, as outlined in the most current fully executed SOW Approval Form; provided, however, that prior to approving a deliverable from the Consultant(s), Sub Recipient's Project Manager shall consult with SCAG's Project Manager.~~
- k. ~~Any and all notices, reports, or other communications required by this MOU, including but not limited to invoices, accounting reports, supporting documentation, and monitoring reports, shall be submitted under the penalty of perjury.~~

~~1.p. Sub-Recipient shall be responsible for ensuring compliance with all applicable California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) requirements, and, as applicable, shall serve as the implementing agency for environmental approval(s).~~

#### **4. Project Management**

- a. All work under this MOU shall be coordinated with SCAG and Sub-Recipient through the Project Managers.
- b. For purposes of this MOU, SCAG designates the following individual as its Project Manager:

Nashia Lalani  
Senior Regional Planner  
213.630.1477  
Lalani@scag.ca.gov

SCAG reserves the right to change this designation.

- c. For purposes of this MOU, Sub-Recipient designates the following individual(s) as its Project Manager:

Eric Claros  
Director of Housing  
323.373.5356  
eric.claros@lacity.org

Sub-Recipient reserves the right to change this designation upon written notice to SCAG.

#### **5. Funding**

- a. SCAG's contribution to the Project is funded wholly with REAP 2.0 funds, in an amount not to exceed \$2,250,000 ("Grant Funds"). Contingent upon Sub-Recipient securing the insurance coverage required by this MOU and compliance with the terms and conditions of this MOU, SCAG shall contribute a maximum, not to exceed \$337,500 of the Grant Funds to Sub-Recipient to be solely used for Sub-Recipient staff time. SCAG shall contribute the remainder of the Grant Funds towards the Project to be used solely for the procurement and payment of the Consultant.

- i. Payment of costs for Sub-Recipient staff time specified in this MOU are contingent upon the Sub-Recipient securing the required insurance coverage within thirty (30) days of the execution of this MOU. Any and all provisions of this MOU requiring payment of Grant Funds to Sub-Recipient, use of Grant Funds by Sub-Recipient, or submission/payment of invoices shall not be binding, and the Sub-Recipient shall not be entitled to any labor charges, until such time as the required insurance coverage is obtained and confirmed.

- ii. Any work performed by Sub-Recipient employee(s) under this MOU prior to the Sub-

- Recipient obtaining the required insurance coverage shall be at the sole risk of the Sub-Recipient. The Sub-Recipient assumes full responsibility for any of its costs, employee time, labor charges, liabilities, damages, or losses incurred by it before insurance coverage is obtained and confirmed. SCAG shall be released from all liability for Sub-Recipient work, and the Sub-Recipient agrees to indemnify and hold SCAG harmless from any claims, costs, or expenses arising from any such Sub-Recipient work completed by it prior to the effective date of the required insurance coverage.
- b. SCAG shall not be obligated to make payments for any costs that exceed the Grant Funds. SCAG shall not be obligated to pay for any increase in costs which exceeds the budget included in this MOU and the most current fully executed SOW Approval Form. SCAG shall not be obligated to make payments from any source other than funds provided by HCD to SCAG pursuant to REAP 2.0. In the event HCD terminates its agreement to provide funds or reduces the funds provided, SCAG shall have the right to terminate this MOU, in accordance with Section 17, or to amend this MOU to reflect the changes in funding.
  - c. SCAG shall make payments to Sub-Recipient only for work performed as part of the Scope of Work, as outlined in the most current fully executed SOW Approval Form, and consistent with REAP 2.0 Goals and Objectives, REAP 2.0 Guidelines, and Program Guidelines.
  - d. SCAG reserves the right, in its sole discretion, to discontinue funding the Project and/or terminate this MOU as described in Section 17.
  - e. Any costs for which Sub-Recipient receives reimbursement or credit that is determined by a subsequent audit or other review by either SCAG, HCD, other State authorities or federal cognizant agency to be ineligible or otherwise unallowable, shall be repaid by Sub-Recipient within thirty (30) calendar days of Sub-Recipient receiving notice or a written demand for reimbursement from SCAG. Such repayment may include interest, penalties, or related fees, as determined by HCD or other State authorities. Should Sub-Recipient fail to reimburse unallowable costs due to SCAG within thirty (30) calendar days of demand, or within such other period as may be agreed between both parties hereto, SCAG is authorized to withhold and/or off-set future payments to Sub-Recipient.

## **6. Invoices**

- a. This MOU is a Cost Reimbursement agreement. Amounts claimed must reflect the actual incurred and paid cost of completed work. The actual incurred and paid costs may not exceed the Project's budget set forth in this MOU and the most current fully executed SOW Approval Form. All invoices submitted to SCAG for payment shall be e-mailed to [accountspayable@scag.ca.gov](mailto:accountspayable@scag.ca.gov) -(file cannot exceed 10MB) and copy the SCAG Project Manager. All invoices submitted to SCAG for the Project shall reference the OWP Project Number (OWP No. 305-4925.01).
- b. By the twenty-first day following the start of a new month (i.e., January 21, February 21, March 21), Sub-Recipient shall submit an invoice to SCAG using the electronic "Invoice Template" in accordance with the invoice submittal instructions and requirements noted in Exhibit C. Invoices must be submitted in both PDF format and Excel file format. Invoices shall contain a progress report portion which serves to confirm that the services have been performed and can be paid. All

invoiced costs must be substantiated, by providing documented support for the expense incurred, such as copies of payroll reports, paid invoices, and proof of payment. The invoice progress report shall serve as the formal progress report for the Project and shall be signed by the Sub-Recipient. The progress report shall include, in narrative form, a description of services performed by the Sub-Recipient's staff and Consultant(s) as well as progress toward completion of tasks related to the Project for the invoiced period and progress achieved toward the REAP 2.0 Goals and Objectives. SCAG shall review invoices for compliance with this MOU. If SCAG determines that an invoice is compliant with this MOU, SCAG shall approve the invoice and issue payment to the Sub-Recipient. If SCAG determines that an invoice is not compliant with this MOU or the most current fully executed SOW Approval Form, SCAG may withhold and/or off-set future payment(s) to the Sub-Recipient.

- c. SCAG shall reimburse Sub-Recipient as promptly as SCAG's fiscal procedures permit, using Electronic Fund Transfer, available at: [ACH Vendor Payment Authorization Form](#), upon receipt of itemized invoices submitted in accordance with this MOU. Sub-Recipient shall complete the ACH Vendor Payment Authorization Form and email it to [ACHpayment@scag.ca.gov](mailto:ACHpayment@scag.ca.gov), prior to executing this MOU.
- d. Incomplete or inaccurate invoices may be returned to Sub-Recipient for correction without payment until corrected and approved. SCAG may, at its discretion, disallow any unsupported costs and process the invoice. If Sub-Recipient corrects the error, the disallowed items can be included in the next set of invoices.
- e. No travel expenditures are allowed.
- f. The Parties acknowledge that SCAG's fiscal year is from July 1 to June 30. Sub-Recipient agrees to submit all invoices to SCAG for services rendered through June 30<sup>th</sup>, no later than July 21<sup>st</sup> during the Term of this MOU. SCAG shall not be obligated to pay Sub-Recipient for any invoice received after such date.
- g. Sub-Recipient shall submit its final invoice to SCAG within thirty (30) days of the completion of the Project, but no later than within thirty (30) days after all Grant Funds have been expended. SCAG shall not be obligated to pay Sub-Recipient for any invoice received after such date.

## **7. Reporting**

- a. At any time during the term of this MOU, SCAG may request additional information, as needed, to demonstrate satisfaction of all requirements identified in the MOU and the most current fully executed SOW Approval Form.
- b. By February 10 of each year following receipt of funding pursuant to this MOU, Sub-Recipient shall submit an Annual Report using the "Report Template," attached as Exhibit D. The Annual Report shall include, in narrative form, a description of services performed by Sub-Recipient's staff and Consultant(s) as well as progress toward completion of tasks related to the Project for the prior year, a reporting of all costs incurred for that period, and progress achieved toward the REAP 2.0 Goals and Objectives.

- c. When a Project is finalized, and no later than the Completion Date, Sub-Recipient shall submit a Close-Out Report for the Project. At the time of the execution of this MOU, HCD has not provided the requirements for the Close-Out Report due to HCD by all grantees at the conclusion of the grant performance period. Therefore, the Close-Out Report format required by SCAG of Sub-Recipient is not available at this time, but will be provided when it becomes available.
- d. All reports submitted to SCAG shall reference the OWP Project Number (OWP No. 305-4925.01).

## 8. Accounting

- a. Sub-Recipient shall establish and maintain an accounting system and reports that properly accumulate incurred Project costs by line. The accounting system shall conform to Generally Accepted Accounting Principles (“GAAP”), enable the determination of incurred costs as interim points of completion, and provide support for payment vouchers and invoices.
- b. Sub-Recipient shall establish a separate ledger account for receipts and expenditures of Grant Funds and maintain expenditure details in accordance with the Scope of Work, as outlined in the most current fully executed SOW Approval Form.
- c. Sub-Recipient shall maintain documentation of its normal procurement policy and competitive procurement bid process and completed procurements, and financial records of expenditures incurred during the course of the Project in accordance with GAAP.

## 9. Allowable Uses of Grant Funds

- a. Grant Funds shall be expended in compliance with the REAP 2.0 Goals and Objectives.
  - i. REAP 2.0 Goals (“Goals”) are to invest in housing, planning, and infill housing-supportive infrastructure across the entire state in a manner that reduces Vehicle Miles Traveled (“VMT”), increases housing affordability, and advances equity. More detailed information on the Goals can be found in Section 201 of the [REAP 2.0 Notice of Funding Availability \(“NOFA”\) and Final Guidelines for MPO Applicants](#) and are made a part of the provisions of this MOU as if set forth in full.
  - ii. REAP 2.0 Objectives (“Objectives”) include: (1) accelerating infill development that facilitates housing supply, choice, and affordability; (2) affirmatively furthering fair housing; (3) reducing vehicle miles traveled. More detailed information on the Objectives can be found in Section 202 of the [REAP 2.0 NOFA and Final Guidelines for MPO Applicants](#) and are made a part of the provisions of this MOU as if set forth in full.
- b. Grant Funds shall only be used by Sub-Recipient for activities approved by SCAG and included in the Scope of Work, as outlined in the most current fully executed SOW Approval Form.

Grant Funds may not be used for administrative costs ~~of persons employed by Sub-Recipient for activities not directly related to eligible activities.~~

c.



e.—

- i. If Sub-Recipient is seeking reimbursement for indirect costs and/or fringe benefits costs, they must annually submit an Indirect Cost Allocation Plan (“ICAP”) or an Indirect Cost Rate Proposal (“ICRP”) to its cognizant agency for indirect costs and/or fringe benefits costs in accordance with Title 2 Code of Federal Regulations Part 200 (2 CFR 200) Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards. The cognizant agency for indirect costs and/or fringe benefits costs means the federal agency responsible for reviewing, negotiating, and approving ICAPs or ICRPs. Sub-Recipient must provide their approved indirect cost rate and/or fringe benefit rate and provide a copy to SCAG Project Manager of the approved negotiated indirect cost rate agreement (“NICRA”) for the current fiscal year and subsequent years throughout the performance period.
- ii. If Sub-Recipient elects a de minimis indirect cost rate as defined in 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, they must annually complete a certification form provided by SCAG Project Manager to confirm the eligibility and compliance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards and submit the signed form to SCAG Project Manager for the current fiscal year and subsequent years throughout the performance period. The de minimis rate is to be applied to modified total direct costs (MTDC) as defined by 2 CFR Part 200.1.
- d. There must be a strong implementation component for the funded activity through REAP 2.0, including, where appropriate, agreement by Sub-Recipient to submit the completed planning document or effort to the applicable board, council, or other entity for adoption or approval. If Sub-Recipient does not formally request adoption or approval of the funded activity, it may be subject to repayment of the Grant Funds.

## **10. Work Products**

- a. For purposes of this MOU, “Work Products” shall mean all deliverables created or produced under this MOU including, but not limited to, all deliverables conceived or made either solely or jointly with others during the term of this MOU and during a period of six months after the termination thereof, which relates to the Project. Work Products shall not include real property or capital improvements. Work Products includes all deliverables, inventions, innovations, improvements, or other works of authorship Sub-Recipient or Consultant(s) may conceive of or develop in the course of this MOU, whether or not they are eligible for patent, copyright, trademark, trade secret or other legal protection.
- b. Sub-Recipient shall submit one (1) electronic copy of all Work Products associated with the Project to the assigned SCAG Project Manager.
- c. SCAG shall own all Work Products and may, at its sole discretion, grant to Sub-Recipient a perpetual royalty-free, non-assignable, non-exclusive and irrevocable license to reproduce, publish or otherwise use Work Products related to the Project and developed as part of this MOU; provided, however, that any reproduction, publishing, or reuse of the Work Products will be at Sub-Recipient’s sole risk and without liability or legal exposure to SCAG.

## **11. Amendments**

No amendment or variation of the terms of this MOU shall be valid unless made in writing and signed by the Parties. If an amendment is to become effective before the date of full execution by the Parties, the effective date of such amendment shall be no earlier than the date that SCAG received the request.

## **12. Notices**

Any notice or notices required or permitted to be given pursuant to this MOU may be personally served on the other Party by the Party giving such notice, or may be served by certified mail, return receipt requested, to the following addresses:

To SCAG: Cindy Giraldo  
Chief Financial Officer  
Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700  
Los Angeles, CA 90017  
(213) 630-1413  
giraldo@scag.ca.gov

SCAG reserves the right to change this designation.

To Sub-Recipient:  
Eric Claros  
Director of Housing  
Los Angeles Housing Department  
1910 Sunset Blvd Ste 300  
Los Angeles, CA 90026  
323.373.5356  
eric.claros@lacity.org

## **13. Insurance**

- a. Sub-Recipient, at their own expense, shall procure and maintain policies of insurance, or provide evidence of self-insurance, of the types and amounts below, for the duration of the MOU. The policies shall state they afford primary coverage.

<b>Insurance Type</b>	<b>Requirements</b>	<b>Limits</b>
General Liability	Commercial General Liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01.	Not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile Liability	Automobile insurance at least as broad as Insurance Services Office form CA 00 01.	Covering bodily injury and property damage for all activities of the Sub-Recipient arising out of or in connection with work to be performed under this MOU, including coverage for any owned, hired, non-owned, or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.
Workers' Compensation/ Employer's Liability	Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. Not required for sole proprietors or Sub-Recipient with no employees.	Including Occupational Diseases in accordance with California Law and Employers' Liability Insurance with a limit of not less than \$1,000,000 each accident.
Professional Liability Insurance	Professional Liability (Errors and Omissions) insurance appropriate to the Sub-Recipient's profession.	With limits of not less than \$1,000,000 per occurrence. In addition, it shall be required that the professional liability insurance policy remain in effect for three (3) years after the Completion Date of this MOU.

- b. Higher Limits: no representation is made that the minimum insurance requirements of this MOU are sufficient to cover the indemnity or other obligations of Sub-Recipient under this MOU.
- c. The general liability and automobile liability policies are to contain the following provisions:
  - i. SCAG, its officials, employees, and volunteers shall be considered covered parties under Sub-Recipient's self-insurance program for liability arising from Sub-Recipient's activities, products/completed operations, premises, or vehicles. Sub-Recipient shall provide SCAG with written confirmation of such coverage and maintain sufficient funds to satisfy potential claims.
  - ii. ~~"~~For any claims related to this Project to the extent of arising from the active negligence or willful misconduct of CITY, Sub-Recipient's insurance coverage shall be primary insurance as respects SCAG, its officials, and employees. Any insurance or self-insurance maintained by SCAG shall be excess of Sub-Recipient's insurance and shall not contribute with it."~~"~~
  - iii. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to SCAG, its officials, and employees.
  - iv. Sub-Recipient's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- d. The Workers' Compensation and Employer's Liability policies shall include a waiver of subrogation endorsement in favor of SCAG and Sub-Recipient, including their respective, officials, employees, and volunteers.
- e. Any deductibles or self-insured retentions in amounts over \$10,000 must be declared to and approved



by SCAG.

- f. Sub-Recipient shall provide SCAG with written confirmation of coverage under its self-insurance program, including acknowledgment that SCAG, its officials, employees, and volunteers are included as covered parties. All documentation shall be received and reviewed by SCAG prior to commencement of work. Upon request, Sub-Recipient shall provide evidence of its self-insurance program and any relevant financial assurance or documentation demonstrating the availability of funds to satisfy potential claims. Sub-Recipient shall furnish SCAG with original evidence of coverage as self-insured.
- g. If applicable Sub-Recipient agrees to ensure that its Consultant(s) provide the same minimum insurance coverage and endorsements required of Sub-Recipient. Sub-Recipient agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Section. However, in the event Sub-Recipient's Consultant(s) cannot comply with this requirement, which proof must be submitted to SCAG, Sub-Recipient shall be required to ensure that its Consultant(s) provide and maintain insurance coverage and endorsements sufficient to the specific risk of exposure involved with Consultant(s) scope of work and services, with limits less than required of the Sub-Recipient, but in all other terms consistent with the Sub-Recipient's requirements under this MOU. This provision does not relieve Sub-Recipient of its contractual obligations under the MOU and/or limit its liability to the amount of insurance coverage provided by its Consultant(s). This provision is intended solely to provide Sub-Recipient with the ability to utilize Consultant(s) who may be otherwise qualified to perform the work or services but may not carry the same insurance limits as required of Sub-Recipient under this MOU given the limited scope of work or services provided by the Consultant(s). Sub-Recipient agrees that upon request, all agreements with Consultant(s) will be submitted to SCAG for review.

#### **14. Indemnification**

Sub-Recipient shall fully defend, indemnify and hold harmless SCAG, its members, officers, employees, and agents from any and all claims, losses, liabilities, damages, expenses, suits or actions including attorneys' fees, brought forth or arising under any theories or assertions of liability, occurring by or resulting from or otherwise related to the Project or this MOU. Such obligations shall not, however, extend to any claims, losses, liabilities, damages, expenses, suits, or actions that arise from SCAG's gross negligence or willful misconduct.

To the extent a Consultant(s) is procured by SCAG, the procurement will require that Consultant(s) shall fully defend, indemnify and hold harmless Sub-Recipient, its members, officers, employees, and agents from any and all claims, losses, liabilities, damages, expenses, suits or actions including attorneys' fees, brought forth or arising under any theories or assertions of liability, occurring by or resulting from or otherwise related to the Project or this MOU. Such obligations shall not, however, extend to any claims, losses, liabilities, damages, expenses, suits, or actions that arise from Sub-Recipient's gross negligence or willful misconduct. In the event of any dispute between the Parties concerning the terms and provisions of this MOU, each Party shall be responsible for their own attorney's fees.

#### **15. Disputes**

Except as otherwise provided in this MOU, any dispute arising under this MOU which is not resolved by mutual agreement shall be decided through binding arbitration by a three (3) member panel in accordance with the rules of the American Arbitration Association and as provided in this provision. If this provision differs from the rules of the American Arbitration Association, then this provision shall control. Sub-Recipient shall continue with the responsibilities under this MOU during any dispute until the dispute is resolved. A judgment upon the award rendered by arbitration may be entered into any court having jurisdiction thereof. The arbitration panel shall have the authority to grant any remedy or relief that would have been available to the Parties had the matter been heard in a court of law. Following arbitration, the arbitration panel shall prepare a written decision containing the essential findings and conclusions on which the award is based so as to ensure meaningful judicial review of the decision. All expenses and fees for the arbitrator and expenses for hearing facilities and other expenses of arbitration shall be borne equally by both Parties unless they agree otherwise or unless the arbitrator in the award assesses such expenses against one of the parties or allocates such expenses other than equally between the Parties. Either Party may bring an action in court to compel arbitration under this MOU and to enforce an arbitration award.

Non-Binding Mediation. In the event of a dispute under this Agreement, each party agrees to submit to non-binding mediation prior to the commencement of any legal or administrative proceeding against each other for any alleged violation of the Agreement. If the parties are unable to agree upon an individual to serve as mediator, they shall each select an attorney or other individual recognized as an approved mediator, and those two individuals selected shall jointly agree upon the selection of a third individual who shall alone serve as mediator.

## **16. Noncompliance**

- a. In the event of nonperformance or noncompliance with any requirement of this MOU, including but not limited to Project eligibility, schedule, deliverables, or milestone timelines, as outlined in the most current fully executed SOW Approval Form, SCAG may:
  - i. Issue a written notice to stop work. If such notice is provided, Sub-Recipient and its Consultant(s) shall immediately cease all work under the MOU. SCAG has the sole discretion to determine that Sub-Recipient is in compliance with the terms and conditions after a stop work order, and to deliver a written notice to Sub-Recipient to resume work under this MOU.
  - ii. Require repayment of the Grant Funds.
  - iii. Terminate this MOU pursuant to Section 17.
- b. Notwithstanding the provisions set forth above, or any other provision contained in this MOU, no remedy conferred by any of the specific provisions of this MOU or the SOW Approval Form, is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy existing at law or in equity or by statute or otherwise.

## **17. Termination of MOU**

- a. Termination for Cancellation or Reduction in REAP 2.0 Funding. In the event HCD terminates or cancels funding to SCAG, this MOU is deemed to be terminated and SCAG shall be relieved of

any and all obligations under this MOU as of the effective date of HCD's termination. In the event HCD reduces funding to SCAG, SCAG shall have the unilateral right to stop work, proportionally reduce funding to Sub-Recipient or terminate this MOU.

