

CITY OF LOS ANGELES  
CALIFORNIA

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When making inquiries relative to  
this matter, please refer to the  
Council File No.

September 6, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 13-0995,  
at its meeting held September 3, 2013.

City Clerk  
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Mayor's Time Stamp  
OFFICE OF THE CLERK / 701  
RECEIVED  
2013 SEP -3 AM 10:54  
CITY OF LOS ANGELES

City Clerk's Time Stamp  
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2013 SEP -3 AM 10:52  
CITY CLERK  
BY \_\_\_\_\_  
DEPUTY

FORTHWITH

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 13-0995

COUNCIL DISTRICT 15

COUNCIL APPROVAL DATE September 3, 2013

RE: EARMARKING \$3.95 MILLION IN UNALLOCATED 39TH YEAR (2013-14) COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE JORDAN DOWNS HOUSING PROJECT IN SUPPORT OF A GRANT APPLICATION OF \$30 MILLION IN ADDITIONAL FUNDING

LAST DAY FOR MAYOR TO ACT SEP 13 2013  
(10 Day Charter requirement as per LAAC Section 14.7)

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DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

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APPROVED

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\*DISAPPROVED

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\*Transmit objections in writing pursuant to LAAC Section 14.7

DATE OF MAYOR APPROVAL OR DISAPPROVAL 9/4/2013

E.G. H.  
MAYOR

RECEIVED  
CITY CLERK'S OFFICE  
2013 SEP -4 PM 1:50  
BY \_\_\_\_\_  
CITY CLERK  
DEPUTY

HOUSING COMMITTEE REPORT relative to earmarking \$3.95 million in unallocated 39th Year (2013-14) Community Development Block Grant (CDBG) funds for the Jordan Downs Housing Project in support of a grant application of \$30 million in additional funding.

Recommendations for Council action, as initiated by Motion (Buscaino - Wesson), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. COMMIT, pursuant to U.S. Department of Housing and Urban Development (Notice of *Funding Availability regulations*), a total of 7.5 percent of one year's annual CDBG allocation, estimated to be \$3.95 million, to support the \$30 million Choice Neighborhood Initiative (CNI) Grant application for the Jordan Downs Housing Project; and, upon award of the grant, funds shall be provided from unallocated funds, savings, or any future year CDBG allocation, within the five-year life of the CNI Grant.
2. REQUEST the Jordan Downs Grant Development Team, with the assistance of the Housing Authority of the City of Los Angeles (HACLA), upon award of the CNI Grant, to prepare and submit a 5-year CDBG budget and funding request to the Mayor and Council for the Jordan Downs Project to comply with the CNI Grant.
3. REQUEST the HACLA to submit to Council a status report for the Jordan Downs Project, including a project timeline and all funding sources and uses.
4. REQUEST the Office of the Mayor and HACLA to notify the Council upon award of the CNI Grant.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

### SUMMARY

At a regular meeting held on August 28, 2013, the Housing Committee considered Motion (Buscaino - Wesson) relative to earmarking \$3.95 million in unallocated 39th Year (2013-14) Community Development Block Grant (CDBG) funds for the Jordan Downs Housing Project in support of the application for a U.S. Department of Housing and Urban Development (HUD) Choice Neighborhood Initiative (CNI) Implementation grant award of \$30 million in additional funding for the Project.

The General Manager of the Housing Authority of the City of Los Angeles (HACLA) addressed the Committee and responded to related questions relative to the CDBG funding allocation request to the Jordan Downs Project and the application for the HUD CNI Grant. HACLA reports that it is applying for \$30 million in CNI grant funding which is a critical component of the redevelopment effort at Jordan Downs.

A Senior Vice President with the development team procured by HACLA, the Michaels Company in partnership with Bridge Housing, addressed the Committee and reported that the commitment of \$3.95 million from the City in CDBG funds over the next five years will help leverage an additional \$260 million of other financing. The commitment of the CDBG funds is also a requirement for particular points in the CNI application and will assist the City in the nationwide competition for this grant opportunity.

The funds will be used as part of the Jordan Downs transformation plan to build an 8-acre park, ball fields, a 50,000 square foot community center, and for realignment of the 117 bus route along Century Boulevard. Some of the other elements of the Project include 1,400 new units of mixed income housing, a social services and job workforce program assistance strategy, and 100,000 square feet of commercial space.

In response to questions from the Committee regarding the CNI Grant timeline and the City's chances for being awarded the grant funds, the member of the project development team reported that the timeline begins with the application which is due by September 10, 2013, several months for HUD review of applications, site visits, and final decision by early spring. The development team believes Jordan Downs and the City's chances are excellent for receiving an award. Additionally, the Committee inquired how the \$3.95 million in CDBG funding will be drawn down if the City is successful in receiving the CNI Grant, and was advised that the funding will be added toward the total funding and that draw-down of the funds will occur on an as-needed basis.

The maker of Motion (Buscaino – Wesson) and member of the Committee then moved to amend the Motion to remove Recommendations No. 1 and 2, and to substitute four new recommendations consisting of: a commitment of 7.5 percent of one year's annual CDBG allocation which is estimated to be \$3.95 million, in support of the HUD CNI Grant, to be provided from unallocated funds, savings, or future CDBG allocation; a request to the Jordan Downs development team, with the assistance of HACLA, to prepare and submit a five-year CDBG budget and funding request for the Jordan Downs Project to the Mayor and Council; a request to HACLA to submit a status report to Council for the Jordan Down's Project, and a request to the Mayor's Office and HACLA to notify Council upon award of the CNI Grant.

After providing an opportunity for public comment, the Committee recommended approval of the recommendations in the Motion as amended. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
CEDILLO	YES
FUENTES	YES
WESSON	ABSENT
BUSCAINO	YES
PRICE	YES

**TO THE MAYOR FORTHWITH**

**ADOPTED**

SEP 03 2013

**LOS ANGELES CITY COUNCIL**

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**