

ORDINANCE NO. _____

An ordinance amending Section 22.618.3 of Article 9, Chapter 24, Division 22 of the Los Angeles Administrative Code to make technical amendments to the legal requirements of covenants required by the United to House LA Program.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Sub-subparagraph 4. of Subparagraph b. of Paragraph (i) of Subdivision (1) of Subsection (d) of Section 22.618.3 of Article 9, Chapter 24, Division 22 of the Los Angeles Administrative Code is amended to read as follows:

4. Any resale of rental property funded by this initiative shall be restricted to non-profit entities or Limited-Equity Housing Cooperatives, including but not limited to affordable housing corporations and Community Land Trusts, to ensure the continued use of the dwelling units as affordable housing as provided in this section. The foregoing resale restriction does not apply when the rental property funded by this initiative is transferred through foreclosure or a deed-in-lieu of foreclosure or similar conveyance.

Sec. 2. Sub-subparagraph 7. of Subparagraph b. of Paragraph (i) of Subdivision (1) of Subsection (d) of Section 22.618.3 of Article 9, Chapter 24, Division 22 of the Los Angeles Administrative Code is amended to read as follows:

7. The affordability restrictions shall be senior to and not subordinated to any lien, deed of trust, or condition or restriction to be recorded against the property, except for any land use-related affordability covenant, such that any entity taking title to the property or a dwelling unit by foreclosure or deed-in-lieu of foreclosure shall take title subject to the affordability restrictions. Notwithstanding the foregoing, the priority of the affordability restrictions may be subordinated to extent necessary to satisfy other public funding requirements.

Sec. 3. Sub-subparagraph 8. is added to Subparagraph b. of Paragraph (i) of Subdivision (1) of Subsection (d) of Section 22.618.3 of Article 9, Chapter 24, Division 22 of the Los Angeles Administrative Code as follows:

8. Notwithstanding Section 22.618.3(d)(1)(i)b.1., b.2., and b.3., if rental real property funded by this initiative is also supported by rental subsidies or other rental assistance and that subsidy or assistance is terminated or withdrawn for reasons not attributable to any fault of the owner, the affordability restrictions required by Section 22.618.3(d)(1)(i)b. may be adjusted within its limits. Adjustments to the affordability levels and rents must be made consistent with existing public lender policies and

procedures. Upon the reinstatement of rental subsidies or other rental assistance, the Department shall evaluate the affordability levels and rents according to existing public lender policies and procedures.

Sec. 4. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

HYDEE FELDSTEIN SOTO, City Attorney

By _____
ELAINE ZHONG
Deputy City Attorney

Date October 6, 2026

File No. 26-0088-S2

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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____