- b. Termination for Convenience. Either Party may terminate this MOU at any time by giving written notice to the other party of such termination at least thirty (30) calendar days before the effective date of such termination. Should SCAG terminate the MOU for convenience, upon receipt of the notice of termination, Sub-Recipient shall immediately take action to avoid incurring any additional obligation costs or expenses except as may be necessary to terminate its activities or the activities of its Consultant(s). SCAG shall pay Sub-Recipient its reasonable and allowable costs through the effective date of termination and is not liable for any expenses after termination, including any costs associated with Consultant(s). In such event, all finished or unfinished Work Products shall be provided to SCAG.
- c. Termination for Cause. If through any cause, either Party shall fail to timely and adequately fulfill its obligations under this MOU, or if either Party violates any of the covenants, terms, or stipulations of this MOU, the non-breaching Party shall thereupon have the right to terminate the MOU by giving not less than ten (10) calendar days written notice to the breaching Party of the intent to terminate and specifying the effective date thereof. The non-breaching Party shall provide a reasonable opportunity for the breaching Party to cure prior to termination. In no event shall such opportunity to cure extend beyond the term of the MOU. In the event that SCAG invokes this termination for cause provision, Sub-Recipient shall reimburse SCAG for all funds provided for the Project and all finished or unfinished Work Products shall be provided to SCAG at its option.

## **18. Records Retention**

- a. Sub-Recipient and its Consultant(s) shall maintain and make available, in accordance with Section 19 of this MOU, all source documents, books and records connected with the Project, documentation of its normal procurement policy and competitive procurement bid process and completed procurements related to the Project, all work performed under this MOU, all evidence of environmental clearance, and evidence demonstrating the funding was used for the appropriate purposes for a minimum of five (5) years after December 31, 2026. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.
- b. If any Project-related litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required record retention period, all records shall be retained and made available by Sub-Recipient and its Consultant(s) for five (5) years after: (a) the conclusion or resolution of the matter; (b) the date an audit resolution is achieved for each annual SCAG OWP; or (c) December 31, 2026, whichever is later.

## **19. Monitoring and Audits**

~~19.~~

- a. SCAG may visit physical Project locations and Sub-Recipient offices, upon reasonable notice, during normal business hours, to reasonably monitor expenditures and activities of Sub-Recipient as SCAG deems reasonably necessary to ensure compliance with the MOU, the Statutes, the REAP 2.0 Guidelines and the Program Guidelines.

- b. SCAG, HCD, the California Department of General Services, the California Bureau of State Audits, or their designated representatives, may perform or cause to be performed a financial audit of any and all phases of the Project. At SCAG's request, Sub-Recipient shall provide, at its own expense, a financial audit prepared by an independent certified public accountant.
- c. Sub-Recipient agrees that SCAG, HCD, the California Department of General Services, the California Bureau of State Audits, or their designated representatives, shall have the right to review, obtain, and copy all records and supporting documentation related to the performance of this MOU. Sub-Recipient agrees to provide any relevant information requested. A reasonable number of copies shall be made and furnished to SCAG upon request at no cost to SCAG.
- d. Sub-Recipient agrees to permit SCAG, HCD, the California Department of General Services, the California Bureau of State Audits, or their designated representatives, access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this MOU, the Statutes, REAP 2.0 Guidelines, or applicable state and federal laws, rules, and regulations.
- e. If there are written audit findings from SCAG or HCD's audit, a copy of which has been provided to Sub-Recipient, then Sub-Recipient must submit a detailed response to SCAG or HCD for each audit finding within ninety (90) days of the audit finding report.

## **20. Small Business and Disabled Veteran Business Enterprise Participation**

- a. If for this MOU Sub-Recipient made a commitment to achieve small business participation, then Sub-Recipient must within 60 days of receiving final payment under this MOU (or within such other time period as may be specified elsewhere in this MOU) report to SCAG the actual percentage of small business participation that was achieved. (Gov. Code § 14841.)
- b. If for this MOU Sub-Recipient made a commitment to achieve disabled veteran business enterprise ("DVBE") participation, then Sub-Recipient must within 60 days of receiving final payment under this MOU (or within such other time period as may be specified elsewhere in this MOU) certify in a report to SCAG: (1) the total amount the Sub-Recipient received under the MOU; (2) the name and address of the DVBE(s) that participated in the performance of the MOU; (3) the amount each DVBE received from the Sub-Recipient; (4) that all payments under the MOU have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (M&V Code § 999.5(d); Gov. Code § 14841.)

## **21. Compliance with Laws, Rules, and Regulations**

- a. Sub-Recipient agrees to comply with all federal, state, and local laws, rules, and regulations applicable to this MOU.
- b. Non-Discrimination/Equal Employment Opportunity

- i. During the performance of this MOU, Sub-Recipient assures that no person shall be denied the MOU's benefits, be excluded from participation or employment, be denied Project benefits, or be subjected to discrimination based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, under the Project or any program or activity funded by this MOU, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 U.S.C. §§ 3601-20) and all implementing regulations, the Americans with Disabilities Act ("ADA") of 1990 (42 U.S.C. §§ 12101 *et seq.*) and all applicable regulations and guidelines issued pursuant to the ADA, and the Age Discrimination Act of 1975 and all implementing regulations. Sub-Recipient shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.
  - ii. Sub-Recipient shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code § 12900 *et seq.*), the regulations promulgated thereunder (Cal. Code Regs. tit. 2, § 11000 *et seq.*), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§ 11135-11139.5), and the regulations or standards adopted by HCD to implement such article.
  - iii. Sub-Recipient shall permit access by representatives of the Department of Fair Employment and Housing, SCAG, and HCD upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as the Department of Fair Employment and Housing, SCAG, or HCD shall require to ascertain compliance with this Section.
  - iv. Sub-Recipient shall give written notice of its obligations under this Section to labor organizations with which they have a collective bargaining or other agreement.
  - v. Sub-Recipient shall adopt and implement affirmative processes and procedures that provide information, outreach, and promotion of opportunities in the Project to encourage participation of all persons regardless of race, color, national origin, sex, religion, familial status, or disability. This includes, but is not limited to, a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, as required by 24 C.F.R. § 92.351.
- c. Recycling Certification. Sub-Recipient shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to SCAG regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code § 12205).
- d. Anti-Trust Claims. Sub-Recipient, by signing this MOU, hereby certifies that if these services or goods are obtained by means of a competitive bid, the Sub-Recipient shall comply with Title 1, Division 5, Chapter 11 of the California Government Code (Gov. Code §§ 4550-4554).



- e. Child Support Compliance Act. If the Grant Funds provided under this MOU are in excess of \$100,000, Sub-Recipient acknowledges in accordance with Public Contract Code 7110, that:
- i. Sub-Recipient recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and
  - ii. Sub-Recipient, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- f. Priority Hiring Considerations. If this MOU includes services in excess of \$200,000, the Sub-Recipient shall give priority consideration in filling vacancies in positions funded by the MOU to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
- g. Loss Leader. If this MOU involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a “loss leader” as defined in Section 17030 of the Business and Professions Code. (PCC § 10344(e).)

## **22. Public Works and Construction**

The Grant Funds shall not be used for public works projects. Services constituting public works are described in California Labor Code Sections 1720-1861, as may be amended or recodified by legislative action from time-to-time. The use of Grant Funds for a public works project shall be a breach of this MOU.

## **23. Conflict of Interest**

The Parties shall comply with all applicable Federal and State conflict of interest laws, regulations, and policies.

## **24. Independent Contractor**

Sub-Recipient and its Consultant(s) shall be independent contractors in the performance of this MOU, and not officers, employees, or agents of SCAG.

## **25. Assignment**

Neither Party shall assign any rights or interests in this MOU, or any part thereof, without the written consent of each Party to this MOU, which consent may be granted, withheld, or conditioned in the consenting Party's sole and absolute discretion. Any assignment without such written consent shall be

void and unenforceable. The covenants and agreement of this MOU shall inure to the benefit of and shall be binding upon each of the Parties and their respective successors and assignees.

## **26. Release of Information**

- a. Subject to any provisions of law, including but not limited to the California Public Records Act, any Work Product or materials deemed confidential by either Party shall be held confidential by the receiving Party who shall safeguard such confidential materials from unauthorized disclosure, using the same standard of care to avoid disclosure as the receiving Party treats its confidential information, but in no case less than reasonable care. Nothing furnished to either Party which is otherwise known or is generally known, or has become known, to the related industry shall be deemed confidential.
- b. Sub-Recipient shall not release any information or Work Products to a third party or otherwise publish or utilize any information or Work Products obtained or produced by it as a result of or in connection with the performance of services under this MOU without the prior written authorization of SCAG, except as provided under this MOU or as required by law (including, without limitation, pursuant to the California Public Records Act).
- c. All public-facing communications materials relating to this MOU, or its subject matter, shall acknowledge SCAG. Communications materials include, but are not limited to, site signage, printed information materials, print and online publications, websites, advertisements, video, public service announcements, social media postings, events, media advisories, news releases, and all other related materials.
- d. To ensure consistency of public information about SCAG programs and funded work products, Sub-Recipient is required to notify and coordinate with SCAG Project Manager who will coordinate with SCAG's Manager of Media & Public Affairs or a specified designee on any media inquiries or plans for proactively providing information to media outlets.
- e. All communication materials must be provided to SCAG Project Manager prior to completion so that inclusion of this element can be confirmed.

## **27. Non-Exclusivity**

Nothing herein is intended nor shall be construed as creating an exclusive arrangement between SCAG and Sub-Recipient. This MOU shall not restrict SCAG from acquiring similar, equal or like services from other entities or sources.

## **28. Severability**

If any provision of this MOU is held to be illegal, invalid, or unenforceable, in whole or in part, such provision shall be modified to the minimum extent necessary to make it legal, valid, and enforceable, and the legality, validity, and enforceability of the remaining provisions shall not be affected thereby.

## **29. Survival**

The following sections survive expiration or termination of this MOU:

Section 5 (Funding)  
Section 10 (Work Products)  
Section 12 (Notices)  
Section 13 (Insurance)  
Section 14 (Indemnification)  
Section 15 (Disputes)  
Section 18 (Records Retention)  
Section 19 (Monitoring and Audits)  
Section 21 (Compliance with Laws, Rules, and Regulations)  
Section 22 (Public Works and Construction)  
Section 23 (Conflict of Interest)  
Section 26 (Release of Information)  
Section 31 (Jurisdiction and Venue)  
Section 32 (Waiver)

### **30. Flow-Down Provisions**

Sub-Recipient shall include the following provisions in all agreements entered into containing funds provided under this MOU, require the provisions below that survive expiration or termination of this MOU to survive, and shall include a requirement in all agreements that each of them in turn include the requirements in all contracts and subcontracts they enter into to perform work under the Project. SCAG does not have a contractual relationship with Sub-Recipient's Consultant(s), and Sub-Recipient shall be fully responsible for monitoring and ensuring compliance with these provisions.

Section 3.c. (Scope of Work and Sub-Recipient's Responsibilities – nexus to REAP 2.0)  
Section 3.e. – 3.g. (Scope of Work and Sub-Recipient's Responsibilities – procurements)  
Section 3.k. (Scope of Work and Sub-Recipient's Responsibilities – penalty of perjury)  
Section 5.e. (Funding – repayment of ineligible costs)  
Section 6 (Invoices)  
Section 7 (Reporting)  
Section 8 (Accounting)  
Section 9 (Allowable Uses of Grant Funds)  
Section 10 (Work Products)  
Section 13 (Insurance)  
Section 14 (Indemnification)  
Section 18 (Records Retention)  
Section 19 (Monitoring and Audits)  
Section 20 (Small Business and Disabled Veterans Business Enterprise Participation)  
Section 21 (Compliance with Laws, Rules, and Regulations)  
Section 22 (Public Works and Construction)  
Section 23 (Conflict of Interest)  
Section 24 (Independent Contractor)  
Section 25 (Assignment)  
Section 26 (Release of Information)



Upon SCAG's request, Sub-Recipient shall provide SCAG a copy of any such agreement.

### **31. Jurisdiction and Venue**

This MOU shall be deemed an agreement under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. Subject to the provisions in Section 15, the Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that the venue of any action brought thereunder shall be Los Angeles County, California.

### **32. Waiver**

No delay or failure by either Party to exercise or enforce at any time any right or provision of this MOU shall be considered a waiver thereof of such Party's right thereafter to exercise or enforce each and every right and provision of this MOU. A Waiver to be valid shall be in writing but need not be supported by consideration. No single waiver shall constitute a continuing or subsequent waiver.

### **33. Standard of Care**

Sub-Recipient and its Consultant(s) shall perform the work required for the Project under this MOU in accordance with generally accepted industry standards, practices, and principles applicable to such work.

### **34. Force Majeure**

Neither Party shall be liable or deemed to be in default for any delay or failure in performance under this MOU or interruption of services resulting, directly or indirectly, from acts of nature, civil or military authority, acts of public enemy, war, strikes, labor disputes, pandemics, or any other similar cause beyond the reasonable control of the Parties, provided that the Party seeking to delay or excuse its performance as a result of such event shall notify the other Party in writing of such circumstances within not more than ten (10) days following the first occurrence of the event forming the basis of the delay or excuse of performance. In the event that the Party seeking to delay or excuse its performance fails to timely deliver the notice described in the previous sentence, then such event shall not relieve the Party from its timely performance.

### **35. Entire MOU**

This MOU, comprised of these terms and conditions, the attached exhibits, and any properly executed amendments, represents and contains the entire agreement of the Parties with respect to the matters set forth herein. This MOU supersedes any and all prior negotiations, discussions and, if any, previous agreements between the Parties with respect to the matters set forth herein.

### **36. Execution**

This MOU, or any amendments related thereto, may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The signature page of this MOU or any amendments may be executed by way of a manual or authorized digital signature. Delivery of an executed counterpart of a signature page to this MOU or

an amendment by electronic transmission scanned pages shall be deemed effective as a delivery of a manually or digitally executed counterpart to this MOU or any amendment.

**37. Effective Date**

This MOU shall be effective ("[Effective Date](#)") as of the last date on which the document is executed by all Parties.

**38. Authority**

Sub-Recipient warrants and certifies that it possesses the legal authority to execute this MOU and to undertake the Project, and, if applicable, that a resolution, motion, or similar action has been fully adopted or passed, as an official act of Sub-Recipient's governing body, authorizing receipt of the Grant Funds, and directing and designating the authorized representative(s) of Sub-Recipient to act in connection with the Project and to provide such additional information as may be required by SCAG.

**[The remainder of this page is intentionally left blank. Signatures on following page.]**

**SIGNATURE PAGE TO  
MEMORANDUM OF UNDERSTANDING  
NO. M-0XX062-25X**

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be executed by their duly authorized representatives as of the dates indicated below:

**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (“SCAG”)**

By: \_\_\_\_\_  
Cindy Giraldo  
Chief Financial Officer  
Date \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Richard Lam  
Senior Deputy Legal Counsel  
Date \_\_\_\_\_

**City of Los Angeles (“Sub-Recipient”)**

By: \_\_\_\_\_  
Tiena Johnson Hall  
General Manager, Los Angeles Housing Department[KM1]  
Date \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Name Barak Vaughn  
Title: Deputy City Attorney  
Date \_\_\_\_\_

City of Los Angeles

Tiena Johnson Hall, General Manager  
Tricia Keane, Executive Officer

Anna E. Ortega, Assistant General Manager  
Luz C. Santiago, Assistant General Manager  
Craig Arceneaux, Acting Assistant General Manager



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT  
1910 Sunset Blvd., Ste 300  
Los Angeles, CA 90026  
Tel: 213.808.8808

housing.lacity.gov

August 27, 2025

Council File: NEW  
Council Districts: Citywide  
Contact Persons: Jackie Cornejo (213) 928-9050  
Mariano Napa (213) 999-1265  
Yaneli Ruiz (213) 808-8951

Honorable Karen Bass  
Mayor, City of Los Angeles  
200 N. Spring Street  
Room 303, City Hall  
Los Angeles, CA 90012

Attention: Legislative Coordinator

**COUNCIL TRANSMITTAL: REGIONAL EARLY ACTION PLANNING (REAP) 2.0 PROGRAM  
AUTHORIZATION TO ACCEPT AWARD AND EXECUTE MEMORANDUM OF UNDERSTANDING**

**SUMMARY**

The General Manager of the Los Angeles Housing Department (LAHD) seeks approval to enter into a Memorandum of Understanding (MOU) with the Southern California Association of Governments (SCAG) and to receive grant funds from SCAG for activities related to Regional Early Action Planning (REAP 2.0) Subregional Partnership Program. Under REAP 2.0's Housing Infill on Public and Public Lands (HIPP) Program, the MOU is for approximately thirteen (13) months, and work must be performed by June 30, 2026. SCAG is working on obtaining an extension so that all grant recipients will be provided with additional time to complete the scope of work, but that is dependent on the state budget process.

The grant will be primarily used to support financial analysis and technical studies associated with new strategies to maximize affordable housing production on public land in a more sustainable and time efficient manner under Mayor Bass's Executive Directive 3, which directed departments to identify city-owned properties that are vacant, surplus, or underutilized.

**RECOMMENDATIONS**

- I. That the Mayor review this transmittal and forward to the City Council for further action;
- II. That the City Council, subject to the approval of the Mayor:
  - A. AUTHORIZE the General Manager of the Los Angeles Housing Department (LAHD), or designee, to accept Regional Early Action Planning (REAP) 2.0 grant funds on behalf of the City of Los Angeles

totaling up to \$2,250,000 and obligate the funds retroactively to no later than June 30, 2024, as required under California Health & Safety Code Sec. 51015.10;

- B. AUTHORIZE the General Manager of LAHD, or designee, to enter into a Memorandum of Understanding (MOU), subject to the approval of the City Attorney as to form and legality, with the Southern California Association of Governments to facilitate planning and housing related work under REAP 2.0 for the term ending June 30, 2026;
- C. AUTHORIZE the General Manager of LAHD, or designee, to lead the coordination, partnership, and preparation of progress reports or any related documents with REAP 2.0 grant requirements;
- D. AUTHORIZE the City Clerk to place on the agenda of the first available regular City Council meeting, or shortly thereafter; and
- E. AUTHORIZE the Controller to:
  - 1. Record a grant receivable in the amount of \$2,250,000 within the LAHD Small Grants and Awards Fund No. 49N/43.
  - 2. Establish new accounts and appropriate funds within Fund 49N- LAHD Small Grants and Awards as follows:

Account	Account Name	Amount
43CD51	REAP 2.0 Grant – HIPP	\$1,875,000.00
43C143	Housing	\$224,081.27
43C299	Reimbursement of General Fund Costs	\$150,918.73
	Total:	\$2,250,000.00

- 3. Increase appropriations in the amount of \$224,081.27 in account 001010 - Salaries General within Fund 100/43.

- F. AUTHORIZE the General Manager of LAHD, or designee, to prepare Controller's instructions to make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Office, and, INSTRUCT the Controller to implement the instructions.

## **BACKGROUND**

The Regional Early Action Planning (REAP) 2.0 Program was established under Assembly Bill 140. It builds on the success of REAP 1.0 and expands the program focus by integrating housing and climate goals and allowing for broader planning and implementation investments, including infrastructure investments that support infill development that facilitates housing supply, choice, and affordability. The City of Los Angeles received \$8.1

million under REAP 1.0 for activities related to the development and implementation of the 2021-2029 Housing Element under LAHD and the Department of City Planning (C.F. No. 20-1637).

The California State Legislature and Governor Gavin Newsom approved the Budget Act of 2024, which restored \$560 million for REAP 2.0 program grants, with \$480 million specifically for metropolitan planning organizations. SCAG received a final award allocation from the California Department of Housing and Community Development (HCD) of \$231.5 million.

The REAP 2.0 program objectives are as follows:

- Accelerate infill development that facilitates housing supply, choice, and affordability.
- Affirmatively further fair housing.
- Reduce Vehicles Miles Traveled (VMT)

#### Housing Infill on Public and Private lands (HIPP) Pilot Program

The Housing Infill on Public and Private lands (HIPP) pilot program that is part of REAP 2.0 makes \$8,000,000 available as one-time grants to local jurisdictions within the SCAG region to:

1. Scale development of surplus and/or excess publicly owned lands, or other underutilized privately owned land, that can be redeveloped with affordable or mixed-income housing and ancillary neighborhood serving businesses and supporting infrastructure; and
2. Support eligible applicants with regulatory land use control to develop and implement policies and initiatives within a corridor-wide or area-wide target area, focused on infill housing and based on justice, equity, diversity, and inclusion.

The HIPP pilot program will provide consultant support and technical assistance through the pre-development phase including, but not limited to, site identification, feasibility and environmental assessments, project scoping and sponsor/developer selection, community engagement, master planning, and engineering. SCAG will establish a bench of consultants in compliance with state and federal procurement standards to conduct studies supporting the participating entities to identify, assess, and move available lands into development with an affordable housing component. LAHD will only utilize consultants approved through SCAG's procurement process, which is compliant with the grant requirements. A copy of the City's HIPP Application is included here as Attachment A, and a copy of the REAP 2.0 Award Letter is included here as Attachment B.

