

MOTION

HOUSING

On October 29, 2014, Council authorized the City of Los Angeles (City) to enter into a Revised Bond Expenditure Agreement and adopt a related Bond Spending Plan with CRA/LA, A Designated Local Authority (CRA/LA) for the transfer of approximately \$84.1 million in pre-2011 tax allocation bond proceeds, referred to as Excess Bond Proceeds, from CRA/LA to the City (C.F. 14-1174). The Bond Expenditure Agreement was fully executed on January 16, 2015, and the Excess Bond Proceeds have been transferred to the City and deposited with the Office of the Controller.

The \$84.1 million in Excess Bond Proceeds is comprised of tax-exempt and taxable bond proceeds in various amounts for 20 existing redevelopment project areas throughout the City and may only be spent on eligible projects, programs, and activities within the boundaries of each redevelopment project area. The Bond Spending Plan identifies four general categories for eligible expenditures including public infrastructure, community facilities/open space, affordable housing, business assistance and catalytic commercial developments. A list of eligible projects, programs, and activities is also included for each redevelopment project area within the Bond Spending Plan.

All or portions of the Adelante Eastside, Monterey Hills, Pico Union 1, Pico Union 2, Westlake Recovery, and Wilshire Center/Koreatown redevelopment project areas lie within Council District One and collectively provide approximately \$9.1 million in Excess Bond Proceeds to the District. The preservation and creation of affordable housing is a top priority for the City and Council District One and is consistent with the Housing and Community Investment Department's mission of creating viable urban communities by advocating for safe and livable neighborhoods through the promotion, development and preservation of decent, safe, affordable housing and by expanding economic opportunities and public services, principally for low- and moderate income persons. Preserving existing affordability covenants is an eligible expense of both tax-exempt and taxable Excess Bond Proceeds. Within the next three years, approximately 805 affordability restricted covenants will be expiring in areas of Council District One and the Excess Bond Proceeds provides a resource and opportunity to extend the affordability of some of those units and achieve the goal of preserving affordable housing.

I THEREFORE MOVE that Excess Bond Proceeds available to Council District One from redevelopment project areas within the District be utilized to extend affordability covenants on existing affordable housing units.

I FURTHER MOVE that the General Manager, or designee, of the Economic and Workforce Development Department, with the assistance of the Housing and Community Investment Department, City Administrative Officer, Chief Legislative Analyst, Council District One, and any other applicable City department provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate Excess Bond Proceeds in an amount to be determined to preserve affordability covenants within Council District One.

PRESENTED BY

Gilbert Cedillo  
Councilmember, 1st District

SECONDED BY

ORIGINAL

JUL 31 2015