Docusign Envelope ID: 6F361C8F-6DDA-81C3-8345-A72352AAB56A

AFFIRMED HOUSING

November 4, 2026

The Honorable Imelda Padilla, Chair
and Members of the Housing Committee
Los Angeles City Council
200 North Spring Street
Los Angeles, CA 90012

RE: Council File 26-0088-S2, ULA Technical Amendments (Item 17, November 4, 2026)

Dear Chair Padilla and Members of the Committee,

On behalf of Affirmed Housing, thank you for your leadership on United to House LA and for taking up these technical amendments. We are grateful to the Los Angeles Housing Department (LAHD) and the City Attorney's Office for their careful work since Council approved the amendments in July, and to the ULA Citizens Oversight Committee for its review on October 22. We support both ordinances, including the tax exemption ordinance as drafted, and offer one request on the ordinance updating the ULA resale rules, as a partner committed to putting ULA funds to work as quickly as possible.

Prisma, our 98-unit affordable senior community in Hollywood, received a ULA award in May. Forty-eight of its homes will serve seniors who have experienced homelessness. Citibank, the bank providing Prisma's long-term mortgage, has requested one additional clarifying clause in the resale rules so it can lend with confidence alongside the City's ULA funds. Citibank is ranked the nation's number one affordable housing lender and is a frequent partner on LAHD projects, so its participation in ULA matters, and so does the participation of other banks. When fewer banks are able to lend on ULA projects, developments get less competitive loan terms and the City's ULA dollars do not go as far.

Section 1. Resale Restriction Following Foreclosure

Summary: ULA allows a funded property to be sold only to nonprofits and limited-equity cooperatives. The draft ordinance adds an exception for when a lender takes the property back through foreclosure.

Comment: We recommend one addition so the exception also covers the lender's first sale after it takes the property back. A lender in that position recovers its loan by selling the property, and under the draft that sale would still be limited to nonprofits and cooperatives. We understand the current language is intended to cover this sale, and we appreciate LAHD's work on it. Making that clear in the ordinance itself would avoid any confusion as the City Attorney's Office prepares the ULA loan documents, and would help set those documents up for success. LAHD's April report also noted that this limit does not meet the lending standards of most banks, so we believe this addition fully carries out the Department's recommendation. Affordability remains protected: the ULA rent and income limits stay in place even after a foreclosure, because they come ahead of the lender's loan,

Docusign Envelope ID: 6F361C8F-6DDA-81C3-8345-A72352AAB56A

and every sale after the first would again be limited to nonprofits and cooperatives. This is the language Citibank recommended, and we believe it would help every ULA project that relies on a bank loan, not only Prisma.

Requested Language (addition in bold):

> "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**, or in connection with the first transfer of the rental property following such foreclosure, deed-in-lieu, or similar conveyance**."

We respectfully ask that the Committee request the City Attorney, with LAHD, to add this clause to the ordinance before it moves to the full Council. Making the change now puts it in place sooner and with more certainty than adopting the current language and amending it later, which would need to go back through the City Attorney, the Oversight Committee and Council. We hope the revised ordinance can still reach Council before the winter recess.

Thank you again for your partnership. Our Project Manager, Martin Rubalcava, will attend the November 4 meeting, and please feel free to reach out to me at (858) 679-2828 or mellody@affirmedhousing.com with any questions.

Sincerely,

DocuSigned by:
Mellody Lock
FB6D41C8C896478...

Mellody Lock
Vice President, Development
Affirmed Housing Group, Inc.

cc: Honorable Hugo Soto-Martinez, Councilmember, Thirteenth District
Tiena Johnson Hall, Cally Hardy and Craig Arceneaux, Los Angeles Housing Department
Elaine Zhong, Office of the City Attorney