

General Questions

1. (a) Describe the accomplishments in attaining the goals and objectives for the reporting period.

1. (b) Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.

1. (c) If applicable, explain why progress was not made towards meeting the goals and objectives.

Development of New Affordable Rental Housing

1(a) City Priority Two of the 2003-2008 Consolidated Plan is to 'expand access to quality housing that is affordable to working Los Angeles families'. During the 2006/2007 Program Year, the Los Angeles Housing Department, through the Affordable Housing Trust Fund (AHTF), made commitments to 37 separate projects totaling approximately \$124.7 million in funding from CDBG, HOME and HOPWA, which will result in the development of 2,132 units of affordable rental housing if they all receive awards of additional funding, such as Low Income Housing Tax Credits (LIHTC) for which they have applied. The proposed accomplishments for the 32nd Program Year for the Affordable Housing Trust Fund, New Construction and Rehabilitation were 740 units utilizing \$42 million budgeted for that year. However, the AHTF NOFAs included more than \$42 million, and thus commitments to 2,132 units could be made.

Also during the 32nd Program Year, the new Permanent Supportive Housing Program (PSHP) committed approximately \$16.6 million in HOME and HOPWA funds for 5 developments with a total of 274 units, assuming that the additional funding is awarded. If proposed developments do not received the leveraged funding from the State or Federal government, they can re-apply to the AHTF NOFA in another round.

The Major Projects Division of LAHD oversaw completion of 15 newly constructed developments with 989 units and five developments with 340 rehabilitated housing units to serve very-low and low-income individuals, families and seniors, for a total of 1,329 new affordable housing units.

The AHTF and LAHD's housing development programs also implement the City's Priority Three, 'Promote the development of our youth' by funding the construction of childcare facilities and community rooms that allow for after-school programs, and computer learning centers in many affordable housing developments.

Homeownership Programs

Homeownership goals proposed for the 32nd Program Year were exceeded by 57%. Since home prices have risen dramatically in recent years, a goal of 49 loans utilizing HOME or CDBG funds, plus ADDI, reflected expectations based on program demand given income and HOME-value restrictions. However, a cooling of the local real estate market in late 2006, and ongoing marketing at well-attended monthly homebuyer education seminars enabled LAHD to fund 77 loans to low-income first time homebuyers in Los Angeles during the Program Year.

Rehabilitation Programs

The Handyworker Program provides free minor home repairs to low-income senior or disabled homeowners or homeowners with disabled relatives residing with them. During the program year, 927 households were assisted. LAHD's goal of 1,480 households to be served was based on experience, with an average cost of \$2,500 per house. However, because the cost of materials and wages has risen, the average cost per home in the 32nd PY was \$3,226. In addition, the agencies serving one particular service area experienced organizational difficulties during the year. LAHD is working closely with these agencies to ensure that their level of service will meet the goal for 2007-08.

The Home Secure Program is designed to increase the independence of elderly and disabled residents within the City by modifying (as needed) their living environments with the installation of such features as locks, peep holes, grab bars and tub attachments to enhance the safety and security of their homes. Most home installations are made to the bathroom, bedroom, and kitchen. Formerly operated by the City's Department of Aging, the program was transferred to LAHD in July 2006. A smooth transition was effected, and 1,169 households were assisted from July 2006 through the end of March 2007.

Since single family and small property rehabilitation projects can sometimes overlap more than one program year, we are reporting both loan commitments made and rehabilitation projects completed in the 32nd Program Year. The Single Family Comprehensive Program executed loan documents for 65 units and oversaw the completion of rehabilitation on 39 homes. The 2-4 Unit Rehabilitation Program made 8 loans for 16 units, and oversaw the completion of rehabilitation on 18 other units.

Housing Development Central (HDC)

Since LAHD's Housing Development Central (HDC) initiative started late in the 30th Program Year, a number of goals have been achieved, due to the development of effective working relationships with other City, County and regional government agencies. To date, HDC has:

- Reviewed over 600 surplus city-owned parcels of land, of which 30 were identified as suitable for housing development.
- Reviewed an inventory of 46 city-owned parking lots. LAHD and the City's Department of Transportation (LADOT) have been negotiating and prepared a draft Memorandum of Understanding to designate some of these lots joint-use development, which will include affordable housing development. The MOU will be submitted for Mayor and City Council approval. HDC will continue the evaluation of all 117 city-owned public parking lots.
- Reviewed five rounds (one round every six months) of tax-defaulted properties published by the County of Los Angeles Tax Assessor. LAHD was able to acquire title to one 10-unit apartment complex for project development. HDC staff is currently preparing a Request for Proposals (RFP) to rehabilitate the property and to maintain it as affordable rental housing.
- Issued a Request for Qualifications (RFQ) for a transit-oriented development, which will include affordable housing on four LADOT underutilized public parking lots. HDC selected the top-three scoring developers, who were issued RFP's. HDC coordinated the review of the proposals and the selection of the top proposal,

which will require Mayor and City Council final approval. The selected transit-oriented development will create 60 rental units, 37 for-sale units, retail spaces and public parking.

