

HOUSING COMMITTEE REPORT relative to the commitment of 10 percent of the City's Community Development Block Grant (CDBG) entitlement to the Jordan Downs Transformation Plan.

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

1. ALLOCATE in CDBG funds, over the next five years, an amount equal to 10 percent of the 40th Program year (2014-2015) CDBG entitlement, valued at approximately \$5,109,092, to the Jordan Downs Transformation Plan, subject to a grant award under the U.S. Department of Housing and Urban Development (HUD) Choice Neighborhood Initiative (CNI) Implementation Grant.
2. REQUEST the Housing Authority of the City of Los Angeles (HACLA) to report to the Housing Committee upon notification of the results of the CNI Implementation Grant.
3. APPROVE the City of Los Angeles as a co-applicant, with HACLA (lead applicant), for the CNI Implementation Grant; and, AUTHORIZE the Mayor, or designee, to sign the grant application on behalf of the City.

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 its regular meeting held on January 28, 2015, the Housing Committee considered Motion (Buscaino - Cedillo) relative to the commitment of 10 percent of the City's future CDBG entitlement to the Jordan Downs Transformation Plan, for the HUD CNI Implementation Grant application.

Representatives of the Councilmember for Council District 15, maker of the subject Motion, submitted and read into the record an amendment to the Motion to clarify that the 10 percent commitment of CDBG funds is based on the current 40th Program Year (April 1, 2015 through March 31, 2015) Consolidated Plan CDBG entitlement, valued at \$5,109,092, to be allocated to the Jordan Downs Transformation Plan over the next 5 years (starting in the 41st Program Year - 2015-2016) as a requirement of the HUD CNI Implementation Grant application and subject to a Grant award. The amendment also included, as a HUD requirement for the Grant, a recommendation for approval of the City as co-applicant with HACLA as lead applicant.

During discussion of the matter, HACLA's Policy and Planning Director addressed the Committee and provided an overview of the CNI Implementation Grant process and timeline, and submitted an accompanying fact sheet. The HACLA Planning Director reported that HACLA has been working on the planning of the Jordan Downs Transformation Plan since 2009, and that HACLA (and the City) are applying for \$30 million in CNI Implementation Grant funds for this project. The Grant deadline is February 9, 2015, and HACLA plans to submit the application

on February 6, 2015. By Summer 2015, applicants will find out if they are "Short Listed" and HUD will conduct site visits for those on the "Short List." Based on site visits, HUD will finalize awardees and make and announce selections by approximately October 2015.

In response to questions from the Committee regarding the commitment of future CDBG funds, the HACLA Planning Director noted that CDBG is one component of the required leveraged dollars and that funding is leveraged on a 3 to 1 basis. So if awarded \$30 million, an additional \$85 million is being leveraged through the prioritization and repogramming of funds from many different partners such as \$60 million investment in the target neighborhood from Jordan High School, \$15 to \$25 million from the Children's Institute new facility in Watts, and other sources such as City streetscape improvements funded by Metro. Per Grant requirements, boundaries of the grant must extend beyond the footprint of the public housing and into the local neighborhood, so if the grant is awarded, leveraged resources improve the neighborhood beyond the project. The Economic and Workforce Development Department will be leading the neighborhood implementation efforts.

Since there is significant competition for the CNI Implementation Grant (the HACLA Planning Director reported that last year only 3 out of 44 applicants were selected), the Committee requested that HACLA report to the Committee during and after the application process so that lessons learned can be applied toward future CNI Implementation Grant applications for other City public housing.

After providing an opportunity for public comment, the Committee approved the Motion as amended with correct Program Years and allocation formulas. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

MEMBER VOTE

CEDILLO: YES

FUENTES: YES

PRICE: ABSENT

REW
1/29/15
FILE NO. 13-0995-S1

-NOT OFFICIAL UNTIL COUNCIL ACTS-