



Q&A #2 – CLT/NOAH Program

2nd Listening Session on 02/11/2026

1. **It seems like the focus on the average affordability of 80 percent will cause displacement over time and may not be allowed by SB679.**

By setting a floor of 80% AMI, the CLT/NOAH program seeks to give borrowers the flexibility to raise rents as needed. Households with incomes lower than 80% AMI may reside in units restricted at 80% AMI, but the borrower must prove that lower rents/housing payments are financially sustainable for the project in the long-term.

2. **To confirm, LACAHS A funds require that a project's overall AMI is 80% AMI?**

At time of purchase of the property, for occupied units and vacant units, 10% of units shall target 30% AMI, 10% shall target 50% AMI and the balance of units can target up to 120% AMI.

Upon turnover, units must be occupied by households earning up to 120% AMI as needed to cross-subsidize lower income units within the building to achieve no lower than an 80% AMI average. Sponsors may target lower average AMI, but need to provide rental market comparables and demonstrate the project can maintain positive cash flow for an extended period if they want to target a lower average affordability level.”

3. **For the residual receipts loan, where the maximum amount of funding is lesser of 100% LTC or 100% LTV, unless we had a below market sale, then we likely couldn't get to 100% of LTC. Can you please share some of the thinking behind this?**

LACAHS A wants to incentivize applicants to present projects that offer long-term financial sustainability. The maximum amount of funding shall be the lesser of 100% LTC or 100% LTV. Given market conditions in many geographies, LACAHS A anticipates that projects will typically be capped at 100% LTV. Accordingly, LACAHS A is developing a corresponding Grant product, which will fund up to 5% of total development cost, if the senior loan and LACAHS A residual receipts loans are insufficient to pay for total project cost.

4. **For the 3 different products available (senior loan, RR loan, grant) - could you confirm that they are all combinable together?**

Yes, LACAHS A is confirming that all 3 products can be combined for a single property.

5. **If we are a social enterprise with a fiscal sponsor, with a project currently under construction, are we eligible to apply?**

New construction projects are not eligible. This is an acquisition and rehabilitation program.

Please note the eligible borrower must be:

- Community Land Trusts (CLTs)
- Non-profit affordable housing developers that are developing small affordable housing with less than 40 units that are in documented partnership with a CLT



- Limited equity cooperatives or permanent real estate cooperatives that are in a documented partnership with a CLT
- Public entities
- Public housing authorities

6. To clarify, is the standard 80% AMI, or is it required that we need to provide the ELI and VLI percentages? And will this presentation be published so that we can go back through it? Thank you.

Please see Question #2 for answer.

Yes, the presentation has already been posted on the website.

7. Are mixed-use properties eligible?

Yes, mixed use properties are eligible. However, LACAHSa funds cannot be used for the non-residential portion of the property.

Pursuant to SB 679, LACAHSa funds may not be used to fund development of commercial space. Consequently, project sources must demonstrate such costs are allocable to non-LACAHSa permanent funding sources. Notwithstanding the foregoing, for the purposes of determining which costs may be financed by LACAHSa funds, community serving uses and services space (including early childhood education program space) may be excluded from the definition of “commercial space” on a case-by-case basis at LACAHSa’s discretion.

8. Were the site amenities points clarified?

LACAHSa will prepare a scoring criteria for the 5 points for Site Amenities and will share in the next iteration of the CLT & NOAH Program Summary (Term Sheet).

9. I would like to submit a question in writing after this session? Is that allowable?

LACAHSa welcomes your questions. Please submit your question to cltnoah@lakahsa.gov.

10. For the financial sustainability points structure, this seems like a significant number of points for somewhat unreliable estimates up to 55 years. Is it possible to give points to projects that generate income above a baseline threshold in first 15-20 years?

No, it will not be considered. Financial sustainability is a priority for the Community Land Trust & Naturally Occurring Affordable Housing Program. To ensure long-term success, the development’s long term operating viability must support the obligations of the regulatory agreement. Projects will be scored according to the duration of demonstrated financial sustainability.

11. For projects that do not require plan check/etc, do you still get the readiness points if it is not applicable to your project?

LACAHSa will adjust the scoring criteria and will share in the next iteration of the CLT & NOAH Program Summary.



12. Please consider 30 year amortization which is standard with other public programs (TCAC, CA HCD)

LACAHSa will consider this request.

13. If architecture work is minimal, would development team experience still rely on architecture experience?

LACAHSa will adjust the scoring criteria and will share in the next iteration of the CLT & NOAH Program Summary.

14. Is there an AMI requirement for ownership projects?

Pursuant to Government Code Section 64830(d)(1)(B), programs to enable 80 percent AMI or 120 percent AMI households to become or remain homeowners, including, but not limited to, below market rate ownership programs, down payment assistance programs, residential rehabilitation loan programs, and grants or loans to assist in the rehabilitation or replacement of existing mobile homes or manufactured homes are eligible uses of PPOFlexible funds.

15. Would you remind us again what the timeline/deadline is to submit additional questions or comments and what the next steps are?

LACAHSa is preparing to report back to the Investment Review Committee by February 23rd. Please have comments submitted to cltnoah@lacahsa.gov no later than February 19th.

16. For CLT partnerships - does it have to be the "5" that were incubated by the county pilot program?

No, it is open to all CLTs. In the posted update of the CLT/NOAH Program Summary, CLT is defined as the following:

"Community Land Trust" means a non-profit corporation within Section 501(c)(3) of the Internal Revenue Code that satisfies all of the following:

1. Has as its primary purposes the creation and maintenance of perpetually affordable single-family or multifamily residences;
2. All dwellings and units located on the land owned by the non-profit corporation are sold to a qualified owner to be occupied as the qualified owner's primary residence or rented to Lower Income Households or Moderate-Income Households, or held by the non-profit corporation or transferred to another entity for the same purpose;
3. When a dwelling or unit that is situated on land owned by the non-profit corporation is sold to a qualified owner, the land is leased by the non-profit corporation to the qualified owner for the convenient occupation and use of that dwelling or unit for a renewable term of 99 years;
4. Is organized as a membership organization under section 5310 of the California Corporations Code, provides for the election of a majority of its Board of Directors by its members, and reserves seats on the Board of Directors for residents of dwellings situated on land owned by the non-profit corporation; and
5. Operates in a manner that ensures retention of public subsidy for future households, permanent affordability, and protection of land from real estate speculation.