#### LAHD's Land Development Program

In response to the City's affordable housing crisis and to meet the City's and Mayor's objective of creating new affordable housing, LAHD created the Land Development program to develop publicly owned land into affordable housing. This program oversees the disposition of properties transferred to LAHD from the former CRA/LA, the Los Angeles Department of Transportation (LADOT), as well as surplus land identified by the Office of the City Administrative Officer (CAO) as part of the Affordable Housing Opportunity Sites (AHOS) program. The Land Development Unit (LDU) within the Housing Development Bureau implements this program and leverages such properties for the creation of affordable or supportive housing across the City. The LDU will be leading program development and implementation of REAP 2.0 Activities.

## **DISCUSSION**

### **Overview of Project Activities**

Mayor Bass issued Executive Directive 3 (ED 3) in February 2023, which directed departments to identify City-owned properties that are vacant, surplus, or underutilized. Over 3,300 sites were reviewed according to a preliminary set of criteria, which resulted in identifying over 30 sites that could be developed into affordable housing. LDU also has other sites that could be opportunities for affordable housing development. Feasibility analyses will help the City prioritize sites. The identified sites would undergo further analysis to help establish the scope of future Request for Proposals (RFPs) once a revised asset disposition framework is developed and approved. Preliminary analysis will review the zoning potential and/or need for rezoning, physical characteristics, environmental conditions, and will include a focus on replacement parking requirements for targeted City parking lots. Sites forwarded for additional consideration will be analyzed across a range of housing types best suited for each site along with a financial feasibility study. The product result will be a revamped program framework used for disposition of the most optimal sites.

A revamped disposition framework for developing affordable housing on public land will contribute to meeting the City's Regional Housing Needs Assessment (RHNA) and Housing Element goals. The City was allocated 456,643 housing units in the 6th Cycle RHNA, with 259,812 designated for very-low, low, and moderate income households. Specifically, Program No. 15 of the City's Housing Element aims to "increase the utilization of public land for affordable housing with particular emphasis in high resource and gentrifying areas." The proposed REAP 2.0 project will enable City investment to pursue upfront due diligence, including identifying any needed site remediation, which will provide greater certainty about the entitlement process and development costs. This will then reduce the time and cost to deliver new housing on these parcels and support realization of the City's RHNA goals. Moreover, many City-owned sites are small or irregularly shaped and thus are ill-suited for large scale development individually. Program 103 of the Housing Element, titled Missing Middle, aims to enable a greater range of housing types such as multiplexes, townhomes, or any other typologies that will allow for denser housing on smaller or irregularly shaped sites. The work plan proposed for this grant will realize Program Nos. 15 and 103, to produce a greater variety of housing typologies, and to ensure increased production of affordable housing on sites that are otherwise undeveloped or underdeveloped.

The project activities also aim to affirmatively further fair housing by providing more affordable housing in high resource areas that historically have not produced homes for low-income households thereby creating more mixed-income communities. In addition, sites located in historically disadvantaged communities will be redeveloped to provide high-quality housing and improve quality of life for current residents.

Mayor Bass's ED 3 also identified undeveloped and underutilized land owned by the City. Several of the sites identified through ED 3 are located in high or the highest resource areas identified through the California Tax Credit Allocation Committee's (CTCAC) Opportunity Maps, and developing these sites would provide affordable housing opportunities in areas with greater resources. These sites have the potential to accommodate affordable housing near existing job and transit centers as well as areas with community serving amenities. Program activities will focus on a greater range of affordability than allowed through traditional tax credit financing of housing. The financial modeling and feasibility analysis will determine the optimal combination of household income mixes, with the goal of maximizing the number of deeply affordable units that can be cross subsidized with minimal public capital or operating subsidies. This income mix is intended to create more inclusive communities and balanced living patterns.

Subgrantees awarded funds under REAP 2.0 need to comply with the MOU, of which a template is included in substantially final form as Attachment C. The detailed Scope of Work can be found in under Exhibit A to the MOU – Scope of Work, which is included here as Attachment D to this transmittal. The budget for the work proposed under the HIPP Grant is show in the table below:

<b>REAP 2.0 – HIPP Grant Budget</b>		
<b>Task #</b>	<b>Task Title</b>	<b>Activity Cost</b>
<b>1</b>	<b>Project Management and Coordination</b>	<b>\$60,000</b>
1.1	Project Kick Off Meeting	\$5,000
1.2	Project Management Plan and Schedule	\$10,000
1.3	Project Management Meetings	\$15,000
1.4	Monthly Invoicing and Reporting	\$10,000
1.5	Project Close Out Files	\$10,000
1.6	Reap Metrics Data Collection and Reporting	\$10,000
<b>2</b>	<b>Public Outreach</b>	<b>\$70,000</b>
2.1	Launch Meeting	\$5,000
2.2	Outreach and Engagement Plan	\$25,000
2.3	Outreach Events and Summary	\$35,000
2.4	Closing Meeting with City Departments	\$5,000
<b>3</b>	<b>Due Diligence Analysis</b>	<b>\$450,000</b>
3.1	Financial feasibility and affordability	\$150,000
3.2	Zoning and Land Use Analysis	\$50,000
3.3	Environmental Screening	\$250,000
<b>4</b>	<b>City-Owned Parking Lot Analysis</b>	<b>\$550,000</b>
4.1	Utilization Studies	\$100,000
4.2	Economic Impact Study	\$100,000
4.3	Physical Analysis	\$100,000
4.3	Zoning and Land Use Analysis	\$50,000
4.5	Environmental Screening	\$200,000
<b>5</b>	<b>Financial Feasibility Analysis</b>	<b>\$870,000</b>
5.1	Financial Feasibility and Affordability Analysis	\$700,000
5.2	Study of William Meade Homes	\$70,000
5.3	Civic Center Redevelopment Studies	\$100,000
<b>6</b>	<b>Program Framework (Action Plan)</b>	<b>\$175,000</b>
6.1	Catalogue of Potential Sites for Development	\$75,000
6.2	Recommendations for Developing Public Land	\$50,000
6.3	Funding Plan and Timeline	\$25,000
6.4	Draft Transmittal to City Council	\$25,000
<b>7</b>	<b>Public Hearings and Adoption</b>	<b>\$50,000</b>
7.1	Final Report and Presentation	\$25,000

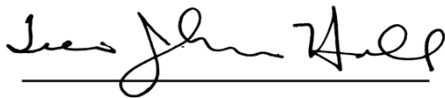


7.2	Public Hearings	\$25,000
8	Project Report	\$25,000
8.1	City Owned Land Strategy Report	\$25,000
	<b>Total</b>	<b>\$2,250,000</b>

### **FISCAL IMPACT**

There is no General Fund impact. Grant funds are available on a reimbursement basis per proper submission of consultant invoices and any other supporting documentation, per an alternative arrangement agreed upon by SCAG due the City's fiscal situation. This alternative arrangement for reimbursement is for the life of the grant agreement.

Approved By:



TIENA JOHNSON HALL  
General Manager  
Los Angeles Housing Department

### **ATTACHMENTS:**

Attachment A - City of Los Angeles HIPP Application  
Attachment B - REAP 2.0 Award Letter  
Attachment C - Draft Memorandum of Understanding  
Attachment D - MOU Exhibit A (Scope of Work)



# HOUSING INFILL ON PUBLIC AND PRIVATE LANDS (HIPP) PROGRAM APPLICATION

*Scaling up development of available land, large corridor-wide or area-wide infill housing policies and initiatives.*

Issued: May 10, 2023

Submit completed applications along with all required attachments to: [housing@scag.ca.gov](mailto:housing@scag.ca.gov)

Responses due by 5:00 p.m. on July 10, 2023

**Applications can be submitted at any time during the application period. SCAG will consider all applications submitted during the application period received at the closing time and day.**

More information at: [www.scag.ca.gov/reap2021](http://www.scag.ca.gov/reap2021)

Submit questions or request additional information by email with “HIPP Application” in the subject line to: [housing@scag.ca.gov](mailto:housing@scag.ca.gov)

Southern California Association of Governments

900 Wilshire Blvd., Ste. 1700

Los Angeles, CA 90017

to: [housing@scag.ca.gov](mailto:housing@scag.ca.gov)

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## Introduction

The Housing Infill on Public and Private lands (HIPP) pilot program makes \$8,000,000 available as one-time grants<sup>1</sup> to:

1. Scale development of surplus and/or excess publicly owned lands, or other underutilized privately owned land that can be redeveloped with affordable or mixed income housing and ancillary neighborhood serving businesses and supporting infrastructure, and/or
2. Support eligible applicants with regulatory land use control to develop and implement policies and initiatives within a corridor-wide or area-wide target area, focused on infill housing and based on justice, equity, diversity, and inclusion.

Depending on interest in the program, funding requests could be awarded in full or in part. Eligible applicants are broadly construed to include, but not be limited to entities that are in control of underutilized, surplus, or excess lands available for inventory and assessment for development of affordable housing, and entities with regulatory land use control. Applicants may include a public agency, a transit agency or district; a city; a county; Tribal Entity; public housing authority; academic institution; water or other utility districts/providers, or land trust or other land holder or regulator.

### Summary

SCAG will develop a bench of consultants and initiate studies supporting the participating entities identify, assess, and move available lands in infill areas into development with an affordable housing component, and scale housing capacity in infill areas and corridors. Studies completed could include site feasibility and readiness assessments for development potential and environmental screening, competitiveness for state funding, capacity to attract partnerships and philanthropic investment, and other factors that could contribute to successful affordable housing and mixed-use projects.

**Scaling Up Development of Available Land.** The pilot program will provide consultant support and technical assistance including support through the pre-development phase including but not limited to site identification; feasibility and environmental assessments; project scoping and sponsor/developer selection; community engagement; master planning; and engineering. SCAG will develop a bench of consultants and conduct studies supporting participating entities identify, assess, and move available lands into development with an affordable housing component. Studies completed could include site feasibility and readiness assessments for development potential and environmental screening, competitiveness for state funding, capacity to attract partnerships and philanthropic investment, and other factors that could contribute to the successful development of available land. The site feasibility and readiness assessments will be based first on alignment with existing transit and utilities infrastructure, and secondarily on future planned investments. Projects targeted for these funds should provide opportunities to explore large scale development/redevelopment of a site or scattered sites as well as innovative models to streamline delivery of affordable and mixed income housing. Innovative models may include concepts such as new financing mechanisms, standard designs or even design/build competitions. This component of the HIPP pilot program is focused on a specific site or scattered sites

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<sup>1</sup> The REAP 2.0 Grant Program funding source is State General Funds.

for development, and where the applicant can demonstrate that it is possible for construction to begin within 5 years of award.

Depending on interest in the Pilot Program, SCAG may allocate some funding for the development of templates for affordable housing transactions (such as standard Request For Proposals (RFP) and resultant legal documents) and feasibility studies paired with resources to begin development activity and/or to consider multiple multi-year development scenarios and alternative financing strategies for development of publicly and privately owned lands.

**Corridor-Wide or Area-Wide Infill Housing Policies and Initiatives.** Moving beyond site specific development, the HIPP pilot program provides flexibility for eligible applicants with regulatory land use control to develop and implement policies and initiatives within a corridor-wide or area-wide infill area, with a focus on housing and affordable housing based in justice, equity, diversity, and inclusion. Proposed projects or policies should be consistent with the programs included in the local 6<sup>th</sup> Cycle Housing Element. Supported activities can include funding for technical assistance, staffing and consultants, community engagement, peer learning cohorts, data, and mapping. Eligible activities must lead to an adoptable/implementable deliverable that meets REAP 2.0 Program Goals:

- *General Plan Amendments, Specific Plans, Development Guidelines and Standards, and Rezoning for Housing Element Implementation and Compliance* – Corridor-wide or area-wide general plan amendments and code changes and zoning-based housing and affordable housing incentives focused on large scale overlay districts or other incentive programs, local density bonuses, reduced parking minimums and/or parking maximums, and as-a-right development approval.
- *Environmental Clearance and Permit-Streamlining Facilitating Affordable Housing* – Jurisdictional and agency-wide reductions in process and timing for residential/residential-mixed use approvals resulting in quantifiable cost and/or time savings. Preparation of required environmental review documents for corridor-wide or area-wide plans that facilitate housing development with an affordable component that could foreseeably begin construction in five years, including but not limited to CEQA and NEPA, Coastal Commission approval, Department of Toxic Substances Control review or other clearances.
- *Increasing Affordable Supply and Preventing Displacement* – Corridor-wide and area-wide policy or projects increasing the supply, availability, and access to housing at below market rate rental and ownership prices. Projects focused on preventing jurisdiction-wide, corridor-wide, or area-wide displacement and loss of existing affordability. Funding can support the creation of inclusionary housing rental and homeownership programs, transfer of development rights and other approaches achieving a mix of housing types, and rental and sales price ranges that set aside housing at or below the area median income. Eligible uses also include enabling programs and strategies for preventing loss of existing affordable housing in the speculative real estate market, extending expiring affordability covenants, establishing community or tenant opportunity to purchase programs, and other programs achieving a quantifiable benefit for preserving existing affordability and preventing displacement.
- *Other Strategies Accelerating Housing and Affordability* – Large-scale transformative jurisdictional, corridor-wide, or area-wide projects not otherwise described above can be proposed but must meet all program requirements and have a strong nexus to housing supply, choice and affordability, or preventing displacement. Such projects will be evaluated on a case-by-case basis.

For more information on the HIPP Pilot Program and PATH program as a whole, visit: [www.scag.ca.gov/reap2021](http://www.scag.ca.gov/reap2021). Here you will find the PATH guidelines, the funding applications, and information and resources to assist in filing a complete application.

### Office Hours

SCAG staff is available to respond to questions and discuss proposed projects. Staff will begin holding weekly office hours once the call for applications period opens. An applicant does not need to have a project fully developed to participate in one-on-one consultations. Efforts will be made to accommodate meeting requests. There is no limit to the number of meetings possible. Interested applicants can visit SCAG's REAP 2021 webpage at: [www.scag.ca.gov/reap2021](http://www.scag.ca.gov/reap2021) to schedule an appointment.

Please email questions to [housing@scag.ca.gov](mailto:housing@scag.ca.gov) with the subject line "HIPP Application." Inquiries made by any other means will not be answered. Effort will be made to respond within two (2) business days. During each call for applications, staff will post all questions received along with responses. This will be done in batches on the REAP 2021 webpage.

Feedback on an application or a proposed project shared by SCAG staff should not be considered an indication the proposed application or project will be awarded funding.

### Selection Process

The application will be made available when the call is announced. The call will specify the period during which applications will be accepted. While the call is open, an applicant may amend a response that has been submitted up to the response due date and time (close of the call). Once the call is closed, no further amendments are allowed. Applicants are encouraged to take advantage of SCAG's technical assistance that is available. More information is provided below and at [www.scag.ca.gov/reap2021](http://www.scag.ca.gov/reap2021).

SCAG staff will review all responses received during the open call in two (2) stages: 1) Completeness (see the application submittal checklist) and 2) Technical Scoring and Evaluation.

The Completeness Review evaluates the completeness of the application and compliance with the submittal requirements. If all requirements are not met, SCAG staff will notify the applicant that the application is incomplete and will not be considered. Submitted application materials will not be returned. Results of the Completeness review are final and may not be appealed. SCAG may, in its sole discretion, request clarification of any portion of an application from the applicant and its applicant team.

Applications that pass Completeness Review move to Technical Scoring and Evaluation, which evaluates projects based on the Project Application Scoring Criteria. All complete applications will be evaluated by a selection panel using the scoring rubric and evaluation criteria provided in Section 3 and Section 4 of the application. The selection panel may request additional information from applicants related to the scoring criteria. The selection panelists' scores for each application will be compiled to produce the final score. The selection panel will then meet to determine the final ranking of applications. Applicants will be notified of their score. Selected applications will be issued a conditional award letter and recommended for funding to the Regional Council. All conditional awards are provisional until approved by the Regional Council.

### Selection Process Timeline

The following selection process timeline has been developed for the HIPP Pilot Program, subject to change.

<b>Housing Infill on Public and Private Lands (HIPP) Pilot Program</b>	
Application Period and materials available:	May 10, 2023
Application Workshop:	May 24, 2023
Application Period, Consultation and Office Hours:	May 10 – July 10, 2023
Application Due Date: (Applications can be submitted prior to but will be considered after the application due date)	July 10, 2023 Closes at 5:00PM PDT
Evaluation Period:	July – August 2023
Conditional Notice of Awards issued:	September 2023
Regional Council Approval of Awards:	October 2023 (tentative)
Initiate Funding Agreements:	Winter 2023

...

## Application

To be considered for the HIPP Pilot Program, the applicant must be eligible and file a completed application with all required attachments before the close of the call for applications.

### Submittal Checklist

Please check each box in the lists below as each is completed.

The application includes the following sections, which must be filled out completely:

- ☒ Section 1. Application Terms and Signature
- ☒ Section 2. Minimum Requirements
- ☒ Section 3. Contact Information and Project Description
- ☒ Section 4. Evaluation Criteria

The following attachments must accompany the completed application:

- ☒ Budget – Timeline – Scope – Deliverable (Use Provided Template)
- ☒ Measurable Outcomes (Use Provided Template provided)
- ☒ Project Area Maps (Three maps: 1) Map showing that the project area meets the definition of infill; 2) Map depicting the Disadvantaged Communities and Communities of Concern support by the project; 3) Map of the Priority Growth Area(s) in the project area). Guidance on creating and saving the maps is provided at <https://scag.ca.gov/programs-accelerate-transformative-housing-path>.
- ☒ Letter of Support (from a third-party organization that the project meets local housing needs)

### Submittal Instructions

The application must be submitted in pdf format with supporting materials with excel based templates in excel format. All documents should be submitted as separate files.

The application package must be submitted as an attachment to an email sent to: [housing@scag.ca.gov](mailto:housing@scag.ca.gov) with “HIPP Application” in the subject line. An emailed drop box link is also acceptable.

Responses are due by 5:00 p.m. by July 10, 2023.

Applications can be submitted at any time while the call is open. SCAG will consider all responses submitted during the open call as received at the closing time and day.

### Technical Assistance Available

While the call is open, an applicant may amend a response that has been submitted up to the response due date and time (close of the call). Once the call is closed, no further amendments are allowed.

Applicants are encouraged to take advantage of SCAG’s technical assistance during the open call, which includes information posted on the REAP 2021 webpage, assistance with questions during weekly office hours, and the option to schedule a one-on-one meeting to discuss the application, proposed project(s), and submittal requirements.



For information about technical assistance available, visit <https://scag.ca.gov/programs-accelerate-transformative-housing-path>.

### Administrative Provisions

#### *SCAG's Rights and Responsibilities*

SCAG reserves the right to change the requirements and policies described in this Program Application at SCAG's sole discretion. SCAG is responsible only for what is expressly stated in the Program Application, any authorized written addenda, and any posted Questions and Answers. Such addenda shall be made available to each person or organization via SCAG's REAP 2021 webpage ([www.scag.ca.gov/reap2021](http://www.scag.ca.gov/reap2021)). It is the responsibility of applicants to ensure, prior to submission, that their application reflects the most recent addenda information, program requirements, and policies. By submission of an application, each applicant acknowledges receipt of all addenda, if any, that are emailed or posted on the SCAG REAP 2021 website. SCAG is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf if those representations conflict with Program Application requirements.

#### *SCAG'S Discretion*

SCAG reserves the right, in its sole discretion, to disqualify any application that is incomplete, out of order, lacks required attachments, or contains other content errors, inconsistencies, misrepresented information, or other deficiencies. Forms provided in the Program Application must be used and information provided otherwise may be disregarded at SCAG's discretion. SCAG reserves the right to waive disparities in a proposal if the sum and substance of the application is present. Furthermore, SCAG reserves the right to terminate this program at any time without prior notice.

#### *Cost of Application Preparation*

The cost of application preparation shall be borne by the applicant. In no event shall SCAG be liable for any expenses incurred in the preparation and submission of the application.

#### *Application is Property of SCAG*

Once submitted, each application becomes the property SCAG and becomes a public record. SCAG is not liable for the public disclosure of any information contained in an application.

#### *Encumbrance and Expenditure Periods*

All funding awards must be encumbered, meaning the MOU between SCAG and the awarded applicant (sub-recipient) is executed, by January 30, 2024, unless extended in advance in writing by SCAG. Regardless of any extension funding awards must be encumbered before June 30, 2024. To meet the state program deadline and receive reimbursement, all invoices must be submitted to SCAG no later than December 31, 2025, unless extended in advance in writing by SCAG. SCAG cannot guarantee invoices received after this date will be reimbursed. Regardless of any extension granted, all funds must be fully expended and final reports submitted to SCAG before June 30, 2026.

### Section 1. Application Terms and Signature

A person duly authorized to sign for the organization (city manager, general manager, executive director, planning director or equivalent) must sign and certify the application. If this application is selected for funding, the information contained in this application will become the foundation of a funding agreement with SCAG. Applicants should be aware that SCAG may place stipulations on the project as a condition of the approval. These will be noted at the time of the funding recommendation. SCAG can also withdraw funding if the agency does not comply with the terms of the funding agreement.

Funding available under this Program Application is dependent upon SCAG's receipt of Regional Early Action Planning Grant (REAP 2.0) funds from the State of California. In the event funds offered through this Program Application are not available, SCAG, at its sole discretion, may terminate its obligations resulting from this Program Application.

SCAG reserves the right, in its sole discretion, to reject any and all applications in whole or in part.