- Issued an RFP for the new construction of for-sale homes on a two-acre city-owned surplus site. HDC coordinated the review and selection of a developer/proposal, and obtained the necessary City Council and Mayor approvals. HDC is currently working with the developer and City Attorney's Office in drafting a Disposition and Development Agreement for the sale and development of the site. The proposed development will contain 32 detached condominiums.
- HDC staff participated in a Metropolitan Transportation Authority (MTA) selection panel to review and select proposals for the development of transit-oriented developments, which will contain affordable housing, of two sites adjacent to light rail stations.
- HDC staff assisted Affordable Housing Trust Fund staff in the review of four rounds of proposal submissions in response to Notices of Funding Availability (NOFA).
- HDC staff assisted the Major Projects Division and Portfolio Management Unit to review and resolve five LAHD problem projects.

Housing Opportunities for Persons with AIDS (HOPWA)

The HOPWA program continued to support the provision of housing and services to persons living with HIV/AIDS throughout the County. Program accomplishments exceeded goals in most categories, as detailed in the HOPWA section of this document.

Los Angeles Homeless Services Authority (LAHSA)

The Los Angeles Homeless Services Authority (LAHSA) is a joint powers authority formed in 1993 to administer homeless contracts within defined service planning areas throughout Southern California. LAHSA, with oversight from the Los Angeles Housing Department, generally met all of its 32nd Program Year goals through the effective use of Community Development Block Grant and Emergency Shelter Grant funds:

- **Winter Shelter Program:** The Winter Shelter Program provides over 1,700 additional emergency shelter beds per month to the Continuum from December 1 through March 15 of the following year. Case managers employed by the winter shelters engaged 5,042 unduplicated homeless persons in case management and placed 668 persons in non-Winter Shelter Program emergency shelter, transitional housing, or permanent housing for the duration of the Winter Shelter Program; 978 were referred to transitional housing and 238 were referred to permanent housing; 59 were referred to housing for victims of domestic violence.

During the winter season, **Homeless Health Care** provided 27 trainings with subjects such as: Case Management Skills for Shelter Staff, Dealing with Difficult People, Health and Safety, Mental Health, Substance Use, Tuberculosis and Hepatitis, Working with Diverse Populations: Focus on Transgender, and Food Safety for 427 winter shelter agency staff persons at 7 agencies.

- **Emergency Response Team (ERT):** ERT staff targets urban homeless encampments and makeshift campgrounds in rural areas with the objective of moving homeless persons into shelter. From April 1, 2006 to March 31, 2007, the ERT responded to 1,045 requests; made 8,629 visits to encampments and other locations; and provided housing referrals or placement to 880 homeless people.
- **Access Centers:** The project funds three homeless access centers. Designed as a “one-stop shop”, these centers reduce barriers to participation in the homeless continuum of care. From April 1, 2006 to March 31, 2007, Access Centers provided services to 3,369 unduplicated homeless persons. Of those served, 1,606 were placed into emergency housing, and 880 were placed in transitional housing.
- **Job Training and Placement Program:** This program provides employment training. The program assists homeless persons to find permanent and temporary paid positions. The long-term goal of this program is to increase homeless persons’ skills and income through training and employment. In the period April 1, 2006 to March 31, 2007, the program served 60 homeless persons. Of those served, 12 were placed into employment and 9 remained employed for at least four months.
- **Drop-In Center:** The Downtown Drop-In Center is a 24-hour, 7 day, drop-in center that offers an array of services to homeless persons. Services offered include showers, toilets, laundry, case management, health screening, and counseling. In the period April 1, 2006 to March 31, 2007, the Drop-In Center served 5,742 unduplicated homeless persons. The Drop-in Center placed 2,110 persons into emergency shelter, of those placed into emergency shelter, 361 persons remained housed for 1 month. The program also provided 1,877 unduplicated homeless persons access to 32 respite beds.
- **Homeless Shelter and Services:** In the period April 1, 2006 to March 31, 2007 the project served 4,262 (including children) unduplicated homeless persons. The program placed 355 homeless persons into transitional housing, 531 homeless persons into permanent housing; and assisted 878 homeless persons to obtain benefits through mainstream resources or employment.
- **Emergency Shelter Targeting Homeless on the Streets in Downtown LA:** (Con Plan name – “Year Round Emergency Shelter - Downtown”) During the period April 1, 2006 to March 31, 2007, the project served 777 homeless persons. Of those served, 85 were placed into transitional housing, and 39 were placed into permanent housing.
- **Emergency Shelter Targeting Homeless on the Streets in Hollywood:** (Con Plan name “Year Round Emergency Shelter - Hollywood”) During the period April 1, 2006 to March 31, 2007, the project served 358 homeless persons. Of the persons served, 75 were placed in transitional housing and 27 of those placed in transitional housing remained in said housing for 4 months. 10 homeless persons were placed in permanent housing, 7 of those placed in permanent housing remained housed in said housing for 4 months.
- **Special Activities by CBDOs:** Funds under this category were used to fund five different homeless providers in the Skid Row area of downtown Los

