

HOUSING COMMITTEE REPORT relative to the 47th Program Year (PY 47) of the Housing and Community Development Consolidated Plan 2021-22 proposed budget curated to restore and expand the social safety net in Los Angeles by increasing access to affordable housing, revitalizing neighborhoods, and supporting economic development primarily benefiting low-income residents.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

APPROVE the recommendations of the Chief Legislative Analyst (CLA) as detailed in the report dated May 21, 2021, attached to Council File No. 20-1433.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the PY 47 Community Development Block Grant (CDBG) will provide approximately \$28 million to support positions (direct salaries: \$12.9 million; expenses including contracts: \$6.8 million; and related cost reimbursement: \$8.3 million). For PY 47, the CAO has calculated total related costs to be approximately \$9 million. Of this amount, approximately \$8.3 million can be funded with CDBG dollars. This will result in a balance of approximately \$700,000 in unfunded related costs that may be considered by the Council and Mayor to be potentially funded with a General Fund subsidy. For reference, the previous year's PY 46 fiscal impact was estimated at \$600,000 in related costs paid by the General Fund. The City's Financial Policies state that the City will pursue program grants, but will limit financial support of these programs to avoid commitments beyond available funding.

The CAO further reports that Cost Allocation Plan (CAP) 43 is the plan used to calculate related costs in PY 46. These estimates also do not include the impact of new positions included in the Mayor's Proposed 2021-22 budget for the proposed new Community Investment for Families Department, which is still subject to various policy considerations and implementation. The fiscal impact of any additional positions will be included in a future report. It is a policy decision regarding how and at what level the City will contribute City resources, specifically the General Fund, to leverage CDBG grant program activities.

Community Impact Statement: None submitted.

SUMMARY:

At a regular meeting held on May 26, 2021 the Housing Committee virtually considered CLA and Mayor's reports relative to the PY 47 of the Housing and Community

Development Consolidated Plan 2021-22 proposed budget curated to restore and expand the social safety net in Los Angeles by increasing access to affordable housing, revitalizing neighborhoods, and supporting economic development primarily benefiting low-income residents. After providing an opportunity for public comment, the Committee approved the recommendations in the CLA report dated May 21, 2021, as detailed above. This matter is now transmitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
RAMAN:	YES
HARRIS-DAWSON:	YES
KREKORIAN	ABSENT
LEE:	YES

KK 5/26/21

-NOT OFFICIAL UNTIL COUNCIL ACTS-