Acceptance by SCAG of an application under this Program Application constitutes agreement by the applicant as to all terms, conditions, requirements, and rules of the application but does not constitute a contract or commitment of any kind.

- ☒ I confirm that I have reviewed the Submittal Checklist and that all application sections and required attachments have been filled out completely and will be submitted together following the Submittal Instructions.
- ☒ To the best of my knowledge, all information contained in this application is true and correct. If awarded funding from SCAG, I agree that I will adhere to the program guidelines, as well as provide a local resolution evidencing authorization to execute a funding agreement and receive funds.

**Signature**

07/10/2023

**Date**

Eric Claros

**Print Name**

Director of Housing

**Title**

City of Los Angeles Housing Department

**Organization Name**

## Section 2: Minimum Requirements

The following requirements establish eligibility to apply.

### *Section 2.1: Eligibility*

The applicant must meet the following criteria:

Eligible applicants are broadly construed to include, but not be limited to entities that are in control of underutilized, surplus, or excess lands available for inventory and assessment for development of affordable housing, and entities with regulatory land use control. Applicants may include a public agency, a transit agency or district; a city; a county; Tribal Entity; public housing authority; academic institution; water or other utility districts/providers, or land trust or other land holder or regulator.

Does your agency/organization meet the applicant eligibility requirements as described above?

- ☒ Yes  
☐ No

If your agency/organization does not meet the applicant eligibility requirements, do not proceed. Your organization is not eligible. For more information contact Jacob Noonan at noonan@scag.ca.gov.

### *Section 2.2: Project Meets Infill Definition*

Eligible projects must be entirely located in infill areas per the definition below.

Check all boxes that apply to your project. The project must be entirely within areas meeting Part A and Part B, and either Part C-1 or Part C-2. The State defines “infill”, for the purposes of the REAP 2.0 Program, as follows:

- ☒ Part A: The area consists of unused or underutilized lands
- ☒ Part B: Within existing development patterns
- ☒ Part C: That is or will be accessible to destinations and daily services by transit, walking, or bicycling and located in either:
  - ☒ Part C-1: An urban center, urban corridor, or area with transit-supportive densities, OR
  - ☐ Part C-2: An established community that meets all the following criteria:
    - ☐ 2.1: The area consists of previously consisted of qualified urban uses
    - ☐ 2.2: The area is predominantly surrounded (approximately 75 percent of the perimeter) by parcels that are developed or previously developed with qualified urban uses. In counting this, perimeters bordering navigable bodies of water and improved parks shall not be included,
    - ☐ 2.3: No parcel within or adjoining the area is classified as agricultural or natural and working lands.

Is the totality of your project located in an infill area, as defined above?

- ☒ Yes  
☐ No

If your project area meets the definition of infill, please follow the instructions provided at <https://scag.ca.gov/programs-accelerate-transformative-housing-path> to create and save an area map of your project area that visually identifies how all activities meet the definition of infill. This map must accompany your submitted application.

If your project area does not meet the definition of infill, do not proceed. Your project is not eligible.

### Section 3: Contact Information and Project Description

#### *Section 3.1: Applicant Information*

Agency or Organization Name: City of Los Angeles Housing Department

Jurisdiction (if applicable): City of Los Angeles

**Description of Agency/Organization or Mission Statement:** The Los Angeles Housing Department produces, preserves and protects safe and affordable housing for all Angelenos in all neighborhoods. It aims for a Los Angeles where all Angelenos have a safe and affordable place to call home. The department facilitates the financing of housing development projects with our business and community partners, oversees social services and housing programs that assist low-income, homeless, and special needs populations, and ensures that people with disabilities have an equal opportunity to rent, use, and enjoy housing that has received financial or other assistance from the City of Los Angeles or the Community Redevelopment Agency of the City of Los Angeles.

**Address:** 1200 W 7th St. # 100, Los Angeles, CA 90017

**Application Contact:** Eric Claros Title: Director of Housing

**Email:** eric.claros@lacity.org Phone: 213-808-8662

**Number of Applications Submitted:** 1

If your agency is submitting multiple applications, please prioritize them below by Project Title:

Priority #1:

Priority #2:

Priority #3:

#### *Section 3.2: Project Name and Location*

**Project Name:** Scaling up Housing Development on City-Owned Land

**Project Location\*\*:** City of Los Angeles, jurisdiction is city wide across all publicly-owned land sites.

\*\*For projects applying to Scaling Up Development of Available Land, please provide addresses and APNs. For projects applying to Corridor-Wide or Area-Wide Infill Housing Policies and Initiatives, please provide project area boundaries.

**Subregion or COG:** City of Los Angeles      **County:** Los Angeles

**Estimated Project Costs:** \$3,200,000

**Requested Amount:** \$3,200,000

**Local Match/Other Sources (Not Required):** City owned real estate, significant number of staff hours contributed to the successful implementation of this project.

### *Section 3.3: Project Description*

**Please include a short description for the proposed project that includes the major deliverables. The project description should align with the information you include in Section 4.3.3 and the budget, timeline, scope, deliverables, and measurable outcomes workbooks. [250-word limit]**

The three areas in the PATH Program are intended to fulfill the Housing Supportive Infrastructure Key Connection in the Connect SoCal Plan. This Key Connection aims to reduce the cost of producing housing by increasing the capacity for housing construction, reducing permit timing and process, right-sizing parking strategies, addressing sewer/water and other utility infrastructure needs, establishing tax increment financing, regional housing and land trusts, and other approaches to creating permanent affordable housing and funding sources. In your project description, please discuss how your project helps to fulfill the Connect SoCal Housing Supportive Infrastructure Key Connection.

The City of Los Angeles' "Scaling Up Housing Development on City-owned Land" project will innovate how the City uses its assets and partners with other public agencies to maximize housing production on public land in a more sustainable and time efficient manner. The grant will fund four key activities to develop the program: (1) comprehensive due diligence to review and prioritize city-owned sites identified for development; (2) focused analysis of City parking lots that can be redeveloped as housing; (3) financial and feasibility analysis to generate housing programs and creative financing approaches; and (4) development of programmatic infrastructure, including legal templates and program documents.

With this grant the City will develop a new public land development program that bundles multiple sites together, seek partnerships with other public entities to include their assets in solicitations, and explore inclusion of privately owned land.

The work will be structured to develop projects serving households across a range of incomes, offer a variety of housing types and ownership models, include known subsidy sources that will be committed to the projects upfront, and to cross-subsidize affordability throughout the portfolio. Importantly, the work funded through this grant will create an evergreen framework to scale up development of public land as well as form new partnerships with other public entities and private land owners.

The final deliverables will include RFPs for multiple publicly-owned sites within the City, which reflect the due diligence completed and financing available, along with ready-to-use legal documents and agreements for quick implementation.

### *Section 3.4: Connect SoCal Priority Growth Areas*

Priority Growth Areas (PGAs) follow the principles of center-focused placemaking and are locations where many Connect SoCal strategies can be fully realized. Projects do not need to be in PGAs to be eligible for funding. The map will help describe how your project contributes to regional transformative change, which is one of the evaluation criteria in Section 4.5.

Please use the SCAG Mapping Tool provided at the following link to create and save a map of your project area that visually identifies how all PGAs and check off which layers that apply below:

<https://maps.scag.ca.gov/portal/apps/webappviewer/index.html?id=94a15b4f502d44c6941e6c0b71818823>. Instructions for using the SCAG mapping tool are available online at

<https://scag.ca.gov/programs-accelerate-transformative-housing-path>. This map must accompany your submitted application.

- ☒ Job Centers
- ☒ Transit Priority Areas
- ☒ High Quality Transit Areas
- ☒ Neighborhood Mobility Areas
- ☒ Livable Corridors

The Sustainable Community Strategy (SCS), which begins in Chapter 3 on Page 49 of the Connect SoCal plan, provides information on each PGA:

[http://scag.ca.gov/sites/main/files/file-attachments/0903connectsocial-plan\\_0.pdf?1606001176](http://scag.ca.gov/sites/main/files/file-attachments/0903connectsocial-plan_0.pdf?1606001176).

Note: Although included as one of the Connect SoCal PGAs, Spheres of Influence do not qualify for REAP 2.0 funding.

### Section 4: Evaluation Criteria (Scored)

All applications that meet the minimum requirements in Section 2 will be scored on how the project meets: (1) the REAP 2.0 Program Objectives and SCAG Key Priorities, and (2) provides Transformative and Significant Beneficial impacts in relation to the following criteria. The maximum number of points possible for each criterion is provided in the chart below. More detail on each of the criteria is provided below as well as in Section 3.2 of the PATH Program Guidelines.

Evaluation Criteria		Unweighte d Points Possible	Weighting Factor	Percent of Total
1	Lead to a Transformative Significant Beneficial Impact	25		45%
1.1	Accelerate Infill Development that facilitates: <ul style="list-style-type: none"><li>- Housing supply,</li><li>- Choice, and</li></ul>	15	1	15%

- Affordability				
1.2	Affirmatively Further Fair Housing (AFFH)	5	3	15%
1.3	Reduce Vehicle Miles Travelled	5	3	15%
2	Equitable Targeted Outreach	10		10%
2.1	Engagement with Disadvantaged and Historically Underserved Communities	5	1	5%
2.2	Inclusive, Diverse, and Equitable Engagement	5	1	5%
3	Leverage Partnerships, Policy Match, Building Local Capacity, Ability to Complete the Project, and Cost Effectiveness	25		25%
3.1	Existing or Prior Local Policy Commitment	5	1	5%
3.2	Partnerships or Financial Match	5	1	5%
3.3	Ability to Complete the Project and Cost Effectiveness	15	1	15%
	<ul style="list-style-type: none"> <li>– Experience completing similar projects</li> <li>– Plan for ensuring project is completed on time and budget</li> <li>– Approach for ensuring cost effective use of funding</li> </ul>			
4	Prioritize Disadvantaged Priority Populations	10		10%
4.1	Disadvantaged and Historically Underserved Priority Populations	5	1	5%
4.2	Addressing Historic/Current Inequities and Priority Population Benefits	5	1	5%
5	Contributes to Regional Transformative Change	10		10%
5.1	Transformative Approaches to Scale Housing Supply	5	1	5%
5.2	Regional Impact and Applicability	5	1	5%
Total		80		100%

#### 4.1. Lead to a Transformative Significant Beneficial Impact (25 Points)

Responses must attain a point score for each of the questions in this criterion to be considered for funding. A score of less than one (1) disqualifies the application.

The following set of questions will ask you to describe how the project is a *Transformative Planning and Implementation Activity* (See definition [link to definition]) providing a *Significant Beneficial Impact* that leads to a substantial change in land use patterns, equity, and travel behaviors. Your response must attain a point score for this criterion to be considered for funding. A score of less than one (1) disqualifies the application.

Transformative Planning and Implementation Activities means:

*Housing, planning, infrastructure investments supporting Infill development that facilitates Housing supply, choice and affordability, and other actions that enable meeting Housing goals that also result in*



*Per Capita vehicle miles traveled reductions, including accelerating Infill development, supporting residents through realizing Multimodal Communities, shifting travel behavior through reducing driving, and increasing transit ridership.*

*Transformative Planning and Implementation Activities are meant to address these goals together and to lead to changes in land use patterns and behaviors. Transformative Planning and Implementation Activities shall be in furtherance of all the following:*

- a. State Planning Priorities, as described in Section 65041.1 of the Government Code.*
- b. Affirmatively Furthering Fair Housing pursuant to Section 8899.50 of the Government Code.*
- c. Facilitating Housing Element compliance for the sixth cycle Regional Housing Needs Assessment pursuant to Section 65302 of the Government Code prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.*
- d. A region's Sustainable Community Strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, or Alternative Planning Strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, as applicable.*

Significant Beneficial Impact means:

*Demonstrating the potential to meet the REAP 2.0, Connect SoCal, and PATH program objectives by establishing and supporting the infrastructure for accelerating housing supply, choice, and affordability, affirmatively furthering fair housing, and reducing VMT by transforming current corridor-wide or area-wide housing policies, site planning, financial models, predevelopment and development processes, and homeownership patterns in a significant and quantifiable manner. Significant beneficial impacts must lead to substantial changes in land use patterns and travel behaviors.*

In demonstrating significant beneficial impacts, applicants may consider rates of change (e.g., percent increase over a baseline), the magnitude of impact relative to variables or targets, the proportion of need achieved, and the impact relative to past trends, policies, and practices. Variables or targets may include but are not limited to benefitting households by income group; Regional Housing Needs Assessment; housing units (new construction, preservation/conservation, and rehabilitation); density; infrastructure; infrastructure capacity and accessibility; public space; community amenities; investments; Vehicle Miles Traveled reduction goals or targets; regional or local equity policies and programs included in an adopted RTP/SCS; and GHG reduction goals or targets.

#### ***4.1.1 Accelerate Infill Development that Facilitates Housing Supply, Choice, and Affordability (15 points)***

Each response for this criterion must score a one (1) or greater to be eligible for funding. In each response, please include information about how the project connects to and implements the Housing Supportive Infrastructure Key Connection in the Connect SoCal SCS (see Section 2.3 for more information and a link to the Connect SoCal Plan).

**A. Please describe how the project accelerates infill development that facilitates housing supply (5 Points). Describe how the project will increase the capacity to achieve housing units. This can be described as, but is not limited to, increased unit capacity in existing and newly zoned residential/mixed-use areas, permitting process improvements and standardizations, and other means**

**of increasing the ability to deliver new housing. In your response, address how the project supports achieving the RHNA. [500-word limit]**

Mayor Bass issued Executive Directive 3 (ED 3) in February 2023, which directed departments to identify city-owned properties that are vacant, surplus, or underutilized. Over 3,300 sites were reviewed according to a preliminary set of criteria, which resulted in over 30 sites that could be developed into affordable housing. As shown in the Maps in Section 4.4, sites under consideration are dispersed throughout the city, and are largely parcels surrounded by developed land, meeting the definition of infill. In addition, the Los Angeles Housing Department has 31 sites that have been identified as opportunities for affordable housing development.

The grant will create capacity through a program scaling up the development of City-owned lands, and seeks partnerships with other public agencies with land in Los Angeles and private landowners. The grant will fund: feasibility analysis and prioritization of city lands identified for development; revamping interdepartmental coordination across City departments that drive development of public lands; exploration of creative financing solutions that break away from the traditional tax credit model; facilitating relationships with other public and private sector partners that own land in the City; and creation of the programmatic infrastructure for implementation.

The feasibility analysis will help the City prioritize sites, and the identified sites would undergo further analysis that will drive the scope of future Request for Proposals (RFPs). Preliminary analysis will review the zoning potential and/or need for rezoning, utility investments, and will include a focus on replacement requirements for targeted City parking lots, and an analysis of the redevelopment potential for 5 city-owned parcels in the Civic Center redevelopment area. Sites forwarded for consideration will be analyzed across a range of housing types best suited for each site along with financial feasibility.

Working with an interdepartmental task force, the grant will facilitate standardized processes through an interdepartmental task force, scopes of work and legal documents to allow the City to more effectively facilitate and scale up development of its lands. The program will develop an approach to bundling multiple sites in the same RFP, and selecting a primary developer and/or team of developers to deliver housing. This will create economies of scale to allow the City to deliver more housing choices and affordability, and ultimately deliver units more cost effectively.

By creating a framework for developing affordable housing on public land, the city will directly aid in achieving the RHNA and Housing element goals. The city was allocated 456,643 housing units in the 6th Cycle RHNA, with 259,812 designated for very-low, low, and moderate income households. Program No. 15 of the City's Housing Element, aims to "increase the utilization of public land for affordable housing with particular emphasis in high resource and gentrifying areas". The project will enable city investment in upfront due diligence, including identifying needed utility investments, which will provide greater certainty about the entitlement process and development costs, which will reduce the time and cost to deliver new housing on these parcels and support realization of the RHNA goals.

**B. Please describe how the project accelerates infill development that facilitates housing choice (5 Points). Describe how the project will expand the types of housing possible. This can include, but is not limited to, increasing the ability to achieve housing types not common but for which there is an identified need in the community. Some examples of housing types include 2–4-unit properties, townhomes, limited-equity and shared equity co-operatives, and mid- and large-scale apartments and condominium projects. In your response, address how the project supports achieving the jurisdiction’s 6th cycle RHNA allocation. [500-word limit]**

As noted above, the majority of publicly owned sites identified for study are infill sites. This proposal will accelerate infill development on public land through the hiring of a consultant to perform land use and financial feasibility analysis for targeted sites, with the goal of identifying a range of housing types as well as household income levels that can be served.

Several of the sites identified in ED 3 are between 5,000 and 10,000 square feet, which is typically considered too small by the city to be feasibly developed into housing. If awarded, the City will carve out a limited number of these sites to examine the design and financial feasibility for smaller lot developments that meet housing element goals of missing middle housing such as townhomes and lower scale/low density multifamily (duplexes, triplexes, etc), and even affordable single family homes with ADUs. Within the feasibility review, the City will also examine opportunities for alternative ownership models including limited and shared equity co-operatives. This effort will also include exploration of the potential for modular or other building innovations to reduce the cost of project delivery and create more affordability. By combining several of these sites together into the same RFP, they will become more financially feasible for development. This will allow for greater production of lower density housing on sites that are otherwise undevelopable, and increase the housing choices available to low and moderate income households.

Finally, in exploring partnerships with other interested public agencies such as LACCD and other regional educational institutions, the grant will allow for exploration of models for affordable student housing and workforce housing targeting employees of these partner agencies.

The City’s adopted Housing Element is the path to realizing its RHNA goals. Program No. 15 of the city’s Housing Element seeks to rezone “Public Facilities” zoned land to allow for affordable housing by-right by 2024, with a goal of dramatically expanding the amount of housing that can be constructed on public land in the city. The goal of Program No. 15 is to develop at least 10,000 housing units for households ranging from very low to moderate incomes through a variety of housing types. Moreover, many City-owned sites are small or irregularly shaped and thus are ill suited for large scale development individually. Program 103 of the Housing Element, titled Missing Middle, aims to enable a greater range of housing types such as multiplexes, townhomes, or any other typologies that will allow for denser housing on smaller or irregularly shaped sites. The work plan proposed for this grant will realize Program 15 and 103, to produce a greater variety of housing typologies, and to ensure increased production of affordable housing on sites that are otherwise undeveloped or underdeveloped.

**C. Please describe how the project accelerates infill development that facilitates housing affordability (5 Points). Describe how the project will increase the range of rental and sales price points for housing with an emphasis on assuring lasting affordability for housing at extremely low, very low, low, and moderate ranges. In your response, address how the project supports achieving the jurisdiction's 6th cycle RHNA allocation. [500-word limit]**

The frameworks developed with the grant will create a program centered on developing affordable housing, with the majority of developments being rental housing serving extremely-low through moderate income households and mixing in market rate units. The scope includes reviewing parcels across a range of housing typologies and affordability levels, along with exploring financing models to generate the maximum number of units and consider innovative approaches to financing. The program will focus on exploring financing models that do not rely on the traditional tax credit approach and that provide sufficient operating capital to operate without ongoing public operating subsidies.

Existing public financing programs are limited, increasingly competitive, and operating subsidies are constrained, which severely limits the production capacity of affordable housing. By allowing a mix of rent and affordability levels within the projects, this program will allow cross subsidization, and will eliminate the need for publicly-funded operating subsidies.

Further, to date, the City has not committed funding upfront to projects selected for development on its lands, leaving these projects to compete with others and reducing the ability to innovate with public land development. The grant will allow for development of a solicitation process that includes commitment of funding, streamlines project delivery and potentially lowers the cost of construction.

Taken together, these approaches will ensure that the projects can remain affordable, while also allowing expanding the range of household incomes served. The financial modeling will determine the optimal rent levels for the projects developed on the identified sites, with an emphasis on finding the balance between housing at lower income levels subsidized through the inclusion of units at higher affordability levels. Packaging multiple sites into the same proposal will allow developers greater flexibility in generating an income affordability mix that will allow low and moderate income units to cross subsidize extremely and very low income units. The program will require the affordability to be maintained in perpetuity, as the City will maintain ownership of the land.

In the study of smaller sites, the program will explore a range of ownership opportunities across a range of price points. These sites may offer condos or townhomes for single family buyers or opportunities for buyers to purchase through tenants in common models or own other lower density multifamily typologies such as duplexes, triplexes, etc. Program No. 103 of the Housing Element, titled Missing Middle, aims to enable more missing middle housing typologies through updated and more flexible zoning and development standards, and will enable more affordable types of housing that can be developed on smaller or irregular shaped parcels. This in conjunction with the city's ED 3 efforts will enable more housing production on public land in the city, and create a more varied type of housing throughout the city at various affordability levels.

#### *4.1.2 Affirmatively Further Fair Housing (AFFH) (5 points)*

**Your response must score a 1 or greater to be eligible for funding. Please describe how the proposed project combats discrimination, overcomes patterns of segregation, and fosters equitable and inclusive communities. Please include meaningful actions that address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with integrated and balanced living patterns, and transforming racially and ethnically concentrated areas of poverty into areas of opportunity. [500-word limit]**

The grant funding will affirmatively further fair housing by providing more affordable housing in high resource areas that historically have not produced homes for low-income households and creating more mixed income communities. In addition, sites located in historically disadvantaged communities will be redeveloped to provide high quality housing and improve quality of life for current residents.