Angeles. During the period April 1, 2006 to March 31, 2007, the project served 4,118 homeless people; placed 395 unemployed homeless into employment; placed 92 homeless persons in transitional housing, and 275 in permanent housing.

- **Assistance for Skid Row Families:** During the period April 1, 2006 to March 31, 2007 the program served 513 homeless persons, placed 75 homeless persons into transitional housing and 81 homeless persons into permanent housing
- **Rent-to- Prevent Eviction Program:** During the period April 1, 2006 to March 31, 2007, the project provided rental assistance to 103 households equivalent to 294 individuals) at risk of becoming homeless.

Program Expenditures for the Emergency Shelter Grant (ESG)

ESG FUNDS	
Program	Expenditure
Winter Shelter Program	\$ 1,407,886
Emergency Response Team (ERT)	\$ 145,783
Access Centers	\$ 139,205
Job Training And Placement Program	\$ 130,000
Drop-In Center	\$ 470,959
Homeless Shelter and Services:	\$ 442,972
Total ESG expenditures for services	\$ 2,736,805

Program Expenditures for the Community Development Block Grant (CDBG)

CDBG FUNDS	
Program	Expenditure
Emergency Shelter Targeting Homeless on the Streets in Downtown LA	\$ 500,000
Emergency Shelter Targeting Homeless on the Streets in Hollywood	\$ 550,826
Homeless Shelter and Services	\$1,942,478
Special Activities by Community Based Development Organizations	\$4,261,178
Winter Shelter Program	\$ 68,555
Assistance for Skid Row Families	\$ 126,141
Rent-to-Prevent Eviction	\$ 106,620
Total CDBG expenditures for services	\$7,555,798

Distribution of CDBG Funds for Housing

City Consolidated Plan Priorities:

- Protect and Assist the City’s Special Needs Populations
- Expand Access to Quality Housing that is Affordable to Working Los Angeles Families

City Consolidated Plan Strategies:

- Provide a Variety of Housing Types and Supportive Services for the City’s Special Needs Residents
- Alleviate Substandard and Overcrowded Housing Conditions through Proactive Code Enforcement and Expansion of Inspections
- Expand Home Ownership Programs in Low- to Moderate-Income Areas

CDBG CATEGORY	CDBG BUDGET	% CDBG HSG. BUDGET
Affordable Housing Trust Fund	\$2,456,418	7.8%
Home Ownership Assistance	\$1,451,535	4.6%
Multifamily Rehab 2-4 Units	\$1,900,000	6.0%
Multifamily Rehab Major Projects	\$2,000,000	6.3%
Multifamily Rehab Small Properties	\$3,187,313	10.1%
New Construction Major Projects	\$7,060,876	22.4%
Single Family Rehab – Comprehensive	\$2,826,653	9.0%
Handyworker	\$3,700,000	11.7%
Home Secure	581,911	1.8%
Section 108 Debt Service	\$2,129,788	6.8%
Urgent Repair Program	\$500,000	1.6%
General Administration	\$3,714,765	11.8%
TOTAL	\$31,509,259	100%

Distribution of HOME Funds for Housing

City Consolidated Plan Priorities:

- Protect and Assist the City’s Special Needs Populations
- Expand Access to Quality Housing that is Affordable to Working Los Angeles Families

City Consolidated Plan Strategies:

- Provide a Variety of Housing Types and Supportive Services for the City’s Special Needs Residents

City of Los Angeles, California

Over 61% of budgeted HOME funds were earmarked for the development of affordable rental housing for large families and persons with special needs, top priorities of the City.

