

HOUSING COMMITTEE REPORT relative to authorization to accept the 2018 Community Reinvestment Act (CRA) Grant from OneWest Bank for the City's Low Income Purchase Assistance Homeownership Program (LIPA) and to apply for the 2019 CRA Grant.

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 :
  - a. Accept and expend the 2018 CRA Grant of \$400,000 awarded to the HCIDLA on December 12, 2018 by OneWest for its LIPA Homeownership Program.
  - b. Submit an application for a 2019 CRA Grant of \$400,000 to OneWest Bank for the LIPA Homeownership Program
2. AUTHORIZE the Controller to:
  - a. Appropriate \$400,000 into Account No. 43P647 LIPA- OneWest Bank Grant, within the HCIDLA Small Grants and Awards Fund No. 49N, for the CRA Grant funds from OneWest Bank.
  - b. Appropriate into Account No. 43P648 LIPA- OneWest Bank Loan Repayment, within Fund No. 49N, upon receipt of program income from loan repayments and shared appreciation.
  - c. Expend funds from the accounts indicated above in Recommendation Nos. 2a and 2b upon proper written demand of the General Manager, HCIDLA, or designee.
3. AUTHORIZE the General Manager, HCIDLA, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and Council actions on this matter, subject to the approval of the City Administrative Officer (CAO); and, REQUEST the Controller to implement the instructions.
4. INSTRUCT the HCIDLA, upon receipt of the 2019 grant award, to report and request authority to accept and expend funds, at that time.

Fiscal Impact Statement: The CAO reports there is no impact to the General Fund. The recommendations contained in the March 19, 2019 CAO report, attached to the Council file, comply with City Financial Policies in that the LIPA Homeownership Program is fully funded by the HOME Investments Partnerships Program funds and the CRA grant.

Community Impact Statement: None submitted.

Summary:

On March 27, 2019, your Committee considered March 19, 2019 CAO and February 28, 2019 HCIDLA reports relative to authorization to accept the 2018 CRA Grant from OneWest Bank for

the City's LIPA Homeownership Program and to apply for the 2019 CRA Grant. According to the CAO, HCIDLA is requesting authority to accept the 2018 CRA Grant from OneWest Bank, a division of CIT Bank, N.A., in the amount of \$400,000 to provide additional funds for the LIPA Homeownership Program. The LIPA Homeownership Program provides purchase assistance in the form of a subordinate "soft second" loan to first-time, low-income homebuyers to purchase a home in the City of Los Angeles.

The HCIDLA is also requesting authority to apply for the 2019 CRA Grant in the amount of \$400,000. The CAO concurs with the recommendations of the HCIDLA, with the addition of instructing the HCID to report back to the Mayor and Council if the 2019 grant is awarded, and request authority to accept and expend funds at that time. The HCIDLA first successfully applied for a \$400,000 CRA Grant in December 2017 and fully utilized the grant to assist 28 low-income households. In November 2018, the HCIDLA applied for the 2018 CRA Grant in the amount of \$500,000 and was awarded a total of \$400,000. The HCID will use the 2018 CRA grant to supplement existing HOME Investment Partnerships Program (HOME) funds available for the LIPA program. With the additional \$400,000 from OneWest Bank, HCID plans to provide \$90,000 in loans for approximately 28 households. Of the \$90,000, \$75,000 will come from existing HOME funds and \$15,000 will come from CRA funds. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CAO report and detailed in the above recommendation. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE



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

ARL  
3/27/19

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**