

HOUSING COMMITTEE REPORT relative to authorization to utilize additional Foreclosure Registry Program penalty fees for the Moderate Income Purchase Assistance (MIPA) Homeownership Program.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to utilize up to \$2,316,042 of penalty fees received from the Foreclosure Registry Program Fund with a total of \$2,000,000 to be utilized for the MIPA Homeownership Program home buyer loans and \$316,042 to be used to cover staff salaries, lease, General Administration and Support costs, and other related program costs.

2. AUTHORIZE the Controller to:

a. Increase appropriations within the Foreclosure Registry Program Fund No. 56V as follows:

<u>Account Name</u>	<u>Amount</u>
43N258 MIPA	\$2,000,000
43R143 Housing and Community Investment	209,050
43R299 Reimbursement of General Fund Costs	106,992

b. Increase appropriations in the following accounts in Fiscal Year 2018-19:

<u>Account</u>	<u>Name</u>	<u>Amount</u>
100/43/1010	Salaries General	\$182,164
100/43/6030	Leasing	28,886

c. Expend funds upon proper written demand of the General Manager, HCIDLA, or designee.

d. Appropriate into Account No. 43N259-MIPA Loan Repayment, within the Foreclosure Registry Program fund No. 56V upon receipt of program income from loan repayments and shared appreciation.

3. AUTHORIZE the General Manager, HCIDLA, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council actions, subject to the approval of the City Administrative Officer (CAO); and, AUTHORIZE the Controller to implement these instructions.

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund. The recommendation contained in the July 27, 2018 CAO report, attached to the Council file, is in compliance with the City's Financial Policies in that the proposed continuation of the MIPA

Homeownership Program will be fully funded by Foreclosure Registry Program penalty fees.

Community Impact Statement: None submitted.

Summary:

On August 8, 2018, your Committee considered July 27, 2018 CAO and June 25, 2018 HCIDLA reports relative to approval to utilize additional Foreclosure Registry Program penalty fees for the MIPA Homeownership Program. According to the CAO, the HCIDLA is requesting authority to continue the MIPA Homeownership Program by utilizing \$2,316,042 of Foreclosure Registry penalty fees. Of this amount, the HCIDLA proposes to use \$2,000,000 for MIPA Program homebuyer loans and \$316,042 for salaries and related costs. If approved, the HCIDLA would continue the MIPA Program by funding a portion of seven, existing staff members within the Homeownership Unit consisting of three Financial Development Officer Is, one Financial Development Officer II, one Management Analyst I, one Rehabilitation Construction Specialist II and one Senior Administrative Clerk.

As proposed, the above positions would be funded from the Community Development Block Grant (CDBG) (60 percent), the Municipal Housing Finance Fund (MHFF) (20 percent), and the Foreclosure Registry Program Fund would fund the portion of staff time spent on the MIPA Program (20 percent). The HCIDLA indicates that these positions are currently funded with CDBG (70 percent) and MHFF (30 percent). The HCIDLA will report to the Mayor and Council if and when the HCIDLA determines that additional Foreclosure Registry penalty fees are available and could be effectively utilized by the MIPA Homeownership Program in the future. If the HCID request is approved, it projects that the MIPA Homeownership Program would provide assistance to approximately 33 moderate-income households. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the July 27, 2018 CAO report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
KREKORIAN:	YES
HARRIS-DAWSON:	YES

ARL  
8/8/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-