LAHD PROGRAM	HOME BUDGET	% OF HOME BUDGET	AFFORDABLE HOUSING NEEDS
Affordable Housing Trust Fund	\$4,500,000	7.9%	New affordable housing for large families and persons with special needs under 60% of median income
New Construction – Major Projects	\$26,535,369	46.6%	New affordable housing for large families and persons with special needs under 60% of median income
Multi-Family Rehabilitation - Major Projects	\$3,972,189	7.0%	New affordable housing for large families and persons with special needs under 60% of median income
Single Family Rehab. Comprehensive	\$5,630,796	9.9%	Home improvement loans for homeowners under 80% of median income
Home Ownership Assistance	\$5,527,269	9.7%	First time home buyers under 80% of median income
Home Ownership Assistance - ADDI	\$525,947	.9%	First time home buyers under 80% of median income
HOPWA Rental Assistance	\$2,000,000	3.5%	Persons/families living with HIV/AIDS under 80% of median income
Section 108 Debt Service	\$2,615,297	4.6%	
General Administration	\$5,632,796	9.9%	
TOTAL	\$56,939,663	100%	

Included within the CAPER appendices (Appendix 1-A) is a HUD-required matrix (*Measuring Program Outcomes*) which provides annual information on the accomplishments of the HOPWA program in providing housing assistance for low-income persons living with HIV/AIDS and their families.

2. Describe the manner in which the recipient would change its program as a result of its experiences.

The City's adopted priorities and strategies are derived from the Needs Assessment, which forms the basis for the 2003-2008 Consolidated Plan strategy. These drive the types of programs and project activities that are proposed and approved annually. All Consolidated Plan applications for funding must meet a City priority and strategy, and subsequent application review by City staff will determine (1) eligibility under each of the four Consolidated Plan program regulations; (2) determination of the CDBG National Objective; and (3) project readiness, among other factors. These procedures for the most part have worked well in assuring that Consolidated Plan funds are targeted to those most in need of services, or to those areas of the City with severe housing problems or economic disinvestment.

There are, however, several areas where changes may be made in Consolidated Planning in the future as a result of the City's experiences during the 2006-2007 Program Year:

- Begin the needs assessment and citizen participation process earlier in the year for the upcoming 2008-2012 Consolidated Plan process. The Mayor's office supports this approach. The City has chosen over the last several years to conduct a needs assessment annually, rather than only for the Five-Year Consolidated Plan. This will permit more time to obtain meaningful citizen input and permit this information to be submitted in a timely manner to the Mayor's office in formulating the annual Consolidated Plan letter addressing Consolidated Plan priorities and budgetary estimates.
- The growing volume and complexity from year to year of applications received for Action Plan funding (nearly 200 were received during Program Year 2006-2007) dictates a far more detailed evaluation of programs and project activities and a need to establish performance benchmarks for programs and projects recommended for funding consideration above and beyond HUD requirements for outcome performance measurement.
- With declining Consolidated Plan funding over the past year, in particular CDBG, greater attention must be paid to measuring program results and developing standards for evaluating the effectiveness and efficiency of programs. Greater attention will be paid to leveraging of Consolidated Plan funding and researching other funding sources. Establishment of CDD's Resource Unit and capacity building programs Citywide is a good start.

Housing Rehabilitation – Evaluation

In July 2005, LAHD obtained final authorization to implement a full reorganization of its housing rehabilitation programs. As mentioned above, in July 2006 LAHD took over implementation of the Single-Family Rehabilitation – Home Secure Program from the City's Department on Aging, as directed by the Mayor and City Council. A smooth transition ensued, and the public continues to be served.

In addition, after operating the new small property rehabilitation programs for over a year, LAHD proposed in the 33rd Program Year Action Plan to make program changes to address lessons learned and the emerging needs of property owners. The redesigned Single Family Rehabilitation Comprehensive 1-4 Unit Program will serve both low-income single family owner occupants as well as owners of 2-4 unit rental properties with low-income tenants. This is in conformance with HUD and FHA regulations which have long categorized properties up to 4 units as 'single family'.

3. Affirmatively Furthering Fair Housing

- a) Provide a summary of impediments to fair housing choice***
- b) Identify actions taken to overcome effects of impediments identified***

a. The Los Angeles 2006 Analysis of Impediments to Fair Housing Choice (AI) undertaken by the Los Angeles Housing Department identified the following overall categories of concerns:

(1) Housing and Household Characteristics: Discrimination faced by various population groups;

(2) Access to Financing: Particular concerns expressed about predatory lending.

(3) Public Policies: Concerns about local programs, regulations, and coordination which can create barriers to fair housing choice.

(4) Fair Housing Services: Concerns about the existing capacity of agencies in Los Angeles to serve all residents.