ED 3 identified undeveloped and underutilized land owned by the City of Los Angeles. Several of the sites identified through ED 3 are located in high or highest resource areas identified through CTCAC's Opportunity Maps, and developing these sites would provide affordable housing opportunities in areas with greater resources. These sites would produce affordable housing near existing job and transit centers as well as areas with community serving amenities.

The grant funded program will focus on a greater range of affordability than allowed through traditional tax credit financing of housing. The financial modeling and feasibility analysis will determine the optimal combination of household income mixes, with the goal of maximizing the number of deeply affordable units that can be cross subsidized with minimal public capital or operating subsidies. This income mix will create more inclusive communities and balanced living patterns.

The City will explore partnerships with other regional public entities through this program, including HACLA, LACCD, and other educational institutions. Some HACLA owned sites have already been identified for redevelopment, including the William Mead Homes. William Mead is a public housing community constructed in 1941 and 1942 with 415 units of family housing, and HACLA has identified the site for redevelopment. The grant would pay for financial feasibility analysis, as well as upfront due diligence and predevelopment activities. Redevelopment of this public housing facility will substantially improve quality of life for acutely low and extremely low income households, as well as bring in a mix of units targeted at a mix of household incomes. William Mead is located in an AB 1550 priority investment area, and in an area designated as High Segregation and Poverty by TCAC, and its redevelopment would result in greater opportunity and updated affordable housing within a concentrated area of poverty. Further sites identified by partner regional entities and through ED 3 will focus on providing new housing opportunities near high resource areas, as well as transforming areas currently concentrated with poverty into new opportunities.

#### *4.1.3 Reduce Vehicle Miles Travelled (5 points)*

**Your response must score a 1 or above to be eligible for funding. Please describe how the proposed project promotes development that reduces vehicle miles travelled and aligns housing production in infill locations consistent with the SCS (Refer to Section 2.3 for information and a link to the Connect SoCal Plan) and the state's climate targets and goals discussed in the California AB32 Climate Change**

**Scoping Plan** (<https://ww2.arb.ca.gov/our-work/programs/ab-32-climate-change-scoping-plan>)  
**[500-word limit]**

The program will promote development that reduces vehicle miles traveled through the production of infill housing. VMT reduction will happen in two ways. First is through locating housing in areas with a wealth of community serving amenities. The sites identified through ED 3 include several that are in high and highest resource areas, with access to amenities such as shops, recreational facilities, schools and healthcare. The due diligence analysis will map community assets and this mapping will be a factor driving prioritization for sites to be developed. Access to these amenities means less trips for households to meet their daily needs and thus less VMT.

Second, this program will prioritize sites that have access to high quality transit, and promote human centered design that reduces reliance on automobiles. This can further reduce VMTs by creating a lifestyle centered on alternate modes of mobility.

This program will support the Connect SoCal Plan by concentrating development in priority growth areas identified in the plan. A significant portion of the priority growth areas in the plan are located within the City of Los Angeles, and near major transportation infrastructure and high trip generating destinations. These areas are also located near existing or planned transit improvements, which provide alternatives to trips conducted in single occupancy vehicles. The program will aim to maximize the affordable housing production on publicly owned land within these areas, and this greater density will allow trips to be conducted through alternative means of transportation, or will shorten trip length and result in a reduction of VMT. This program will help realize the benefits of the Connect SoCal plan implementation by increasing the share of new regional household growth in high quality transit areas, reduce greenfield development through the development of infill publicly-owned properties, and reduce VMT by producing affordable housing near key job and transit centers.

This program will also support the Key Connections segment of the Connect SoCal Core Vision through the production of housing supportive infrastructure. The program funded through this proposal will invest in upfront due diligence and site preparation work ahead of construction, and the packaging of multiple sites together will allow for greater coordination and planning for necessary infrastructure improvements. This will allow for realized cost savings by coordinating multiple improvements within the same area, and the simultaneous development of proximate sites will allow for greater and streamlined planning of necessary improvements.

Points	Description
5	<b>Exceptional</b> - directly addresses the REAP 2.0 Program Objectives and SCAG Program Framework Core Objectives, including Connect SoCal. Transformative and Significant Beneficial impacts are high.
4	<b>Strong</b> - directly addresses the REAP 2.0 Program Objectives and SCAG Program Framework Core Objectives, including Connect SoCal. Transformative and Significant Beneficial impacts are moderate.
3	<b>Suitable</b> – directly addresses the REAP 2.0 Program Objectives and SCAG Program Framework Core Objectives, including Connect SoCal. Transformative and Significant Beneficial impacts are uncertain.

2	<b>Limited</b> – indirectly addresses the REAP 2.0 Program Objectives and SCAG Program Framework Core Objectives, including Connect SoCal. Transformative and Significant Beneficial impacts are low.
1	<b>Weak</b> – indirectly addresses the REAP 2.0 Program Objectives and SCAG Program Framework Core Objectives, including Connect SoCal. Transformative and Significant Beneficial impacts are uncertain.
0	<b>Disqualified</b> – does not meet the REAP 2.0 Program Objectives and SCAG Program Framework Core Objectives, including Connect SoCal, and transformative and Significant Beneficial impacts are negligible.

#### *4.2. Equitable Targeted Outreach (10 Points)*

Each response must score a one (1) or greater to be eligible for funding. A score of less than one (1) disqualifies the application.

##### *4.2.1 Engagement with Disadvantaged and Historically Underserved Communities (5 points)*

**Your response must score a 1 or greater to be eligible for funding. Describe your organization's experience engaging residents in Disadvantaged and Historically Underserved Communities<sup>2</sup>, EJ Areas<sup>3</sup>, and/or Communities of Concern<sup>4</sup>. If your organization has limited experience, discuss how your organization can gain experience in completing the project. [500-word limit]**

The City of Los Angeles has extensive experience in engaging residents of disadvantaged and historically underserved communities, EJ Areas, and Communities of Concern. As part of the 2021-2029 update to the Housing Element of the General Plan, the Planning Department performed a comprehensive community and stakeholder engagement effort. The city hosted multiple in-person open house Kick-Off workshops to inform the scope of the plan, including two meetings in South LA and Central LA in historically underserved communities. At these meetings, the City gathered vital public and stakeholder input, and built off initial, online outreach that was conducted in 2020. The City supplemented the Kick-Off workshops with additional online workshops, which provided participants with the same materials, information, and opportunities to submit feedback. The outreach performed as part of this plan update was centered on accessibility, with webinars held in both English and Spanish, and translation services available for the Kick-Off workshops. The City also engaged with key stakeholder groups, and convened a 63 member task force which included several local advocacy and representative organizations.

More recently, the City conducted extensive community engagement as part of its Five Year Consolidated Plan, which directs federal affordable housing and community development grant dollars for low and moderate income households. The City engaged low income and historically underserved communities through in person meetings, stakeholder outreach, and an online presentation. An in person community

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<sup>2</sup> "Disadvantaged and Historically Underserved Communities" includes concentrated areas of poverty; Areas of High Segregation and Poverty and areas of low to moderate access to opportunity (TCAC/HCD Opportunity Area Maps); Communities of Concern, Disadvantaged Communities (SB 535 Disadvantaged Communities Map), and Low Income Communities pursuant to Senate Bill 535 (De León, Chapter 830, Statutes of 2012) and Assembly Bill 1550 (Gomez, Chapter 369, Statutes of 2016); areas of high Housing cost burdens; areas with high vulnerability of displacement; areas related to Tribal Entities; and other areas experiencing disproportionate impacts of California's Housing and climate crisis. Communities included in SB 535 and AB 1550 include but are not limited to areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment, or areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects, exposure, or environmental degradation.

<sup>3</sup> "EJ Areas" are defined on Page 2 of the Connect SoCal EJ Technical Report as Transportation Analysis Zones that have a higher concentration of minority population OR low-income households than is seen in the region as a whole.

<sup>4</sup> Communities of Concern" are defined on Page 2 of the Connect SoCal EJ Technical Report as Census Designated Places and City of Los Angeles Community Planning Areas that fall in the upper one-third of all communities in the SCAG region for having the highest concentration of minority population AND low-income households.



meeting was held in the historically underserved Westlake area of Los Angeles, with in person translation services available. Prior to the meeting, the City engaged in an extensive stakeholder outreach effort, and individual meetings were held with representatives from multiple stakeholder groups. The City used this engagement both to inform the projects included within the Consolidated Plan, as well as to garner community feedback from the plan.

This type of extensive community outreach and stakeholder engagement is typical for the City of Los Angeles, and demonstrates the vast experience the city has in engaging with disadvantaged and historically underserved communities and communities of concern.

#### *4.2.2 Inclusive, Diverse, and Equitable Engagement (5 points)*

**Your response must score a 1 or greater to be eligible for funding. Describe the approach for equitable community engagement, and how community organizations and/or community leaders will be engaged early and on an ongoing basis to inform the proposed engagement strategies. In your response describe how members of disadvantaged and historically underserved communities have been or will be engaged throughout the proposed project and how their input will shape the project and outcomes. [500-word limit]**

Equitable community engagement will be a core part of the program as it enters implementation. Solicitations developed with the grant funding will require proposers to provide comprehensive engagement plans tailored to the communities where the sites are located and ensuring that historically disadvantaged and underserved populations are engaged. Community input will help shape the developments that are produced as a result of this program, and local stakeholders will be engaged throughout the development process.

Because this program will result in the development of multiple sites into affordable housing, the city will seek extensive community input as it works on feasibility, in particular around housing typologies and alternative models. The program will build on recent engagement for the City's adopted 2021-2029 Housing Element and FY24 Consolidated Plan, and in particular can work from the Planning Department's current work with the Housing Element Rezoning Program to engage stakeholders as various models are explored.

Because the program aims to package together and develop multiple publicly-owned sites throughout the city, community engagement can occur at a more neighborhood and regional level, as opposed to a site by site individual basis. This will allow residents and impacted communities to provide more contextual feedback, and will allow the city to conduct engagement for multiple proximate sites.

The City will conduct multiple in person meetings within the communities, utilize online engagement for stakeholders unable to attend in person, engage with key stakeholder and representative groups such as neighborhood councils, homeowners associations and local non-profits and community based organizations. The City will ensure that outreach is targeted to disadvantaged and historically underserved communities by providing information in multiple languages and formats including those with disabilities, through engaging with organizations that can support better access to these

communities, and by targeted in person outreach at existing community events and gatherings to meet people where they are.

As the projects undergo various stages of development, communities will be continuously engaged beginning with the predevelopment evaluation phase and continuing through the construction and initial operations of each development. The program will also benefit by partnering with other regional entities, as this will allow further targeted engagement toward each entities' constituents and stakeholders.

Points	Description
5	<b>Exceptional</b> – includes an explicit description of how stakeholders will be involved, and specifically from affected/benefitting Disadvantaged Communities and Historically Underserved Communities.
4	<b>Strong</b> - includes a description of how applicant will involve stakeholders, and specifically from affected/benefitting Disadvantaged Communities and Historically Underserved Communities.
3	<b>Suitable</b> – loosely describes how stakeholders will be involved, including from affected/benefitting Disadvantaged Communities and Historically Underserved Communities.
2	<b>Limited</b> – how stakeholders will be involved is generally described with general details on how affected/benefitting Disadvantaged Communities and Historically Underserved Communities.
1	<b>Weak</b> – engagement is minimal but includes outreach to affected/benefitting Disadvantaged Communities and Historically Underserved Communities.
0	<b>Disqualified</b> – does not include equitable targeted outreach.

#### *4.3. Leverage Partnerships, Policy Match, Building Local Capacity, Ability to Complete the Project, and Cost Effectiveness (25 Points)*

Responses to the following criteria must cumulatively score a one (1) or greater to be eligible for funding.

##### *4.3.1 Existing or Prior Local Policy Commitments (5 points)*

**Describe how the existing and prior local policy environment supports the project and will accelerate infill development that facilitates housing supply, choice, and affordability, affirmatively furthering fair housing, and reducing VMT. To demonstrate the policy environment, describe any plan, policy, ordinance, or program that your organization has completed that supports the readiness of the proposed project. [500-word limit]**

The City of Los Angeles' policy environment is centered on addressing housing and homelessness. The City's 2021-2029 Housing Element is widely lauded as a model for progressive housing policies. The City's TOC Ordinance has created a density bonus program that goes beyond State density bonus laws, and is centered on infill sites served by high quality transit. The City is in the process of its Housing Element Rezoning Program which is a 7-part program focused on citywide affordable housing incentives in commercial corridors served by transit and with access to amenities. This program will rezone for

250,000 units by February 2025. This rezoning program is concurrent with a robust Community Plan Update program, with two major plans recently approved by the City Council (DTLA and Hollywood), the Boyle Heights plan approved by the Planning Commission, and 3 plans under way in the Harbor region. The City has received its pro-housing designation and is continuing its aggressive push to meet its RHNA and address the housing needs of all Angelenos.

This policy environment is bolstered by strong political support. Since taking office in December 2022, Mayor Bass has made housing and homelessness her top priorities. ED 1 was issued by the Mayor in December 2022, and streamlines the production of 100 percent affordable housing projects that are zoning compliant by requiring city departments to expedite all necessary reviews and approvals. ED 1 has resulted in an average of six months' in time savings to approve projects. On June 13, the City Council introduced a motion that will start the process of making ED1 permanent. Showing support for infill housing and moving away from reliance on driving, on May 24th, 2023, the City Council adopted a motion directing that replacement parking will not be required when City-owned parking lots are developed with affordable housing. To support this work, the proposed grant will fund a universal study of LADOT parking lots to determine which have excess capacity such that redevelopment without replacement will not create unintended negative consequences for communities.

ED 3 was issued by the Mayor in February 2023, and identified underdeveloped and underutilized public land owned by the City of Los Angeles, which will inform the sites studied as a result of this program. The Mayor's May 15th report back on ED3 specifically calls for the work proposed in this grant, and to scale up development of publicly owned land.

#### *4.3.2 Partnerships or Financial Match (5 points)*

**Please describe, as applicable, other sources of funding and partnerships invested in the project. For other funding, please include the funding sources and terms. For partnerships, please describe the nature of the partnerships and long-term commitments from the various organizations. In your response, please describe how the project could leverage or act as a catalyst for additional investment. [500-word limit]**

The City of Los Angeles will implement this project in partnership with other regional entities. The City plans to partner with HACLA, and explore partnerships with LACCD and other educational institutions to examine the feasibility of developing publicly owned land owned by these entities within the city's jurisdiction. The city has committed to examining these entities' sites alongside those identified through the ED 3 efforts. While the partnership formation remains ongoing, it could result in sites across multiple entities bundled together for development, coordinated predevelopment and due diligence activities, and the possibility of land swaps.

This has the potential to leverage even more affordable units across the city, as more public sites would be available for development, as well as allow for a more diverse range of households to be served, as the program will target the specific needs of its partners, such as student housing and/or housing for employees of these institutions.

HACLA has already identified the William Mead Homes redevelopment project as one potential site, and the predevelopment and due diligence work funded by this program would support the redevelopment of this public housing site. This grant would fund detailed financial feasibility, environmental studies, and any other planning or environmental activities required to begin redevelopment. Similar work would be performed on any LACCD or other agency sites identified for development, and this program has the ability to coordinate development efforts across all participating entities. This would enable streamlined development, potential cost savings, and a more cohesive redevelopment effort.

The project and its partnerships also have the ability to leverage additional state or federal funding for affordable housing. HACLA has already secured a \$450,000 Choice Neighborhoods Grant from HUD for the development of a neighborhood transformation plan at William Mead, and the feasibility and due diligence analysis produced as a result of this program will support those redevelopment efforts. The City of Los Angeles recently passed Measure ULA in 2022, which dedicates funding to the production and preservation of affordable housing. 22.5% of the funds raised by Measure ULA are designated to be used for Alternative Models for Permanent Affordable Housing, which is a program aimed at greater scaling of affordable housing development. While the ULA Measure is in the process of being implemented and battling legal challenges, it will likely be fully implemented by the time this program has completed the feasibility analysis of publicly owned sites within the city. The financial feasibility work under this grant will include modeling to ensure that ULA programs defined in the initiative can be put to work immediately should the City prevail in litigation. Moreover, LACCD has allocated funding through its bond program to support the development of affordable housing on or near district land and campuses for both students and staff.

#### *4.3.3. Ability to Complete the Project and Cost Effectiveness (15 Points)*

Describe how your organization will ensure the project is successfully completed by January 30, 2026, and how cost-effective means will be incorporated.

**A. Experience completing similar projects. Describe your organization's experience completing similar projects. If the proposed project will be completed by an applicant team, describe the experience for each organization on the team. (5 Points) [250-word limit]**

The City of Los Angeles has extensive experience financing affordable housing as well as development on public land. The Los Angeles Housing Department, which will be the lead agency on this project, operates the Land Development Unit which implements the development of affordable housing on land purchased by the City. As of 2019, LAHD has 56 publicly owned properties in its land development pipeline, and regularly issues RFPs/RFQs for the development of City-owned land. The City of Los Angeles has extensive experience utilizing consultants to perform financial feasibility analyses and performing necessary community outreach, and will be able to utilize existing standards to implement this program.

HACLA regularly operates and develops affordable housing on agency owned land, and is currently undergoing an extensive effort to redevelop existing public housing complexes with modern and updated affordable housing. HACLA's Development Services Department leads the agency's real estate development activities, and has recently successfully redeveloped parts of its Jordan Downs and Pueblo Del Sol public housing complexes. Through these efforts, HACLA has replaced an older stock of public

housing with newer affordable units, and has increased the overall number of affordable units as a result.

The Mayor's Office will also support implementation of this grant, and has made the proposed grant funded work a critical component of implementing the Mayor's Executive Directive 3. Staff in the Mayor's office bring experience with interdepartmental coordination, entitlements, affordable housing development as well as direct experience with developing and leading programs to realize housing on publicly owned land.

The entities partnering in this program will utilize this experience alongside its partner regional entities to conduct similar development efforts at a greater scale, and this program will build off the successful implementation of past programs.

**B. *Plan for ensuring project is completed on time and budget. Please outline your organization's plan to ensure the project is completed on time and on budget. In your response, please discuss how your organization or applicant team will address timing delays or cost overruns. Your response should correspond to the information provided in the budget & timeline, scope and deliverables, and outcomes and metrics attachment. (5 Points) [250-word limit]***

The LAHD Land Development Unit is currently fully staffed with a total of eight dedicated people responsible for the disposition of city-owned land. The staff in the unit will take the lead in preparing the RFP and reviewing submitted applications. The planned analysis is scheduled to begin in January of 2024 which will provide approximately five months to complete the RFP process. The RFP will include language that will provide the LAHD the right to replace the consultant if they do not adhere to the submitted schedule.

The consultant will work closely with the Land Development Unit staff in order to create efficiency by providing access to the personnel with the most knowledge about the city-owned sites. This will allow the consultants to become familiar with the long histories of these sites that will prove valuable in saving time. The consultant will be required to provide frequent updates to the LAHD staff in order to help monitor their performance. In addition, there will be regularly scheduled meetings to discuss any issues that have arisen and allow LAHD staff to assist in resolving the issues.

Beyond the LAHD staff, this effort will be part of a larger interdepartmental effort being led by the Mayor's office to streamline the development of publicly owned land. In the May 15th report on ED3, the Mayor called for the formation of an interdepartmental working group consisting of all departments that manage development of publicly owned land. This working group can provide input and support as the grant funded analysis kicks off and can ensure access to any information needed on each site.

LAHD staff will conduct a quarterly assessment of the schedule of performance to adjust the workloads to correct any areas where timing delays are impacting the schedule. In the event of cost overruns, the LAHD team will identify potential funding sources that would fund this scope of work in lieu of scaling back any portion of the plan.

**C. Cost Effectiveness. Please describe the approach for ensuring cost effective uses of the funding requested. Please refer to the scope and budget when discussing how the proposal best utilizes the funding to achieve desired outcomes. Your response should correspond to the information provided in the budget & timeline, scope and deliverables, and outcomes and metrics attachment. (5 Points) [250-word limit]**

Consultants will be assisted at various stages by the Land Development Unit (LDU) in LAHD, which has extensive institutional knowledge and experience in disposition of city land. Further, as previously stated, the Mayor's office will lead an interdepartmental working group of all City agencies that engage in the disposition and development of City land, such that existing expertise can be brought to bear at every stage of the project. The funding will assist in improving the processes of the LDU and other City agencies and create an evergreen program.

The project schedule shows the first two quarters dedicated to analyzing sites, which will narrow down and prioritize sites that will be subject to further due diligence. This will be concurrent with the analysis of the public parking lots and in particular any replacement parking needs. These first steps are critical to driving program development as understanding the sites will set expectations for how much housing can be built and ensure that solicitations offer the development community the information needed to make proposals that are accurate. The third and fourth quarters are dedicated to determining what is feasible to build on the sites, exploring a range of unit types and mixes as well as the financial analysis to back up those assumptions. This work will also explore options for creative ownership and development typologies within the development schemes, as well as generate a specialized analysis of small sites that could be well suited to ownership models and/or other alternative housing models targeting lower density and smaller scale development. This work will further build the solicitations that are developed in the final stages.

The fifth and sixth quarters bring together this work to develop the form of solicitations and ensure that the City and its partners are ready to act swiftly with template legal agreements. This last stage is setting up the program infrastructure so that this process can be not only quicker, but replicated with new bundles of sites in the future.

