

MOTION


This August will mark the 50<sup>th</sup> anniversary of the Watts Riots. Poverty, housing, employment, education, infrastructure, and services continue to challenge Watts five decades later. On November 6, 2014, the Department of Housing and Urban Development (HUD) issued a 2014 Notice of Funding Availability (NOFA) for the Choice Neighborhood Initiative (CNI) Implementation Grants which focus on implementing a transition plan to redevelop distressed neighborhoods. A total of approximately \$76 million in competitive grants will be made available to fund up to four grants not to exceed \$30 million each. HUD also reports that it may use FY2015 Choice Neighborhoods funding to make Implementation Grant awards under this NOFA.

HUD reports that per the FY2014 Consolidated Appropriations Act, at least \$55 million of the total FY2014 Choice Neighborhoods funding must be awarded to applications for which a public housing authority is the Lead or Co-Applicant. On behalf of the City, the Mayor's Office and the Housing Authority of the City of Los Angeles (HACLA) will be applying for the CNI grant to implement the Jordan Downs Transformation Plan, an existing five-year plan to redevelop and improve the Jordan Downs housing project in the Watts area of Council District 15. Although total project costs are approximately \$1 billion, the grant funding will be the initial Federal investment to create commercial/retail space, improved housing units, open park space, and family and job resource centers.

The City can strengthen its CNI application by committing 10 percent of its future Community Development Block Grant (CDBG) allocation to the Jordan Downs Transformation Plan. Because the City does not expect to be notified by HUD until September 2015, and the City's 41<sup>st</sup> Consolidated Plan, with a program year of April 1, 2015—March 31<sup>st</sup> 2016, is expected to be adopted in March 2015, it is anticipated that the funding commitment period would commence in the 42<sup>nd</sup> Consolidated Plan (April 1, 2016—March 31, 2017). The CDBG commitment would be provided over a five year period. Per HUD regulations, the City's future commitment is based on 10 percent of its most recent CDBG entitlement (PY40), which is approximately \$5,109,092. In order to make it's CNI grant more competitive, the City should commit these funds to the Jordan Downs Transformation Plan.

I THEREFORE MOVE that the Council, subject to the approval of the Mayor, commit 10 percent of its future Consolidated Plan CDBG entitlement, valued at approximately \$5,109,092, to the Jordan Downs Transformation Plan, to be allocated over five years, subject to a grant award under the Department of Housing and Urban Development Choice Neighborhood Initiative Implementation Grant.

I FURTHER MOVE that HACLA be requested to report to the Housing Committee upon notification of the results of the Choice Neighborhood Initiative Implementation Grant.

PRESENTED BY:   
JOE BUSCAINO  
Councilmember, 15<sup>th</sup> District

SECONDED BY: 

JAN 16 2015

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