Goals for the 32nd Program Year (2006-07) included:

1. Continue to contract with the Housing Rights Center to:
 - Conduct fair housing and anti-predatory lending counseling (minimum 600 discrimination inquiries + general housing inquiries);
 - Investigate allegations of housing discrimination (minimum 480 complaints)
 - Provide remedies for valid complaints; and
 - Conduct a multilingual outreach, education & training program
2. Continue to review the Analysis of Impediments report and develop action items.
3. Continue to play an active role in the Southern California Fair Housing Advertising Task Force, convened by the Los Angeles Times.

b. In the 32nd Program Year, the following activities were undertaken by the Los Angeles Housing Department (LAHD) and its contractor, the Housing Rights Center (HRC):

The Housing Rights Center (HRC) provided the following Hotline and walk-in services to City residents: General Housing Calls – 9,172; Discrimination Inquiries – 853; Discrimination Complaints – 550. 16% were based on familial status; 36% on physical and mental disabilities; 16% on race; 9% on national origin. Remedies for the 39% of complaints sustained through investigation included legal action, successful conciliation, and referral to state or federal administrative agencies.

HRC continued to present fair housing law workshops and programs to a variety of audiences such as residential property personnel (e.g. landlords, property managers, and realtors), tenants, prospective homebuyers, code enforcement personnel, police officers, city employees, and other non-profit organizations. Depending on the audience, the written materials and presentations can be translated by staff into Armenian, Korean, Mandarin, Spanish, or Russian. For example, the Fair Housing Certification Training for housing industry professionals is available in English, Spanish and Korean.

The Housing Rights Center continued operation of the “Don’t Borrow Trouble” Hotline, which provides residents with resources to combat predatory lending practices, including legal remedies. It also continued subcontracts with two community-based fair housing agencies to ensure services in each City of Los Angeles neighborhood.

The Los Angeles Housing Department and the Housing Rights Center continued to participate in the ongoing Southern California Fair Housing Advertising Task Force, convened by the Los Angeles Times. Both LAHD and HRC play important roles in this collaboration.

The Housing Rights Center continued to sponsor the Housing Rights Summit, a day long conference held annually since 2000 which brings interested parties together and raises public awareness of fair housing issues and services. The event attracts civil rights advocates, social service providers, housing industry and community members, and government entities to address fair housing and other related issues, such as affordable housing and hate crimes.

In the 33rd Program Year (2007-08) these activities will continue. In addition, the Housing Rights Center is expanding its legal staff to serve clients with fair housing and predatory lending complaints. The Los Angeles Housing Department will be conducting a new competitive Request for Proposals (RFP) process to select the fair housing contractor for the city, which may address some of the impediments highlighted in the AI.

Affirmative Marketing by the Housing Department

The Los Angeles Housing Department (LAHD) actively markets low- and moderate-income housing opportunities citywide. It also requires owners and developers of multifamily housing who receive financial assistance from the City to develop an affirmative marketing plan consistent with the Department's requirements. The marketing plan, subject to approval by LAHD, must contain specific procedures to inform and solicit applications from persons in a specific housing market area who are not likely to apply without special outreach. Overall, the goal of the plan is to promote equal housing choices for prospective purchasers or tenants.

The LAHD also uses the following affirmative marketing procedures to advertise programs, funding availability, and to solicit bids and requests for proposals: Advertisements in Los Angeles newspapers with citywide circulation, newspapers with a target audience (i.e., newspapers that reach Spanish or Korean speakers), community meetings, newsletters, special workshops, notices on the City's and LAHD's websites, and special mailings.

Housing Authority of the City of Los Angeles (HACLA)

In 1991, HACLA adopted a "Bilingual Policy" under which HACLA staff analyzed languages spoken by individuals requesting services from HACLA, and determined in which languages bilingual staff should be hired to work with those individuals and which documents should be translated into languages other than English. After issuance of guidance by the Department of Housing and Urban Development in 2007, HACLA modified its policy to reflect the new HUD guidance for working with individuals with Limited English Proficiency (LEP). Training in this area should be conducted within the next year.

HACLA works to support and implement reasonable accommodations for participants in its programs, and users of its facilities and housing. HACLA policy is responsive to individual needs for physical modifications, and works on broader physical modifications. Section 504 (Rehabilitation Act of 1973) staff coordinates staff training, and provides guidance and assistance to staff and customers.

To affirmatively further fair housing, a "504 hotline" is provided for individuals with disabilities to report difficulty in accessing staff or program benefits due to disability.

In 2005, HACLA and disability advocates collaborated on developing a presentation to explain Section 8 department program rights and responsibilities for participants with disabilities.

HACLA also provides a resource brochure, posts rental listings with modifications for individuals with disabilities on its website, and provides four ombudspersons to assist individuals with difficulty accessing the program. An individual may file a formal written grievance, based on disability, to be investigated by a Section 504/ADA Coordinator.