While some of this work will happen concurrently, the proposed phasing of the work is intended to keep costs down by having the consultants focus on specific areas of work in batches rather than complete this work site by site, as well as focus more detailed financial modeling on only the sites that are most feasible. In addition, this will allow the City to learn at each stage and make decisions that drive the next stage of work. The outcomes and deliverables at each phase will drive the next phase, and will have independent utility; for example, sites that are not elevated to the next level of due diligence will still be cataloged and could be subject to future iterations of the program that is being developed. The program is designed to ensure that the ultimate outcome is achievable and replicable, as the final deliverable is the development of the RFPs that will be issued and can be used for future solicitations.

Points	Description
5	<b>Exceptional</b> - Clearly demonstrates extensive local policy, community support, and/or financial investments. Applicant has extensive experience and approach for ensuring the project will be

	completed successfully. Clearly demonstrates ability to complete the project in the REAP 2.0 timeframe and for funding requested.
4	<b>Strong</b> - Clearly demonstrates an amount of policy, partnerships, and/or financial investments. Applicant has experience and approach for ensuring the proposed project is completed successfully demonstrating ability to complete the project in the REAP 2.0 timeframe and for funding requested.
3	<b>Suitable</b> - Demonstrates a commitment to policy, partnership, or financial support. Applicant has experience and reasonably demonstrates ability to complete the project in the REAP 2.0 timeframe and for funding requested.
2	<b>Limited</b> - Demonstrates a commitment to policy, partnership, or financial support. Demonstrates ability to complete the project in the REAP 2.0 timeframe and for funding requested.
1	<b>Weak</b> – Includes possible partnerships, supporting policies, and options for building local capacity. Uncertain about ability to complete the project in the REAP 2.0 timeframe and for funding requested.
0	<b>No evidence</b> – lacks partnerships, policy match, or local capacity. Uncertain about ability to complete the project in the REAP 2.0 timeframe and for funding requested. A cumulative score of zero (0) disqualifies the application.

#### 4.4. Prioritize Disadvantaged Communities (10 Points)

##### 4.4.1 Disadvantaged and Historically Underserved Priority Populations (5 points)

Your response must score a one (1) or greater to be eligible for funding. SCAG prioritizes funding in or providing direct benefit to historically disadvantaged, underserved, underrepresented, and under resourced areas. SCAG has identified “Priority Populations” which include the designations below. These designations allow SCAG to demonstrate how funding programs have a significant geographic or region-wide benefit for disadvantaged and historically underserved communities. Projects do not need to include priority populations; however, projects must demonstrate how they support priority populations. Priority Populations include:

- ☒ **SB535 Disadvantaged Communities (CalEnviroScreen 4.0):** 1154.04, 1192.01, 1253.22, 1310.24, 1834.01, 1853.2, 1897.02, 1907.01, 1926.2, 1990.01, 1990.02, 2036.01, 2044.2, 2060.1, 2060.52, 2060.54, 2063.03, 2071.02, 2074, 2075.02, 2080.02, 2187.02, 2193, 2325, 2343.01, 2346, 2349.01, 2348, 2349.02, 2384, 2392.02, 2397.02, 2402, 2405, 2946.1
- ☒ **SCAG Communities of Concern (Defined in Section 4.2.1):** 1192.01, 1834.01, 1853.2, 1897.02, 1990.01, 1990.02, 2015.03, 2036.01, 2044.2, 2060.1, 2060.52, 2060.54, 2071.02, 2074, 2187.02, 2193, 2325, 2343.01, 2346, 2349.01, 2348, 2343.01, 2349.02, 2384, 2392.02, 2397.02, 2402, 2405, 2946.1
- ☒ **TCAC/HCD Opportunity Areas (High segregation and poverty, low resource, and moderate resource communities; affordable housing production in high resource and highest resource communities is also prioritized):** 1070.2, 1154.04, 1192.01, 1253.22, 1310.24, 1344.22, 1834.01, 1853.2, 1897.02, 1990.01, 1990.02, 1903.03, 1907.01, 1926.2, 2015.03, 2036.01, 2044.2, 2060.1,

2060.52, 2060.54, 2071.02, 2075.02, 2079.01, 2162.01, 2187.02, 2193, 2325, 2343.01, 2346, 2348, 2349.01, 2349.02, 2384, 2392.02, 2397.02, 2402, 2405, 2721, 2764, 2946.1

- ☒ **AB 1550 Communities:** 1070.2, 1154.04, 1192.01, 1253.22, 1310.24, 1834.01, 1853.2, 1897.02, 1903.03, 1907.01, 1926.2, 1990.01, 1990.02, 2015.03, 2036.01, 2044.2, 2060.1, 2060.52, 2060.54, 2063.03, 2071.02, 2074, 2075.02, 2080.02, 2187.02, 2193, 2325, 2343.01, 2346, 2348, 2349.01, 2349.02, 2384, 2392.02, 2397.02, 2402, 2405, 2946.1

Using the SCAG mapping tool, please identify the Priority Populations the project will serve. Please check the box next to all Priority Populations in the list above that will be served by the project. In the space next to each checked priority population please list the census tract number(s).

Once all Priority Populations supported have been identified, please create and save a map showing all of the Priority Populations. Instructions for using the SCAG mapping tool are available online at <https://scag.ca.gov/programs-accelerate-transformative-housing-path>. This map must accompany your submitted application.

Please note that how the project supports the identified Priority Populations must be clearly stated in Section 4.4.2.

#### *4.4.2 Addressing Historic/Current Inequities and Priority Population Benefits (5 points)*

**Your response must score a one (1) or greater to be eligible for funding. Please describe how the proposed project benefits the Priority Populations identified in Section 4.4.1. In your response include how the project will address and repair historic and/or current inequities related to housing security, housing affordability, reducing displacement, and/or expanding access to higher resourced communities. [500-word limit]**

The project will benefit priority populations by producing affordable housing at a greater scale on infill sites within the city of Los Angeles, across a wide range of TCAC Opportunity Areas. This infill development will lead to new housing being produced closer to key regional job and opportunity centers as well as areas served by transit.

The city has identified a number of underdeveloped and underutilized sites through ED 3, and has begun the work of classifying them into developability tiers. Several of the tier 1 sites are located in TCAC high or highest resource opportunity areas, such as 728 Cochran and 6621 Manchester which have been identified through ED 3. Other sites would provide greater opportunity for residents of AB 1550 communities, such as city owned sites at 217 W 1st Street and 411 N Vermont Avenue. Both of these sites are located in AB 1550 communities, and their development would lead to new housing opportunities for residents of priority investment population areas.

While the city continues to identify undeveloped and underutilized publicly owned land, this grant will allow for further analysis of the ideal combination of sites to maximize new affordable housing development, with a strong focus on high opportunity areas, and in ways that will benefit AB 1550 communities. In addition, the focus on alternative financing models and the creation of mixed income communities will help the City in meeting its goals to affirmatively further fair housing and reduce concentrations of poverty.



The city's partnership with other regional entities will maximize the benefits of this program and provide a greater range of opportunity areas that will benefit. Partnerships will expand the number and location of sites, as well as the potential to target special populations such as community college students and lower to moderate income employees of large public institutions.

This structure will lead to affordable housing being produced in high resource and opportunity areas, as well as producing new housing opportunities in priority investment community areas. The financial modeling performed by the consultant hired through this program will determine the appropriate balance of unit counts and affordability levels to maximize the amount of affordable housing produced near high resource areas, and to create more opportunities for priority investment communities.

Points	Description
5	<b>Exceptional</b> – will produce tangible benefits for disadvantaged communities, repair historic and/or current inequities related to housing affordability and reduce displacement.
4	<b>Strong</b> – will support disadvantaged communities, improve housing affordability, and reduce displacement.
3	<b>Suitable</b> - will loosely support disadvantaged communities, improve housing affordability, and reduce displacement.
2	<b>Limited</b> – includes some support for disadvantaged communities, minimal improvement in housing affordability or reducing displacement.
1	<b>Weak</b> – indirectly supports disadvantaged communities and does not improve housing affordability or reduce displacement.
0	<b>Disqualified</b> - the project does not support disadvantaged communities or has potential to negatively affect housing affordability or increase displacement without providing acceptable mitigation.

#### *4.5. Contributes to Regional Transformative Change (10 Points)*

Each response must score a one (1) or greater to be eligible for funding. A score of less than one (1) disqualifies the application.

In your responses below, describe how the project achieves regional goals with an emphasis on innovations advancing and expanding the conditions necessary to scale housing supply, choice, and affordability to meet the 6th Cycle RHNA, implement SCAG's 2020 adopted Connect SoCal, and meet community needs for housing across the Southern California region. Proposals within similar built environments will be evaluated against one another to ensure projects selected reflect the geographic diversity of the SCAG region.

##### *4.5.1 Transformative Approaches to Scale Housing Supply (5 Points)*

**Your response must score a one (1) or greater to be eligible for funding. Please describe how the project incorporates transformative approaches for advancing and expanding the conditions necessary to scale housing supply, choice, and affordability locally, and in relation to the Southern California region. [500-word limit]**

The program will lead to a new framework for development on public land that will allow the city to combine multiple sites into one solicitation, identify new paradigms for financing mixed income projects and developing housing on publicly owned land. The City is taking a whole of government approach, as well as seeking partnerships with other public entities that have land in the city. Feasibility studies proposed in the grant will examine a variety of housing typologies from higher densities to missing middle housing, opportunities for homeownership, and alternative building models such as modular and/or panelized construction. The program will seek to bring new ownership models such as land trusts, tenants in common and cooperatives and will foster partnerships with other public entities. Within these alternative models, the program can open development opportunities to those that have not always been able to compete for publicly owned land.

All feasibility studies and work in this program are structured to create more choice and supply. The work will create replicable models for the city's partners as well as cities across the SCAG region and State. While Los Angeles is a unique city, all public agencies share certain similarities in procurement as well as financing affordable housing, and thus the models and templates created through this program will have value across the region and state. Another area where the City can add value is navigating the impact of the State's Surplus Land Act, which pushes jurisdictions to develop housing on public lands but also may hamper some ability to innovate and find creative solutions that address a multitude of housing needs. Los Angeles' work on this grant can open new conversations with the State about how we collaborate to meet the housing goals of the RHNA, SCS, and our communities.

By revolutionizing the way sites are developed, projects will realize increased efficiencies in the development process. Projects will be able to develop at greater economies of scale, which will decrease the per unit cost of affordable housing, while increasing the number of affordable units. The consultant hired will identify the optimal way to competitively solicit development, and help the city develop a program to invest in upfront due diligence and utility work. This work will provide projects significant time savings in the development process, which will lead to further cost savings. The program will explore new financial models to develop affordable housing without the traditional capital stack of public funds, which allows projects to avoid the time-consuming processes of applying for public funds, and a simplified financial model allows for faster development at minimal cost. It will determine the ideal income mix to allow deeply affordable units to be offset by higher income units, which allows projects to be internally subsidized for long term viability.

The program will contribute to the city meeting its 6th Cycle RHNA, which at 456,000 and 1/3 of the RHNA for the entire SCAG region, is in and of itself a transformational charge.

#### *4.5.2 Regional Impact and Applicability (5 Points)*

**Your response must score a one (1) or greater to be eligible for funding. Please describe the geographic impact of the project, how it implements SCS strategies for reducing Greenhouse Gas (GHG) and Vehicle Miles Traveled (VMT), which include: focusing growth near destinations and mobility options, promoting diverse housing choices, leveraging technology innovations, supporting sustainability policies, and promoting a green region. Also describe how it can be applied in similarly built contexts**

**across the SCAG region. In your response, describe how the project's impact on reducing GHG and VMT extends beyond the immediate project area to beneficially impact the region. [500-word limit]**

The program will promote development that reduces vehicle miles traveled through the production of infill housing. The proposal will lead to the production of affordable housing on infill sites owned by public entities within the city of Los Angeles, across a spectrum of partnering regional public entities. The city of Los Angeles is a major job and cultural destination, and producing more housing on infill sites will reduce the need for low and moderate income households to engage in long commutes, especially from outlying areas of the SCAG region.

This program will support the Connect SoCal Plan by concentrating development in priority growth areas identified in the plan. By producing more affordable housing within these areas, residents will be able to utilize this infrastructure and closer proximity to reduce VMT in their commutes. These areas are also located near existing or planned transit improvements, which provide alternatives to trips conducted in single occupancy vehicles. The program will aim to maximize the affordable housing production on publicly owned land within these areas, and this greater density will allow trips to be conducted through alternative means of transportation, or will shorten trip length and result in a reduction of VMT. This program will help realize the benefits of the Connect SoCal plan implementation by increasing the share of new regional household growth in high quality transit areas, reduce greenfield development through the development of infill publicly-owned properties, and reduce VMT by producing affordable housing near key job and transit centers.

The feasibility analysis conducted through the plan will enable the production of affordable housing on harder to develop sites, and will result in a greater range of housing types and affordability levels in priority areas. By maximizing the production of units, a wide range of income levels will be utilized in order to internally subsize deeply affordable units. This will result in a more diverse portfolio of housing production in high resource and opportunity areas, and provide residents with more affordable housing choices near key job and transit centers. The analysis of smaller sites will open up new paradigms for development of publicly owned land, with an ability to target ownership models, alternative renter/owner models and open up the development field to smaller developers.

This program could be easily implemented in other jurisdictions within the SCAG region, and other municipalities could conduct further analysis on how to scale the development of public land for affordable housing.

Points	Description
5	<b>Exceptional</b> – Implements the SCS, uses innovative approaches, can be applied in similarly built contexts.
4	<b>Strong</b> – Implements the SCS, uses innovative approaches, might be possible to apply in similarly built contexts.
3	<b>Suitable</b> – Implements the SCS, approaches are somewhat innovative, might be possible to apply in similarly built contexts.

2	<b>Limited</b> – Implements the SCS, approaches are somewhat innovative, most likely not possible to apply in similarly built contexts.
1	<b>Weak</b> – Implements the SCS, approaches are not innovative, most likely not possible to apply in similarly built contexts.
0	<b>Disqualified</b> – does not implement the SCS or incorporate innovative approaches, most likely not possible to apply in similarly built contexts.

...



SOUTHERN CALIFORNIA  
ASSOCIATION OF GOVERNMENTS  
900 Wilshire Blvd., Ste. 1700  
Los Angeles, CA 90017  
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www.scag.ca.gov

**September 25, 2023**

Eric Claros  
Director of Housing  
City of Los Angeles  
1200 W. 7th Street, #100  
Los Angeles, CA 90017

Subject: Notice of Conditional Award, HIPP Pilot Program

Dear Mr. Claros:

The Southern California Association of Governments (SCAG) is pleased to inform you that the project submitted by the City of Los Angeles for the Housing Infill on Public and Private Lands (HIPP) Pilot Program on July 10, 2023, has been recommended for award, pending SCAG Regional Council approval, which is anticipated to occur at its meeting on October 5, 2023.

The proposed project appears to meet the core REAP 2.0 objectives of accelerating infill housing development, affirmatively furthering fair housing, and reducing vehicle miles traveled. As you are aware, SCAG's HIPP Pilot Program was developed pursuant to the State of California Regional Early Action Planning Grants of 2021 (REAP 2.0) program established as part of the 2021 California Comeback Plan under AB 140.

The funding award and the final amount of funding available for your project is contingent upon approval by the SCAG Regional Council. Based upon the current estimate, the project titled, *Scaling up Housing Development on City-Owned Land*, may be eligible to receive an amount not to exceed \$2,900,000 for the authorized applicant to complete the project. Please be advised the final amount may be amended after consideration by the SCAG Regional Council. Further refinement to the Scope of Work (SOW), budget, schedule or other conditions may also be applied, which could modify the amount of funding awarded. Public announcement of awards is anticipated to take place after consideration by the SCAG Regional Council in October 2023. SCAG kindly requests the City of Los Angeles maintains confidentiality about the conditional award until the Regional Council has approved the project and SCAG has publicly announced approval of the project.

City of Los Angeles is currently approved by SCAG to procure consultants through REAP 1.0. Please notify SCAG as soon as possible if you wish to procure consultants for this application. SCAG will follow up with additional information. If the applicant prefers, as an alternative, they may use the SCAG REAP 2.0 consultant bench. If this is preferred, SCAG staff will work with the applicant to procure a consultant through the SCAG REAP 2.0 consultant bench following the steps summarized below.

#### REGIONAL COUNCIL OFFICERS

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**Art Brown, Buena Park**

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**Deborah Robertson, Rialto**

Transportation  
**Tim Sandoval, Pomona**

To complete the project, SCAG will procure a consultant on behalf of the City of Los Angeles through a competitive procurement process. The consultant will then execute and complete the project.

Following action by the SCAG Regional Council, SCAG staff will contact you to complete the subrecipient risk assessment and complete the review of the SOW and budget for the authorized project. In addition, SCAG will forward a Memorandum of Understanding (MOU) to be entered into between the City of Los Angeles and SCAG. The MOU will include the terms and conditions for the Technical Assistance, including roles and responsibilities of the parties, REAP 2.0 Guideline requirements, consultant invoice review process, performance reporting, and other legal requirements for subrecipients of the program. The MOU will require confirmation that the applicant's legislative body accepts the award, the terms and conditions, and authorizes City of Los Angeles to enter into the MOU with SCAG.

The subrecipient risk assessment and MOU processes are intended to support the timely development and successful implementation of HIPP funded programming. This support is vital as the final invoice date of REAP 2.0 funded programming is December 31, 2025. The ability to comply with this deadline is key to ensuring HIPP funding is most effectively allocated and utilized across the SCAG region.

Congratulations on your successful application. If you have any questions, please contact Jacob Noonan at [noonan@scag.ca.gov](mailto:noonan@scag.ca.gov). SCAG looks forward to working with you on affirmatively furthering fair housing, accelerating infill housing development, and reducing vehicle miles traveled.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sarah Jepson', with a long horizontal flourish extending to the right.

Sarah Jepson  
Chief Planning Officer

**MEMORANDUM OF UNDERSTANDING**  
**No. M-0XX-2X**

**SCAG Overall Work Program (OWP) No:** 305-4925.01

**Federal/State Awarding Agency:** State of California, Department of Housing and Community Development

**Funding Source:** Regional Early Action Planning Grants Program of 2021 (REAP 2.0)

**Sub-Recipient Name:** City of Los Angeles

**Sub-Recipient's UEI No:** TBD<sup>[NL1]</sup>

**Total Amount of Federal Funds Obligated to Sub-Recipient:** \$0

**Total Amount of Non-Federal Funds Obligated to Sub-Recipient:** \$2,250,000

**Total Amount of the Sub-Award:** \$2,250,000

**Subaward Period of Performance Start Date:** See Section 37

**Subaward Period of Performance End Date:** June 30, 2026

**Type of Contract:** Project Specific

**Method of Payment:** See Section 6 of this MOU

**Project R&D:** N/A

**Indirect Cost Rate for the Award:** Subrecipient elected to use the de minimis rate for Indirect Cost Rate and Fringe Rate review process as described in Section 9 of this MOU

**Fringe Benefits Cost Rate for the Award:** Subrecipient elected to use the de minimis rate for Indirect Cost Rate and Fringe Rate review process as described in Section 9 of this MOU

**Subaward Project Title:** City of Los Angeles REAP 2.0 Housing Infill on Public and Private Lands Pilot Program Grant

**Subaward Project Description:** City of Los Angeles will utilize REAP 2.0 funding for a project focused on assessing available infill public-owned and private-owned lands for affordable and mixed-income housing and neighborhood serving uses, and/or land use regulatory initiatives for increasing residential development capacity in corridor-wide and area-wide infill areas based in justice, equity, diversity, and inclusion.

**MEMORANDUM OF UNDERSTANDING**

**No. M-0XX-2X**

**BETWEEN THE  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
AND CITY OF LOS ANGELES**

**FOR REAP 2.0 HOUSING INFILL ON PUBLIC AND PRIVATE LANDS PILOT PROGRAM  
GRANT**

(SCAG Project/OWP No. 305-4925.01)

This Memorandum of Understanding (“MOU”) is entered into by and between the **Southern California Association of Governments** (“SCAG”) and **City of Los Angeles** (“Sub-Recipient”), for a Housing Infill on Public and Private Lands (“HIPP”) Pilot Program Grant. SCAG and Sub-Recipient may be individually referred to as “Party” and collectively as “Parties.”

**RECITALS**

WHEREAS, the Regional Early Action Planning Grants Program of 2021 (“REAP 2.0”) was established with a principal goal to make funding available to Metropolitan Planning Organizations (“MPO”) and other regional entities for transformative planning and implementation activities that meet housing and equity goals, reduce Vehicle Miles Traveled per capita, and advance implementation of the region’s Sustainable Communities Strategy or Alternative Planning Strategy, as applicable;

WHEREAS, the California Department of Housing and Community Development (“HCD”) administers REAP 2.0 in accordance with Health and Safety Code sections 50515.06 to 50515.10 (“Statutes”) and REAP 2.0 guidelines for MPO applicants released by HCD pursuant to the Statutes (“REAP 2.0 Guidelines”);

WHEREAS, SCAG is the federally designated MPO for Southern California, primarily responsible for the development of a Regional Transportation Plan/Sustainable Communities Strategy (“RTP/SCS” also known as “Connect SoCal”) for the counties of Imperial, Los Angeles, Orange, San Bernardino, Riverside, and Ventura;

WHEREAS, HCD awarded funds to SCAG under REAP 2.0;

WHEREAS, SCAG’s Regional Council authorized funding for the HIPP Pilot Program and approved the guidelines for the HIPP Pilot Program (“Program Guidelines”);

WHEREAS, SCAG released a Call for Applications for the HIPP Pilot Program;

WHEREAS, Sub-Recipient, eligible for funds under the HIPP Pilot Program, developed and submitted a proposed project for the HIPP Pilot Program (“Project”);

WHEREAS, SCAG reviewed the Project and determined it to be consistent with the REAP 2.0 Guidelines and Program Guidelines, and approved the Project to receive funding; and



WHEREAS, the purpose of this MOU is to describe the responsibilities of the Parties.

