



Revision to ASR and/or Attachments

Date: 09/08/2026
To: Clerk of the Board of Supervisors
From: Dylan Wright, Director, OC Community Resources
Re: Control #: 26001621, Meeting Date: 09/15/2026, Agenda Item No. #: 15
Subject: Approve Additional Project-Based Voucher for Costa Mesa Senior

Explanation:

The ASR Recommended Actions and Background Information have been revised pursuant to County Counsel's advice and relevant project details updated.

Revised Recommended Action(s):

Acting as the Board of Supervisors and as the Board of Commissioners to the Orange County Housing Authority:

1. Approve the selection of Costa Mesa Senior for the utilization of one Project-Based Voucher under the 2026 Supportive Housing Notice of Funding Availability, in accordance with the policies and procedures in the Orange County Housing Authority Administrative Plan, and ~~authorize the execution of all related documents, instruments and agreements to implement this action~~ conditions and contingencies outlined in this Agenda Staff Report and provide direction to staff by approving one of the following options:
 - a. Waive the Regional Housing Needs Allocation policy under the 2025 and 2026 Supportive Housing Notice of Funding Availability requiring Regional Housing Needs Allocation transfer or credit and direct staff to request Regional Housing Needs Allocation sharing as mutually agreed to by the City of Costa Mesa;
 - b. Require Regional Housing Needs Allocation transfer only for units subsidized with County's 15G Reserves funding in the proposed development on a pro-rata basis of County funds to City funds invested in the total number of County assisted units, subject to an executed Memorandum of Agreement; or
 - c. Direct staff to apply the current Regional Housing Needs Allocation policy under the 2025 and 2026 Supportive Housing Notice of Funding Availability, as approved.
2. Authorize the Executive Director of the Orange County Housing Authority or designee to execute all related documents, instruments and agreements necessary to finalize the commitment of one additional U.S. Department of Housing and Urban Development Project-Based Voucher for Costa

Mesa Senior, consistent with the business terms, financial conditions and contingencies outlined in this Agenda Staff Report **and Recommended Actions**, and is approved as to form by County Counsel.

Revised Background Information:

The following revisions have been made to the seventh and eight paragraphs of the Background Information section:

The Development will continue to provide on-site supportive services, property management and community amenities as originally planned. No other material changes are being made to the Development. ~~With the additional PBV, the number of County-restricted units in the Development will increase from 23 to 24 units. As a result, the County's previously approved \$1.5 million 15G Reserve loan will now be allocated across 11 units instead of 10 units which will reduce the effective per-unit subsidy from approximately \$150,000 to \$136,364.~~

~~The remaining 11 PSH units will continue to be restricted through funding provided by the OC Housing Finance Trust.~~ All other financing terms, affordability requirements, and Development conditions that were approved by the Board on March 24, 2026, remain unchanged.

The following revision has been made to the note under the Construction of Uses of Funds table in the Background Information section:

Note: Financing subject to change prior to construction and completion of Development. Underwriting guidelines are in accordance with ~~2025~~ **2026** NOFA.

The following revisions have been made to the second, third and fourth paragraphs under the Regional Housing Needs Allocation (RHNA) Transfer heading of the Background Information section:

For this Development, the County ~~will~~ **would** require RHNA transfer for one additional County assisted unit pursuant to the 2026 NOFA policies, in addition to the 10 County-restricted units under the 2025 NOFA policies, as approved by the Board on March 24, 2026.

A draft Memorandum of Agreement to share RHNA between County and City is being considered by the City. However, City staff expressed concerns and highlighted the uncertainties they are currently facing with their Housing Element (HE) and RHNA. The Developer is now requesting one additional PBV under the 2026 NOFA, which would result in one additional County-assisted unit subject to the applicable RHNA requirements of the 2026 NOFA. In light of the additional PBV request and the uncertainties of the City's HE, staff revised the recommended action to provide three options for the Board to consider.

Commitment of the County loan(s) and PBVs are contingent upon the following:

1. Completion and approval of California Environmental Quality Act (CEQA), as applicable.
2. Evidence of commitment of all construction and permanent financing sources, including tax credit award.
3. Receipt and approval of final project development costs and revised final development proforma and financing plan (including cash flow analysis) to reflect all final funding approvals.

4. ~~Approval and execution of the Memorandum of Agreement for RHNA transfer of 11 County-assisted units in accordance with Section 2.08 of the 2025 NOFA and 2026 NOFA.~~ Satisfaction of applicable RHNA requirements in accordance with Board approved option under Recommended Action 1, a through c.