The Housing Authority recently acted to further fair housing access to its public housing by including in its 2005 Agency Plan a proposal to consolidate its previous two-level preference for working families into a single preference. Changes in application preferences must be considered through the HACLA Agency Plan process prior to implementation. The change was based on results of a study begun in 2003 on the impact of the 32 hour per week level versus the 20-hour per week level of preference for working families.

Study results indicated that each level appeared to provide advantages to a different group. Consolidating the two-level preference into a single-level preference equalized the benefit of working across the groups. The new single-level preference for families working at least 20-hours per week was implemented in January 2005. Elderly and disabled families receive the same preference as working families. HACLA also plans to develop and implement new tools to insure the housing offer process complies with policy and procedures.

HACLA's efforts in the fair housing area also focus on increasing Section 8 use and acceptance by landlords to insure the success of its Section 8 home-ownership program. These efforts include:

- Working to improve customer service so that landlords want to rent to Section 8 clients.
- Outreach to landlord associations.
- Housing search assistance to help voucher holders succeed in finding a unit or buying a home.

4. Describe Other Actions in the Strategic Plan or the Action Plan taken to address obstacles in meeting underserved needs.

4. The Department of Aging recently completed a mandatory needs assessment. The Older Adult survey identified many issues. Among their greatest concern was accessing information, transportation and finding legal advice. The cost of medication, long term insurance and accessing adequate health care were the most common problems expressed by older adults. Of the major financial concerns, adequate income to live on and the cost of energy/utilities and housing were of paramount importance. Social issues of primary importance were isolation and taking care of an older adult.

These issues cannot completely be answered, but augmenting CDBG funding would allow the department to expand its projects, alleviating many of these needs. CDBG provided funding for the Adult Day Support Center, Home Secure, Emergency Alert Response System, Legal Services, and Alternative Housing for the Elderly projects. These programs have been very successful; however, additional funds are needed to

expand programs to serve more seniors and their families who are in need of these services. Increased funding could be used to extend center hours and to hire additional personnel to accommodate the working family caregivers. Seniors and families have requested service hours before 8 a.m. and after 4 p.m., and weekend services which would enable family caregivers to continue working, and relieve them of the financial burden of paying day care for their love ones. Additional funds could also be used to provide more training for social workers, more educational programs for the caregivers, and to expand outreach to the minority community.

As reported in the 32nd Year Action Plan, the City is developing a multi-benefit initiative that will ensure that service providers, including Family Development Networks, are aware of all County, Federal, and State benefits that may be available to their clients so that more City residents claims these benefits. The Initiative will increase the number of eligible residents that take advantage of the Federal Earned Income Tax Credit (EITC) and the EITC Advance program; and the State of California's Healthy Families Insurance Program, among others.

Development is well underway, and funding provided to the Los Angeles Prosperity Campaign and continued funding for both the federally-required match and operating expenses pertaining to the Individual Development Account program in Program Year 32 demonstrate the City's commitment to removing obstacles to meeting the needs of those in Los Angeles in greatest need for assistance.

5(a) *Identify progress in obtaining "other" public and private resources to address needs.*

5(b) *How Federal resources from HUD leveraged other public and private resources; and*

5(c) *How matching requirements were satisfied.*

5(a) The Community Development Department Resource Unit was successful in applying for funding from the California Intergovernmental Partnership Grant Program, Division of Community Partnerships, Department of Corrections and Rehabilitation in the first quarter of 2007. Funds will be used to support collaborative partnerships among City local government and nonprofit agencies, and provide program services to serve the adult reentry offender population.

The grant will fund the implementation and expansion of innovative programs designed to reduce adult offender recidivism and prevent community victimization. Specifically, the City's Re-Entry Employment Options Demonstration Project (REEODP) will target returning ex-prisoners to South Los Angeles.

Of the over 160,000 parolees returning to California neighborhoods annually, fewer than 150 take part in employment preparation or training while behind bars. And, according to housing data released by the City of Los Angeles Planning Department in February 2005, 40% of the 59,974 families in the Southeastern area of the City consist of five or more persons. Of all the cities in the Los Angeles Community Planning Areas, South Los Angeles has the highest percentage of households consisting of 7 or more persons (16.10% compared to 4.7% citywide). Seventy percent (70%) of all of Los Angeles County returning offenders are concentrated in South Los Angeles, East Los Angeles, Compton and Inglewood. Of the 35,529 parolees released in the first quarter of 2005, 30% or 10,856 reside in the South Los Angeles zip codes.