**NOW THEREFORE, IT IS MUTUALLY AGREED THAT:**

**1. Recitals and Exhibits**

The Recitals and all exhibits referred to in this MOU are incorporated herein by this reference and made a part of the provisions of this MOU.

**2. Term**

The Term of this MOU shall begin on the Effective Date and continue until **June 30, 2026**, (“Completion Date”), unless terminated earlier as provided herein. Time is of the essence in the performance of services under this MOU.

**3. Scope of Work and Sub-Recipient’s Responsibilities**

- a. Sub-Recipient shall be responsible for implementing the Project in accordance with the “Scope of Work,” attached as Exhibit A.
- b. Interim deliverables and tasks, including budgets and schedules, required to implement the Scope of Work shall be documented using the “Scope of Work Approval Form,” attached as Exhibit B (“SOW Approval Form”). The SOW Approval Form must be signed by SCAG Project Manager, SCAG Department Manager, SCAG Deputy Director or their designee, and Sub-Recipient prior to the performance of the work outlined in the SOW Approval Form. The SOW Approval Form may be signed by way of a manual or authorized digital signature, or a signature stamp. The SOW Approval Form may be used to document interim deliverables and interim deliverable budgets and schedules but may not be used to modify the deliverables and budget noted in this MOU. The SOW Approval Form may be amended subject to approval by SCAG. No amendment to the SOW Approval Form shall be valid unless made in writing and signed by the Parties. If there is a conflict between the SOW Approval Form and this MOU, this MOU shall prevail.
- c. Sub-Recipient must demonstrate a clear and significant nexus to all the REAP 2.0 Goals and Objectives, as described in Section 9 of this MOU, and must carry out the Project to meet the REAP 2.0 Goals and Objectives. Any lack of action or action inconsistent with REAP 2.0 Goals and Objectives may result in review and could be subject to modification of funding, termination of this MOU, and repayment of the Grant Funds.
- d. In compliance with Section 3.e., Sub-Recipient may procure and manage one or more consultants to ensure the Scope of Work, as outlined in the most current fully executed SOW Approval Form, is fully performed and the Project is completed in compliance with this MOU and all applicable laws and regulations.
- e. As a recipient of federal and state funds, SCAG has the responsibility for ensuring that its procurement process complies with all applicable federal, state and funding requirements. For all agreements entered into containing funds provided under this MOU or to perform work under this MOU, Sub-Recipient shall procure in compliance with all applicable federal, state, and local laws

and regulations. All REAP 2.0 funded procurements must be conducted using a fair and competitive procurement process and sole source procurements are expressly prohibited.

- f. The term “Consultant(s)” shall hereinafter refer to all entities that Sub-Recipient procures, manages, or otherwise enters into contracts or agreements with, in furtherance of the Project or this MOU regardless of the timing, nature of service/work provided or type of organization, including but not limited to government entities, political subdivisions, subrecipients, consultants, contractors, service providers, suppliers, independent contractors, professionals, managers, architects, engineers, and subcontractors.
- g. Upon request, Sub-Recipient shall provide information to the SCAG Project Manager regarding any existing solicitation including but not limited to Requests for Proposals, Invitation for Bids, Request for Qualifications, and Requests for Quotation (collectively “RFP”). For new RFPs developed or finalized after the Effective Date of this MOU, Sub-Recipient shall provide information to the SCAG Project Manager and obtain SCAG Project Manager’s written approval on any final RFP prior to its issuance. SCAG may require documentation of RFPs and Notices to Proceed before approval of invoice reimbursement.
- h. When requested, Sub-Recipient shall provide other related documentation of compliance, as determined by SCAG, with applicable procurement requirements and terms and conditions of this MOU within ten (10) days of the request.
- i. Sub-Recipient shall be responsible for conducting a complete detailed review of Consultant(s)’ invoices prior to payment. The review shall include, but not be limited to, ensuring: (1) the work included in the invoice is correctly invoiced and supported; (2) hours worked equal hours invoiced; (3) charged rates are equal to the contracted rates; (4) materials and services were received; and (5) that the work performed is consistent with the Scope of Work. Upon review, Sub-Recipient shall pay Consultant(s)’ invoices prior to submitting invoices to SCAG for reimbursement.
- j. Sub-Recipient shall be accountable to SCAG and HCD to ensure Consultant(s)’ performance. Sub-Recipient’s Project Manager shall be responsible for final approval of Consultant(s)’ deliverables consistent with the Scope of Work, as outlined in the most current fully executed SOW Approval Form; provided, however, that prior to approving a deliverable from the Consultant(s), Sub-Recipient’s Project Manager shall consult with SCAG’s Project Manager.
- k. Any and all notices, reports, or other communications required by this MOU, including but not limited to invoices, accounting reports, supporting documentation, and monitoring reports, shall be submitted under the penalty of perjury.
- l. Sub-Recipient shall be responsible for ensuring compliance with all applicable California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) requirements, and, as applicable, shall serve as the implementing agency for environmental approval(s).

#### **4. Project Management**

- a. All work under this MOU shall be coordinated with SCAG and Sub-Recipient through the Project Managers.
- b. For purposes of this MOU, SCAG designates the following individual as its Project Manager:

Nashia		Lalani
Senior	Regional	Planner
213.630.1477		
Lalani@scag.ca.gov		

SCAG reserves the right to change this designation.

- c. For purposes of this MOU, Sub-Recipient designates the following individual(s) as its Project Manager:

Eric Claros  
Director of Housing  
323.373.5356  
eric.claros@lacity.org

Sub-Recipient reserves the right to change this designation upon written notice to SCAG.

## 5. Funding

- a. SCAG's contribution to the Project is funded wholly with REAP 2.0 funds, in an amount not to exceed \$2,250,000 ("Grant Funds").
- b. SCAG shall not be obligated to make payments for any costs that exceed the Grant Funds. SCAG shall not be obligated to pay for any increase in costs which exceeds the budget included in this MOU and the most current fully executed SOW Approval Form. SCAG shall not be obligated to make payments from any source other than funds provided by HCD to SCAG pursuant to REAP 2.0. In the event HCD terminates its agreement to provide funds or reduces the funds provided, SCAG shall have the right to terminate this MOU, in accordance with Section 17, or to amend this MOU to reflect the changes in funding.
- c. SCAG shall make payments to Sub-Recipient only for work performed as part of the Scope of Work, as outlined in the most current fully executed SOW Approval Form, and consistent with REAP 2.0 Goals and Objectives, REAP 2.0 Guidelines, and Program Guidelines.
- d. SCAG reserves the right, in its sole discretion, to discontinue funding the Project and/or terminate this MOU as described in Section 17.
- e. Any costs for which Sub-Recipient receives reimbursement or credit that is determined by a subsequent audit or other review by either SCAG, HCD, other State authorities or federal cognizant agency to be ineligible or otherwise unallowable, shall be repaid by Sub-Recipient within thirty (30) calendar days of Sub-Recipient receiving notice or a written demand for reimbursement from SCAG. Such repayment may include interest, penalties, or related fees, as

determined by HCD or other State authorities. Should Sub-Recipient fail to reimburse unallowable costs due to SCAG within thirty (30) calendar days of demand, or within such other period as may be agreed between both parties hereto, SCAG is authorized to withhold and/or off-set future payments to Sub-Recipient.

## 6. Invoices

- a. This MOU is a Cost Reimbursement agreement. Amounts claimed must reflect the actual incurred and paid cost of completed work. The actual incurred and paid costs may not exceed the Project's budget set forth in this MOU and the most current fully executed SOW Approval Form. All invoices submitted to SCAG for payment shall be e-mailed to [accountspayable@scag.ca.gov](mailto:accountspayable@scag.ca.gov) (file cannot exceed 10MB) and copy the SCAG Project Manager. All invoices submitted to SCAG for the Project shall reference the OWP Project Number (OWP No. 305-4925.01).
- b. By the twenty-first day following the start of a new month (i.e., January 21, February 21, March 21), Sub-Recipient shall submit an invoice to SCAG using the electronic "Invoice Template" in accordance with the invoice submittal instructions and requirements noted in Exhibit C. Invoices must be submitted in both PDF format and Excel file format. Invoices shall contain a progress report portion which serves to confirm that the services have been performed and can be paid. All invoiced costs must be substantiated, by providing documented support for the expense incurred, such as copies of payroll reports, paid invoices, and proof of payment. The invoice progress report shall serve as the formal progress report for the Project and shall be signed by the Sub-Recipient. The progress report shall include, in narrative form, a description of services performed by the Sub-Recipient's staff and Consultant(s) as well as progress toward completion of tasks related to the Project for the invoiced period and progress achieved toward the REAP 2.0 Goals and Objectives. SCAG shall review invoices for compliance with this MOU. If SCAG determines that an invoice is compliant with this MOU, SCAG shall approve the invoice and issue payment to the Sub-Recipient. If SCAG determines that an invoice is not compliant with this MOU or the most current fully executed SOW Approval Form, SCAG may withhold and/or off-set future payment(s) to the Sub-Recipient.
- c. SCAG shall reimburse Sub-Recipient as promptly as SCAG's fiscal procedures permit, using Electronic Fund Transfer, available at: [ACH Vendor Payment Authorization Form](#), upon receipt of itemized invoices submitted in accordance with this MOU. Sub-Recipient shall complete the ACH Vendor Payment Authorization Form and email it to [ACHpayment@scag.ca.gov](mailto:ACHpayment@scag.ca.gov), prior to executing this MOU.
- d. Incomplete or inaccurate invoices may be returned to Sub-Recipient for correction without payment until corrected and approved. SCAG may, at its discretion, disallow any unsupported costs and process the invoice. If Sub-Recipient corrects the error, the disallowed items can be included in the next set of invoices.
- e. Travel expenses and per diem rates are not to exceed the rates and policies specified by the State of California Department of Human Resources, which can be found at: <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>.

- f. The Parties acknowledge that SCAG's fiscal year is from July 1 to June 30. Sub-Recipient agrees to submit all invoices to SCAG for services rendered through June 30<sup>th</sup>, no later than July 21<sup>st</sup> during the Term of this MOU. SCAG shall not be obligated to pay Sub-Recipient for any invoice received after such date.
- g. Sub-Recipient shall submit its final invoice to SCAG within thirty (30) days of the completion of the Project, but no later than within thirty (30) days after all Grant Funds have been expended. SCAG shall not be obligated to pay Sub-Recipient for any invoice received after such date.
- h. Sub-Recipient will require that its Consultant(s) pay any contractors and subcontractors for satisfactorily completed work no later than ten (10) days of receipt of each payment from Sub-Recipient. The ten (10) calendar days period is applicable unless a shorter period is required by applicable law.

## **7. Reporting**

- a. At any time during the term of this MOU, SCAG may request additional information, as needed, to demonstrate satisfaction of all requirements identified in the MOU and the most current fully executed SOW Approval Form.
- b. By February 10 of each year following receipt of funding pursuant to this MOU, Sub-Recipient shall submit an Annual Report using the "Report Template," attached as Exhibit D. The Annual Report shall include, in narrative form, a description of services performed by Sub-Recipient's staff and Consultant(s) as well as progress toward completion of tasks related to the Project for the prior year, a reporting of all costs incurred for that period, and progress achieved toward the REAP 2.0 Goals and Objectives.
- c. When a Project is finalized, and no later than the Completion Date, Sub-Recipient shall submit a Close-Out Report for the Project. At the time of the execution of this MOU, HCD has not provided the requirements for the Close-Out Report due to HCD by all grantees at the conclusion of the grant performance period. Therefore, the Close-Out Report format required by SCAG of Sub-Recipient is not available at this time, but will be provided when it becomes available.
- d. All reports submitted to SCAG shall reference the OWP Project Number (OWP No. 305-4925.01).

## **8. Accounting**

- a. Sub-Recipient shall establish and maintain an accounting system and reports that properly accumulate incurred Project costs by line. The accounting system shall conform to Generally Accepted Accounting Principles ("GAAP"), enable the determination of incurred costs as interim points of completion, and provide support for payment vouchers and invoices.
- b. Sub-Recipient shall establish a separate ledger account for receipts and expenditures of Grant Funds and maintain expenditure details in accordance with the Scope of Work, as outlined in the most current fully executed SOW Approval Form.



- c. Sub-Recipient shall maintain documentation of its normal procurement policy and competitive procurement bid process and completed procurements, and financial records of expenditures incurred during the course of the Project in accordance with GAAP.

## **9. Allowable Uses of Grant Funds**

- a. Grant Funds shall be expended in compliance with the REAP 2.0 Goals and Objectives.
  - i. REAP 2.0 Goals (“Goals”) are to invest in housing, planning, and infill housing-supportive infrastructure across the entire state in a manner that reduces Vehicle Miles Traveled (“VMT”), increases housing affordability, and advances equity. More detailed information on the Goals can be found in Section 201 of the [REAP 2.0 Notice of Funding Availability \(“NOFA”\) and Final Guidelines for MPO Applicants](#) and are made a part of the provisions of this MOU as if set forth in full.
  - ii. REAP 2.0 Objectives (“Objectives”) include: (1) accelerating infill development that facilitates housing supply, choice, and affordability; (2) affirmatively furthering fair housing; (3) reducing vehicle miles traveled. More detailed information on the Objectives can be found in Section 202 of the [REAP 2.0 NOFA and Final Guidelines for MPO Applicants](#) and are made a part of the provisions of this MOU as if set forth in full.
- b. Grant Funds shall only be used by Sub-Recipient for activities approved by SCAG and included in the Scope of Work, as outlined in the most current fully executed SOW Approval Form.
- c. Grant Funds may not be used for administrative costs of persons employed by Sub-Recipient for activities not directly related to eligible activities.
- d. Sub-Recipient shall use no more than five percent (5%) of the Grant Funds for administrative costs related to the Project, or a maximum of one hundred and twelve thousand and five hundred dollars (\$112,500), whichever is lower. For purposes of this MOU, administrative costs are the costs incurred in direct support of grant administration that are not included in the organization’s indirect cost pool. Additional funds may be used from other sources solely contributed by Sub-Recipient to support Sub-Recipient’s administration of the Project.
  - i. To be eligible for administrative costs, Sub-Recipient must have clearly indicated if funds would be used towards administrative costs on or before the Effective Date of this MOU.
  - ii. If Sub-Recipient is seeking reimbursement for indirect costs and/or fringe benefits costs, they must annually submit an Indirect Cost Allocation Plan (“ICAP”) or an Indirect Cost Rate Proposal (“ICRP”) to its cognizant agency for indirect costs and/or fringe benefits costs in accordance with Title 2 Code of Federal Regulations Part 200 (2 CFR 200) Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards. The cognizant agency for indirect costs and/or fringe benefits costs means the federal agency responsible for reviewing, negotiating, and approving ICAPs or ICRPs. Sub-Recipient must provide their approved indirect cost rate and/or fringe benefit rate and provide a copy to SCAG Project Manager of the approved negotiated indirect cost rate agreement (“NICRA”) for the current fiscal year and subsequent years throughout the performance period.

- iii. If Sub-Recipient is seeking reimbursement for fringe benefits costs with absence of the approved NICRA and proposes to use a rate to allocate the fringe benefits costs on the basis of entity-wide salaries and wages of the employees receiving the benefits, they must annually prepare the fringe benefits cost allocation plan in accordance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards and provide a letter from the Sub-Recipient's independent auditor confirming the compliance for the current fiscal year and subsequent years throughout the performance period.
- iv. If Sub-Recipient elects a de minimis indirect cost rate as defined in 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, they must annually complete a certification form provided by SCAG Project Manager to confirm the eligibility and compliance with 2 CFR 200 Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards and submit the signed form to SCAG Project Manager for the current fiscal year and subsequent years throughout the performance period. The de minimis rate is to be applied to modified total direct costs (MTDC) as defined by 2 CFR Part 200.1.
- e. There must be a strong implementation component for the funded activity through REAP 2.0, including, where appropriate, agreement by Sub-Recipient to submit the completed planning document or effort to the applicable board, council, or other entity for adoption or approval. If Sub-Recipient does not formally request adoption or approval of the funded activity, it may be subject to repayment of the Grant Funds.

## **10. Work Products**

- a. For purposes of this MOU, "Work Products" shall mean all deliverables created or produced under this MOU including, but not limited to, all deliverables conceived or made either solely or jointly with others during the term of this MOU and during a period of six months after the termination thereof, which relates to the Project. Work Products shall not include real property or capital improvements. Work Products includes all deliverables, inventions, innovations, improvements, or other works of authorship Sub-Recipient or Consultant(s) may conceive of or develop in the course of this MOU, whether or not they are eligible for patent, copyright, trademark, trade secret or other legal protection.
- b. Sub-Recipient shall submit one (1) electronic copy of all Work Products associated with the Project to the assigned SCAG Project Manager.
- c. SCAG shall own all Work Products and may, at its sole discretion, grant to Sub-Recipient a perpetual royalty-free, non-assignable, non-exclusive and irrevocable license to reproduce, publish or otherwise use Work Products related to the Project and developed as part of this MOU; provided, however, that any reproduction, publishing, or reuse of the Work Products will be at Sub-Recipient's sole risk and without liability or legal exposure to SCAG.

## **11. Amendments**

No amendment or variation of the terms of this MOU shall be valid unless made in writing and signed by the Parties. If an amendment is to become effective before the date of full execution by the Parties, the effective date of such amendment shall be no earlier than the date that SCAG received the request.

## 12. Notices

Any notice or notices required or permitted to be given pursuant to this MOU may be personally served on the other Party by the Party giving such notice, or may be served by certified mail, return receipt requested, to the following addresses:

To SCAG: Cindy Giraldo  
Chief Financial Officer  
Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700  
Los Angeles, CA 90017  
(213) 630-1413  
giraldo@scag.ca.gov

SCAG reserves the right to change this designation.

To Sub-Recipient:

Eric Claros  
Director of Housing  
Los Angeles Housing Department  
1910 Sunset Blvd Ste 300  
Los Angeles, CA 90026  
323.373.5356  
eric.claros@lacity.org

## 13. Insurance

- a. Sub-Recipient, at their own expense, shall procure and maintain policies of insurance, or provide evidence of self-insurance, of the types and amounts below, for the duration of the MOU. The policies shall state they afford primary coverage.

Insurance Type	Requirements	Limits
General Liability	Commercial General Liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01.	Not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.
Automobile Liability	Automobile insurance at least as broad as Insurance Services Office form CA 00	Covering bodily injury and property damage for all activities of the Sub-Recipient arising out of or in connection with work to be performed under



	01.	this MOU, including coverage for any owned, hired, non-owned, or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.
Workers' Compensation/ Employer's Liability	Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. Not required for sole proprietors or Sub-Recipient with no employees.	Including Occupational Diseases in accordance with California Law and Employers' Liability Insurance with a limit of not less than \$1,000,000 each accident.
Professional Liability Insurance	Professional Liability (Errors and Omissions) insurance appropriate to the Sub-Recipient's profession.	With limits of not less than \$1,000,000 per occurrence. In addition, it shall be required that the professional liability insurance policy remain in effect for three (3) years after the Completion Date of this MOU.

- b. Higher Limits: no representation is made that the minimum insurance requirements of this MOU are sufficient to cover the indemnity or other obligations of Sub-Recipient under this MOU.
- c. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:
  - i. SCAG, its officials, employees, and volunteers are to be covered as additional insureds, as respects to liability arising out of the activities performed by or on behalf of Sub-Recipient; products and completed operations of Sub-Recipient; premises owned, occupied or used by Sub-Recipient; or automobiles owned leased, hired or borrowed by Sub-Recipient. The coverage shall contain no special limitations on the scope of protection afforded to SCAG, its officials, and employees.
  - ii. For any claims related to this Project, Sub-Recipient's insurance coverage shall be primary insurance as respects SCAG, its officials, and employees. Any insurance or self-insurance maintained by SCAG shall be excess of Sub-Recipient's insurance and shall not contribute with it.
  - iii. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to SCAG, its officials, and employees.
  - iv. Sub-Recipient's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- d. The Workers' Compensation and Employer's Liability policies shall include a waiver of subrogation endorsement in favor of SCAG, its, officials, employees, and volunteers.
- e. Any deductibles or self-insured retentions in amounts over \$10,000 must be declared to and approved by SCAG.

