



# NEWS FROM

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## CITY CONTROLLER LAURA CHICK

City Hall East, Room 300, 200 N. Main St., Los Angeles, CA 90012

**FOR IMMEDIATE RELEASE**  
**Thursday, September 28, 2006**

**Contact: Rob Wilcox**  
**(213) 978-7209**

**CHICK FOLLOW-UP AT CRA:**  
**Two years Later and Agency Still Needs to Make Fundamental**  
**Changes**

Los Angeles – City Controller Laura Chick’s follow-up audit of the Community Redevelopment Agency (CRA) has cited the agency for being too slow in implementing major reforms regarding its loan programs for developers, affordable housing projects and profit sharing with successful builders.

“It has been two years since I released a series of audits of the CRA, with 92 recommendations, and unfortunately a new audit found that the CRA is still fundamentally off-course,” said City Controller Laura Chick.

“One long-term problem which still exists is the fact that a small number of borrowers and developers receive the majority of CRA loans. It is difficult to believe that in a real estate town such as Los Angeles, that the CRA’s explanation is that they can’t find enough interested and qualified developers,” wrote Chick in a letter to the Mayor, City Attorney and City Council.

The audit's findings include:

- CRA needs to increase participation in its redevelopment and Loan Activities
- CRA Does Not Consistently Use a Profit-Sharing Strategy
- CRA Loan Monitoring Efforts Are Still Inadequate
- CRA Needs to Perform a More In-Depth Review of its Borrowers' Financial Statements
- CRA Needs To Monitor Affordable Housing Projects To Ensure That They Are Provided and maintained
- CRA's New Real Estate Acquisition and Disposition Tracking System Is Ineffective

“The mission of the CRA is far too important to be allowed to get, much less remain, off-course. With the new leadership at the helm of the CRA, and the impetus of a follow-up audit, now is the time for the CRA to realize its full potential,” wrote Chick.

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