In addition to coping with his or her criminal past, the returning ex-prisoner has to compete with others for limited low-cost housing opportunities. The lack of income or job opportunities limits their ability to obtain suitable housing and increases their possibilities of becoming homeless and relapsing. The California Department of Corrections and Rehabilitation states that Los Angeles County has the highest recidivism rate of all counties within California, or more than twice the state-wide average.

The target area covers seven of the City's 15 Council Districts (CDs 1, 7, 8, 9, 11, 13, 14, 15) for employment services. The project will also target 100 parolees for intake, assessment, vocational training, job placement and education. 65 parolees will be placed in jobs with a retention rate of 12 months. The overall goal for the program will be to link the existing City's job creation system, the Workforce Development system, County health system, and peer/community support systems to assist ex-offenders transition back into their communities by providing counseling, employment health care mentoring and housing. Currently in the City of Los Angeles, there is no formal mechanism that links job creation, training and placement efforts to the neediest job seekers participating in City funded and sponsored human services and County funded and sponsored health services.

Activities will include: assistance in securing benefits, housing, literacy education, vocational training and employment; counseling and mentorship services; life skills training; training and/or work related transportation assistance; and socialization training and support for returning prisoners. Funds may also be used for leasing of workshop locations, training facilities, or conference rooms for the workshops or trainings provided directly to the identified offender population; and for the purchase of equipment and supplies that will improve the delivery of services to the identified offender population.

Funds may also be expended for personnel costs directly provided to the offender, and defray the costs of subcontracting for personal services provided directly to the identified offender population.

From the experience of the Los Angeles Department of Building and Safety (LADBS), education of businesses, customers and communities within the City, and promoting code compliance in blighted areas has proven to enhance businesses, increase the value of property, and promote pride of ownership. Therefore, LADBS is seeking private funding through the City's Business Improvement District process. A BID is a group of businesses within a specific area that agree to fund services provided by the City. The Community Redevelopment Agency (CRA) is also creating a fund to utilize the services of the PACE program.

5(a) and 5(b) In the 32nd Program Year, LAHD directly applied for and received over \$7.68 million in state grant funds for affordable housing development and homebuyer assistance.

Consolidated Plan funds from HUD leverage many other public or private financial or in-kind resources for affordable housing activities:

Leveraging for the Development of Affordable Rental Housing

Los Angeles' Affordable Housing Trust Fund, which incorporates CDBG, HOME and HOPWA funds as well as local funds, is currently generating nearly four additional dollars to every one Trust Fund dollar, including State Proposition 46 Bond Act and Proposition 1C funds for affordable housing. And, as mentioned above, the new Permanent Supportive Housing Program (PSHP) committed approximately \$16.6 million in CDBG, HOME and HOPWA funds for 5 developments with a total of 274 units, which will leverage \$58 million in outside funding sources (\$2.6 for each \$1 invested by the City),

Leveraging CDBG Administrative Funds

CDBG administrative funds from HUD provide leverage for other, non-Entitlement housing grant resources that may not provide adequate, or any, administrative funds. For example, LAHD has received over \$45 million from competitive federal and state housing grants in the past seven years. If CDBG funds had not been available to supplement those competitive grant funds by paying for program, accounting and other administrative staff at LAHD, those grants would not have been received, because LAHD could not show the funding agency the ability to implement the programs.

Leveraging HOPWA Funds

HOPWA funds are leveraged with many other sources including: City of Industry tax increment funds, HUD Capital Advances, deferred costs, County of Los Angeles Department of Health Services, state funds, the City's Affordable Housing Trust Fund and the City of Los Angeles Community Development Department. In addition, HOPWA Contractors/Developers provide matching social services for HOPWA Development and HOPWA Rental Assistance Program components.

Leveraging Consolidated Plan Funds to Assist First Time Homebuyers

The City of Los Angeles has long participated in the 'LA Partners for Homeownership' public-private partnership, initiated by the local HUD office in the mid-1990s, which includes local jurisdictions, lenders, real estate agents, homebuyer counselors and other related professionals. All low-and-moderate-income first time homebuyers must first apply and qualify for a conventional 'first mortgage' with a City-approved participating lender. The lender must confirm that the homebuyer is eligible for City assistance, and then applies to LAHD for a Purchase Assistance or Purchase Assistance with Rehabilitation second mortgage loan on behalf of the homebuyer. Thus each dollar of HOME, ADDI and CDBG funds for soft second mortgages are leveraged with private funds. All homebuyers are required to invest 1%-3% of the purchase price, depending on the hours of homebuyer education they attended, as down payment.

Underwriting standards are designed to meet the needs of low- and moderate-income households. First time homebuyers are required to participate in home education seminars. Rehabilitation funds and construction monitoring is also an option provided to first time homebuyers so they can buy a 'fixer upper' which may be more affordable. Consequently, decent, safe and sanitary housing is created for first time homebuyers; and home ownership opportunities are increased.