- f. Insurance is to be placed with California admitted insurers with a current A.M. Best's rating of no less than A and be admitted, unless otherwise approved by SCAG.
- g. Sub-Recipient shall furnish SCAG with original endorsements and certificates of insurance evidencing coverage required by this clause. All documents are to be signed by a person authorized by that insurer to bind coverage on its behalf. All documents are to be received and approved by SCAG before work commences. Upon request of SCAG at any time, Sub-Recipient shall provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.
- h. Sub-Recipient agrees to ensure that its Consultant(s) provide the same minimum insurance coverage and endorsements required of Sub-Recipient. Sub-Recipient agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Section. However, in the event Sub-Recipient's Consultant(s) cannot comply with this requirement, which proof must be submitted to SCAG, Sub-Recipient shall be required to ensure that its Consultant(s) provide and maintain insurance coverage and endorsements sufficient to the specific risk of exposure involved with Consultant(s) scope of work and services, with limits less than required of the Sub-Recipient, but in all other terms consistent with the Sub-Recipient's requirements under this MOU. This provision does not relieve Sub-Recipient of its contractual obligations under the MOU and/or limit its liability to the amount of insurance coverage provided by its Consultant(s). This provision is intended solely to provide Sub-Recipient with the ability to utilize Consultant(s) who may be otherwise qualified to perform the work or services but may not carry the same insurance limits as required of Sub-Recipient under this MOU given the limited scope of work or services provided by the Consultant(s). Sub-Recipient agrees that upon request, all agreements with Consultant(s) will be submitted to SCAG for review.

#### **14. Indemnification**

Sub-Recipient shall fully defend, indemnify and hold harmless SCAG, its members, officers, employees, and agents from any and all claims, losses, liabilities, damages, expenses, suits or actions including attorneys' fees, brought forth or arising under any theories or assertions of liability, occurring by or resulting from or otherwise related to the Project or this MOU. Such obligations shall not, however, extend to any claims, losses, liabilities, damages, expenses, suits, or actions that arise from SCAG's gross negligence or willful misconduct.

#### **15. Disputes**

Except as otherwise provided in this MOU, any dispute arising under this MOU which is not resolved by mutual agreement shall be decided through binding arbitration by a three (3) member panel in accordance with the rules of the American Arbitration Association and as provided in this provision. If this provision differs from the rules of the American Arbitration Association, then this provision shall control. Sub-Recipient shall continue with the responsibilities under this MOU during any dispute until the dispute is resolved. A judgment upon the award rendered by arbitration may be entered into any court having jurisdiction thereof. The arbitration panel shall have the authority to grant any remedy or relief that would have been available to the Parties had the matter been heard in

a court of law. Following arbitration, the arbitration panel shall prepare a written decision containing the essential findings and conclusions on which the award is based so as to ensure meaningful judicial review of the decision. All expenses and fees for the arbitrator and expenses for hearing facilities and other expenses of arbitration shall be borne equally by both Parties unless they agree otherwise or unless the arbitrator in the award assesses such expenses against one of the parties or allocates such expenses other than equally between the Parties. Either Party may bring an action in court to compel arbitration under this MOU and to enforce an arbitration award.

## **16. Noncompliance**

- a. In the event of nonperformance or noncompliance with any requirement of this MOU, including but not limited to Project eligibility, schedule, deliverables, or milestone timelines, as outlined in the most current fully executed SOW Approval Form, SCAG may:
  - i. Issue a written notice to stop work. If such notice is provided, Sub-Recipient and its Consultant(s) shall immediately cease all work under the MOU. SCAG has the sole discretion to determine that Sub-Recipient is in compliance with the terms and conditions after a stop work order, and to deliver a written notice to Sub-Recipient to resume work under this MOU.
  - ii. Require repayment of the Grant Funds.
  - iii. Terminate this MOU pursuant to Section 17.
- b. Notwithstanding the provisions set forth above, or any other provision contained in this MOU, no remedy conferred by any of the specific provisions of this MOU or the SOW Approval Form, is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy existing at law or in equity or by statute or otherwise.

## **17. Termination of MOU**

- a. Termination for Cancellation or Reduction in REAP 2.0 Funding. In the event HCD terminates or cancels funding to SCAG, this MOU is deemed to be terminated and SCAG shall be relieved of any and all obligations under this MOU as of the effective date of HCD's termination. In the event HCD reduces funding to SCAG, SCAG shall have the unilateral right to stop work, proportionally reduce funding to Sub-Recipient or terminate this MOU.
- b. Termination for Convenience. Either Party may terminate this MOU at any time by giving written notice to the other party of such termination at least thirty (30) calendar days before the effective date of such termination. Should SCAG terminate the MOU for convenience, upon receipt of the notice of termination, Sub-Recipient shall immediately take action to avoid incurring any additional obligation costs or expenses except as may be necessary to terminate its activities or the activities of its Consultant(s). SCAG shall pay Sub-Recipient its reasonable and allowable costs through the effective date of termination and is not liable for any expenses after termination, including any costs associated with Consultant(s). In such event, all finished or unfinished Work Products shall be provided to SCAG.

- c. Termination for Cause. If through any cause, either Party shall fail to timely and adequately fulfill its obligations under this MOU, or if either Party violates any of the covenants, terms, or stipulations of this MOU, the non-breaching Party shall thereupon have the right to terminate the MOU by giving not less than ten (10) calendar days written notice to the breaching Party of the intent to terminate and specifying the effective date thereof. The non-breaching Party shall provide a reasonable opportunity for the breaching Party to cure prior to termination. In no event shall such opportunity to cure extend beyond the term of the MOU. In the event that SCAG invokes this termination for cause provision, Sub-Recipient shall reimburse SCAG for all funds provided for the Project and all finished or unfinished Work Products shall be provided to SCAG at its option.

## **18. Records Retention**

- a. Sub-Recipient and its Consultant(s) shall maintain and make available, in accordance with Section 19 of this MOU, all source documents, books and records connected with the Project, documentation of its normal procurement policy and competitive procurement bid process and completed procurements related to the Project, all work performed under this MOU, all evidence of environmental clearance, and evidence demonstrating the funding was used for the appropriate purposes for a minimum of five (5) years after December 31, 2026. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.
- b. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required record retention period, all records shall be retained and made available by Sub-Recipient and its Consultant(s) for five (5) years after: (a) the conclusion or resolution of the matter; (b) the date an audit resolution is achieved for each annual SCAG OWP; or (c) December 31, 2026, whichever is later.

## **19. Monitoring and Audits**

- a. SCAG may monitor expenditures and activities of Sub-Recipient and its Consultant(s) as SCAG deems necessary to ensure compliance with the MOU, the Statutes, the REAP 2.0 Guidelines and the Program Guidelines.
- b. At any time during the term of this MOU, SCAG, HCD, the California Department of General Services, the California Bureau of State Audits, or their designated representatives may perform or cause to be performed a financial audit of any and all phases of the Project. At their request, Sub-Recipient shall provide, at its own expense, a financial audit prepared by an independent certified public accountant.
- c. Sub-Recipient agrees that SCAG, HCD, the California Department of General Services, the California Bureau of State Audits, or their designated representatives shall have the right to review, obtain, and copy all records and supporting documentation related to the performance of this MOU. Sub-Recipient agrees to provide any relevant information requested. Copies shall be made and furnished to SCAG upon request at no cost to SCAG.
- d. Sub-Recipient agrees to permit SCAG, HCD, the California Department of General Services, the California Bureau of State Audits, or their designated representatives access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who

might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this MOU, the Statutes, the REAP 2.0 Guidelines, or applicable state and federal laws, rules, and regulations.

- e. If there are audit findings from SCAG or HCD's audit, Sub-Recipient must submit a detailed response acceptable to SCAG or HCD for each audit finding within ninety (90) days of the audit finding report.

## **20. Small Business and Disabled Veteran Business Enterprise Participation**

- a. If for this MOU Sub-Recipient made a commitment to achieve small business participation, then Sub-Recipient must within 60 days of receiving final payment under this MOU (or within such other time period as may be specified elsewhere in this MOU) report to SCAG the actual percentage of small business participation that was achieved. (Gov. Code § 14841.)
- b. If for this MOU Sub-Recipient made a commitment to achieve disabled veteran business enterprise ("DVBE") participation, then Sub-Recipient must within 60 days of receiving final payment under this MOU (or within such other time period as may be specified elsewhere in this MOU) certify in a report to SCAG: (1) the total amount the Sub-Recipient received under the MOU; (2) the name and address of the DVBE(s) that participated in the performance of the MOU; (3) the amount each DVBE received from the Sub-Recipient; (4) that all payments under the MOU have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (M&V Code § 999.5(d); Gov. Code § 14841.)

## **21. Compliance with Laws, Rules, and Regulations**

- a. Sub-Recipient agrees to comply with all federal, state, and local laws, rules, and regulations applicable to this MOU.
- b. Non-Discrimination/Equal Employment Opportunity
  - i. During the performance of this MOU, Sub-Recipient assures that no person shall be denied the MOU's benefits, be excluded from participation or employment, be denied Project benefits, or be subjected to discrimination based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, under the Project or any program or activity funded by this MOU, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 U.S.C. §§ 3601-20) and all implementing regulations, the Americans with Disabilities Act ("ADA") of 1990 (42 U.S.C. §§ 12101 *et seq.*) and all applicable regulations and guidelines issued pursuant to the ADA, and the Age Discrimination Act of 1975 and all implementing regulations. Sub-Recipient shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.



- ii. Sub-Recipient shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code § 12900 *et seq.*), the regulations promulgated thereunder (Cal. Code Regs. tit. 2, § 11000 *et seq.*), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§ 11135-11139.5), and the regulations or standards adopted by HCD to implement such article.
  - iii. Sub-Recipient shall permit access by representatives of the Department of Fair Employment and Housing, SCAG, and HCD upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as the Department of Fair Employment and Housing, SCAG, or HCD shall require to ascertain compliance with this Section.
  - iv. Sub-Recipient shall give written notice of its obligations under this Section to labor organizations with which they have a collective bargaining or other agreement.
  - v. Sub-Recipient shall adopt and implement affirmative processes and procedures that provide information, outreach, and promotion of opportunities in the Project to encourage participation of all persons regardless of race, color, national origin, sex, religion, familial status, or disability. This includes, but is not limited to, a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, as required by 24 C.F.R. § 92.351.
- c. Recycling Certification. Sub-Recipient shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to SCAG regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code § 12205).
- d. Anti-Trust Claims. Sub-Recipient, by signing this MOU, hereby certifies that if these services or goods are obtained by means of a competitive bid, the Sub-Recipient shall comply with Title 1, Division 5, Chapter 11 of the California Government Code (Gov. Code §§ 4550-4554).
- e. Child Support Compliance Act. If the Grant Funds provided under this MOU are in excess of \$100,000, Sub-Recipient acknowledges in accordance with Public Contract Code 7110, that:
- i. Sub-Recipient recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and
  - ii. Sub-Recipient, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

- f. Priority Hiring Considerations. If this MOU includes services in excess of \$200,000, the Sub-Recipient shall give priority consideration in filling vacancies in positions funded by the MOU to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
- g. Loss Leader. If this MOU involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a “loss leader” as defined in Section 17030 of the Business and Professions Code. (PCC § 10344(e).)

## **22. Public Works and Construction**

The Grant Funds shall not be used for public works projects. Services constituting public works are described in California Labor Code Sections 1720-1861, as may be amended or recodified by legislative action from time-to-time. The use of Grant Funds for a public works project shall be a breach of this MOU.

## **23. Conflict of Interest**

The Parties shall comply with all applicable Federal and State conflict of interest laws, regulations, and policies.

## **24. Independent Contractor**

Sub-Recipient and its Consultant(s) shall be independent contractors in the performance of this MOU, and not officers, employees, or agents of SCAG.

## **25. Assignment**

Neither Party shall assign any rights or interests in this MOU, or any part thereof, without the written consent of each Party to this MOU, which consent may be granted, withheld, or conditioned in the consenting Party's sole and absolute discretion. Any assignment without such written consent shall be void and unenforceable. The covenants and agreement of this MOU shall inure to the benefit of and shall be binding upon each of the Parties and their respective successors and assignees.

## **26. Release of Information**

- a. Subject to any provisions of law, including but not limited to the California Public Records Act, any Work Product or materials deemed confidential by either Party shall be held confidential by the receiving Party who shall safeguard such confidential materials from unauthorized disclosure, using the same standard of care to avoid disclosure as the receiving Party treats its confidential information, but in no case less than reasonable care. Nothing furnished to either Party which is otherwise known or is generally known, or has become known, to the related industry shall be deemed confidential.
- b. Sub-Recipient shall not release any information or Work Products to a third party or otherwise publish or utilize any information or Work Products obtained or produced by it as a result of or in

connection with the performance of services under this MOU without the prior written authorization of SCAG, except as provided under this MOU or as required by law (including, without limitation, pursuant to the California Public Records Act).

- c. All public-facing communications materials relating to this MOU, or its subject matter, shall acknowledge SCAG. Communications materials include, but are not limited to, site signage, printed information materials, print and online publications, websites, advertisements, video, public service announcements, social media postings, events, media advisories, news releases, and all other related materials.
- d. To ensure consistency of public information about SCAG programs and funded work products, Sub-Recipient is required to notify and coordinate with SCAG Project Manager who will coordinate with SCAG's Manager of Media & Public Affairs or a specified designee on any media inquiries or plans for proactively providing information to media outlets.
- e. All communication materials must be provided to SCAG Project Manager prior to completion so that inclusion of this element can be confirmed.

## **27. Non-Exclusivity**

Nothing herein is intended nor shall be construed as creating an exclusive arrangement between SCAG and Sub-Recipient. This MOU shall not restrict SCAG from acquiring similar, equal or like services from other entities or sources.

## **28. Severability**

If any provision of this MOU is held to be illegal, invalid, or unenforceable, in whole or in part, such provision shall be modified to the minimum extent necessary to make it legal, valid, and enforceable, and the legality, validity, and enforceability of the remaining provisions shall not be affected thereby.

## **29. Survival**

The following sections survive expiration or termination of this MOU:

- Section 5 (Funding)
- Section 10 (Work Products)
- Section 12 (Notices)
- Section 13 (Insurance)
- Section 14 (Indemnification)
- Section 15 (Disputes)
- Section 18 (Records Retention)
- Section 19 (Monitoring and Audits)
- Section 21 (Compliance with Laws, Rules, and Regulations)
- Section 22 (Public Works and Construction)
- Section 23 (Conflict of Interest)
- Section 26 (Release of Information)
- Section 31 (Jurisdiction and Venue)



## Section 32 (Waiver)

### **30. Flow-Down Provisions**

Sub-Recipient shall include the following provisions in all agreements entered into containing funds provided under this MOU, require the provisions below that survive expiration or termination of this MOU to survive, and shall include a requirement in all agreements that each of them in turn include the requirements in all contracts and subcontracts they enter into to perform work under the Project. SCAG does not have a contractual relationship with Sub-Recipient's Consultant(s), and Sub-Recipient shall be fully responsible for monitoring and ensuring compliance with these provisions.

Section 3.c. (Scope of Work and Sub-Recipient's Responsibilities – nexus to REAP 2.0)  
Section 3.e. – 3.g. (Scope of Work and Sub-Recipient's Responsibilities – procurements)  
Section 3.k. (Scope of Work and Sub-Recipient's Responsibilities – penalty of perjury)  
Section 5.e. (Funding – repayment of ineligible costs)  
Section 6 (Invoices)  
Section 7 (Reporting)  
Section 8 (Accounting)  
Section 9 (Allowable Uses of Grant Funds)  
Section 10 (Work Products)  
Section 13 (Insurance)  
Section 14 (Indemnification)  
Section 18 (Records Retention)  
Section 19 (Monitoring and Audits)  
Section 20 (Small Business and Disabled Veterans Business Enterprise Participation)  
Section 21 (Compliance with Laws, Rules, and Regulations)  
Section 22 (Public Works and Construction)  
Section 23 (Conflict of Interest)  
Section 24 (Independent Contractor)  
Section 25 (Assignment)  
Section 26 (Release of Information)

Upon SCAG's request, Sub-Recipient shall provide SCAG a copy of any such agreement.

### **31. Jurisdiction and Venue**

This MOU shall be deemed an agreement under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. Subject to the provisions in Section 15, the Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that the venue of any action brought thereunder shall be Los Angeles County, California.

### **32. Waiver**

No delay or failure by either Party to exercise or enforce at any time any right or provision of this MOU shall be considered a waiver thereof of such Party's right thereafter to exercise or enforce each and every right and provision of this MOU. A Waiver to be valid shall be in writing but need not be supported by consideration. No single waiver shall constitute a continuing or subsequent waiver.

### **33. Standard of Care**

Sub-Recipient and its Consultant(s) shall perform the work required for the Project under this MOU in accordance with generally accepted industry standards, practices, and principles applicable to such work.

### **34. Force Majeure**

Neither Party shall be liable or deemed to be in default for any delay or failure in performance under this MOU or interruption of services resulting, directly or indirectly, from acts of nature, civil or military authority, acts of public enemy, war, strikes, labor disputes, pandemics, or any other similar cause beyond the reasonable control of the Parties, provided that the Party seeking to delay or excuse its performance as a result of such event shall notify the other Party in writing of such circumstances within not more than ten (10) days following the first occurrence of the event forming the basis of the delay or excuse of performance. In the event that the Party seeking to delay or excuse its performance fails to timely deliver the notice described in the previous sentence, then such event shall not relieve the Party from its timely performance.

### **35. Entire MOU**

This MOU, comprised of these terms and conditions, the attached exhibits, and any properly executed amendments, represents and contains the entire agreement of the Parties with respect to the matters set forth herein. This MOU supersedes any and all prior negotiations, discussions and, if any, previous agreements between the Parties with respect to the matters set forth herein.

### **36. Execution**

This MOU, or any amendments related thereto, may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The signature page of this MOU or any amendments may be executed by way of a manual or authorized digital signature. Delivery of an executed counterpart of a signature page to this MOU or an amendment by electronic transmission scanned pages shall be deemed effective as a delivery of a manually or digitally executed counterpart to this MOU or any amendment.

### **37. Effective Date**

This MOU shall be effective as of the last date on which the document is executed by all Parties.

### **38. Authority**

Sub-Recipient warrants and certifies that it possesses the legal authority to execute this MOU and to undertake the Project, and, if applicable, that a resolution, motion, or similar action has been fully adopted or passed, as an official act of Sub-Recipient's governing body, authorizing receipt of the Grant Funds, and directing and designating the authorized representative(s) of Sub-Recipient to act in connection with the Project and to provide such additional information as may be required by SCAG.

**[The remainder of this page is intentionally left blank. Signatures on following page.]**

DRAFT

**SIGNATURE PAGE TO  
MEMORANDUM OF UNDERSTANDING  
NO. M-0XX-2X**

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be executed by their duly authorized representatives as of the dates indicated below:

**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (“SCAG”)**

By: \_\_\_\_\_  
Cindy Giraldo  
Chief Financial Officer  
Date \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Richard Lam  
Senior Deputy Legal Counsel  
Date \_\_\_\_\_

**xxx (“Sub-Recipient”)**

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_[NL2]

## Exhibit A – Scope of Work

**Project Name:** City of Los Angeles: Scaling Housing Development on City Owned Land Strategy

**Project Description:**

The City of Los Angeles’ “Scaling Up Housing Development on City-Owned Land” project will increase the utilization of public land with an emphasis on high resource and gentrifying areas by maintaining a publicly-accessible citywide inventory of city-owned sites in order to increase affordable housing development.

The grant will fund four key activities to develop the program: (1) comprehensive due diligence to review and prioritize City-Owned sites identified for development; (2) focused analysis of city-owned parking lots that can be redeveloped as affordable housing; (3) financial and feasibility analysis to generate housing programs and creative financing approaches; and (4) development of a publicly available city-owned land catalogue with information about each site including the findings of the due diligence analysis.

With this grant, the City will revamp its existing Public Land Development Program under the Los Angeles Housing Department’s (LAHD) Land Development Unit (LDU) to bundle multiple sites together that have been categorized as ready for development based on the findings of the due diligence analysis. The funding made available through this grant will allow the City to complete important and meaningful due diligence research on the sites that have been deemed readiest for development. As a result, the number of issues encountered for affordable projects on these sites will be reduced or eliminated.

The final deliverables will include a catalogue of publicly-owned sites within the City, which reflect the due diligence completed and financing available. The catalogue will be readily accessible to the public by being listed on an LAHD webpage or made available upon request by contacting LAHD’s LDU team. The Catalogue of sites will be part of the final report with concrete recommendations for how to reach the City’s goal of building 10,000 units on city-owned land as specified in the 2021-2029 Housing Element.

In addition, the City will also be conducting a financial feasibility analysis of two important projects called the William Meade Homes and the Civic Center Redevelopment led by the Housing Authority of the City of Los Angeles (HACLA) and the Economic and Workforce Development Department (EWDD), respectively. Both these projects represent other important goals in meeting the housing demands of the City of Los Angeles.

**Final Deliverables:**

- Financing feasibility study and detailed phase by phase financing plan for the William Mead Public Housing Project.
- Recommendation of housing units and affordability levels that can be produced through the redevelopment of 5 parcels in the Downtown Los Angeles Civic Center area.
- Scaling Up Housing Development on City Owned Land Strategy report that includes draft recommendations, funding opportunities, and timeline:

- Catalogue of sites (grouped by ready for development, needing remediation, and other factors.)
- Finalized list of no more than 10 recommendations from Consultant and LAHD to the disposition process of public lands from regulations created by the City, State, or other entities.
- Funding Allocation Plan with timeline of funding application deadlines, along with a recommended disposition timeline to ensure that proposed projects on city-owned land can apply by the funding deadlines.
- Agenda and minutes for City Council bodies (Housing and Homelessness, Government Operations (if requested) and City Council) meetings with the Scaling Up Housing Development on City Owned Land Strategy report included as an action item with the recommendation that the city council “adopt” by the expenditure deadline of June 30, 2026.
- Project metrics

**Project Budget:** \$2,250,000