The ADDI funds provided by HUD have been used to supplement the Purchase Assistance and Purchase Assistance with Rehabilitation soft second mortgages, enabling more homebuyers to afford the expensive market of Los Angeles. Other programs that LAHD uses to leverage Consolidated Plan funding for first-time homebuyers include:

State of California Programs

Over the past six years, LAHD has successfully applied for several competitive *CalHome Program* grants, provided by the State Department of Housing & Community Development, which are used to leverage LAHD's Purchase Assistance funding from HUD. The *California Homebuyer's Downpayment Assistance Program (CHDAP)* is operated by the California Housing Finance Agency, and offers a deferred payment junior loan of an amount up to the lesser of three percent (3%) of the purchase price or appraised value.

Homebuyers are able to use these funds to help with their down payment and closing costs without the need to make a monthly payment on the loan. Through an agreement with the City of Los Angeles and CalHFA, qualified borrowers, using participating lenders approved by both LAHD and CalHFA, are able to combine the assistance offered by both agencies, which also utilizes tax-exempt mortgage revenue bond single family financing resources.

- *Affordable Housing Program (AHP) Grants*: Lenders apply for these resources and may grant up to \$20,000.
- *Family Self-Sufficiency Matching Funds Account or Individual Deposit Account (IDA)*: The homebuyer, through a special savings account at a participating financial institution, receives matching funds of \$3 for every \$1 saved. The grant can be used to pay for down payment and/or closing costs.
- *Lender Grants*: These grants are typically up to \$5,000.
- *Section 8 Vouchers*: Instead of using a Section 8 voucher to pay rent, approved first-time homebuyers can use it to pay the mortgage for a house.
- *LAUSD Displacee Downpayment Assistance Program*: This program provides down payment assistance to households renting in properties which are being demolished to build new schools.

CDBG funds were used in the 32nd Program Year to provide a match for the U.S. Department of Health and Human Services, Office of Community Services Individual Development Account program. Acceptance of the grant requires a 50% match from the City.

Other Examples of Leveraging of Consolidated Plan Funds - Selected Federal and State Grant Funds and Tax-Exempt Finance Programs

- Older Americans Act Title III-E Family Caregiver Support Funds (\$187,000)
- Older Americans Act Title III-E Family Caregiver Support One Time-Only Funds (\$165,000)
- Community Services Block Grant (CSBG) (Public Services) - \$5.4 million in CSBG funds provides the largest match for CDBG in operation of the City's Public Service programs
- Economic Development Administration funds (EDA) (Economic development projects)
- Ryan White Care Act (HOPWA Program)

City of Los Angeles, California

- California Department of Housing & Community Development and Proposition 46 grants, including Multifamily Housing Program (MHP), CalHome, Workforce Housing, and BEGIN (Housing development and homebuyer assistance)
- Capital Grant Program (Housing Authority)
- Federal and State Low-Income Housing Tax Credits (Housing development)
- Federal tax-exempt private activity bond resources via multifamily and single family mortgage revenue bonds and mortgage credit certificates (housing development and homebuyer assistance)
- HUD Section 202 and 811 funds (housing development for seniors and disabled) – Section 202 funds, combined with CDBG, enabled the Vermont Senior Housing Project in South Los Angeles
- HUD Section 8 SRO Moderate Rehabilitation funds (housing development for the homeless)–HUD Shelter+Care funds (permanent housing with supportive services for the disabled) - HACLA
- HUD Lead-based Paint Hazard Control funds, Lead Hazard Reduction Demonstration funds and Lead Outreach funds (for Lead hazard control and outreach in privately owned housing)
- HUD Supportive Housing Program (SHP)
- Tax Increment Funds (Community Redevelopment Agency project areas)
- Los Angeles Department of Water and Power (for housing development utility infrastructure costs - 'off-site costs'- water conservation incentives and energy efficiency rebates for businesses)
- City of Industry redevelopment tax increment resources (housing development)
- Community Development Financial Institution Fund, including Local Initiative Support Corporation (LISC) and Enterprise Foundation (housing development)
- Industrial Development Authority (City of Los Angeles) taxable and non-taxable bonds
- Empowerment Zone bonds
- Proposition 12/Per Capita funds for development of recreational facilities

Foundation Giving

- Gilead Foundation - \$99,164 for for an initiative to expand access to HIV testing in the City of Los Angeles.

5 (c) Matching requirements for HOME funds are met by use of City funds in the Affordable Housing Trust Fund. CDD does not require a match for the use of CDBG funds by awardees.