



William K. Huang
Acting Executive Director

**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

PUBLIC NOTICE

**PLEASE BE ADVISED THAT THE
HOUSING COMMISSION MEETING
FOR**

OCTOBER 22, 2008

HAS BEEN CANCELLED

Reminder that readers should check the web site within 72 hours prior to each meeting,
to confirm meeting location.

Access to the Agenda and supporting documents are available at the above web site.

Agenda in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Housing Commission meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or e-mail at marisol.ramirez@lacdc.org from 8:00 a.m. to 5:00 p.m. Monday through Friday.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

William K. Huang
Acting Executive Director

**AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, OCTOBER 22, 2008
12:00 NOON
ORCHARD ARMS
2341-23540 WILEY CANYON ROAD
VALENCIA, CA 91355
(661) 255-5818**

= = = = = = = = = = = = =

1. Call to Order

2. Roll Call

Severyn Aszkenazy, Chair
Adriana Martinez, Vice Chair
Philip Dauk
Lynn Caffrey Gabriel
Henry Porter, Jr.
Alberta Parrish

3. Reading and Approval of the Minutes of the Previous Meetings

Regular Meeting of August 27, 2008

4. Report of the Executive Director

5. Public Comments

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.

6. Staff Presentations

No Staff Presentations



Regular Agenda

- 7. Approve Health Plan Changes (All Districts)**
Recommend that the Board of Commissioners authorize the Acting Executive Director to approve the proposed premium rates for group medical plans provided by Anthem Blue Cross of California Health Maintenance Organization (HMO) and Preferred Provider Option (PPO) and Kaiser Health Plan (Kaiser), effective January 1, 2009; approve the combined payment, with the Community Development Commission, of the employer-paid subsidy for the 2009 calendar year to Anthem Blue Cross and Kaiser, at an estimated cost of \$471,000. (APPROVE)
- 8. Award Contract to Provide Temporary Personnel Services (All Districts)**
Recommend that the Board of Commissioners authorize the Acting Executive Director to execute, administer, implement and if necessary terminate one-year Temporary Personnel Service contracts (Contracts) with Tri-State Employment Service, Inc., JM Temporary Services & Affiliates, Inc., Protocol Professional Staffing, L.A. business Personnel, Inc., and AppleOne, in an aggregate amount not to exceed \$111,468, to provide temporary personnel services (APPROVE)
- 9. Approve Construction Contract for Southbay Gardens Senior Housing Development Flooring Replacement Project (District 2)**
Recommend that the Board of Commissioners authorize the Acting Executive Director of the Housing Authority to execute a Contract in the amount of \$105,246 to HM Carpet, Inc. to complete the flooring replacement at Southbay Gardens; and authorize the Acting Executive Director to use a total of \$105,246 in Community Development Block Grant (CDBG) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2008-2009 budget for the purposes described herein. (APPROVE)
- 10. Adopt Resolution Declaring Intent to Issue Multi Family Housing Mortgage Revenue Bonds for Multifamily Housing in Unincorporated Florence-Firestone (District 1)**
Recommend that the Board of Commissioners instruct the Chair to sign the attached Resolution, as required under Treasury Regulations, declaring an intent by Slauson Station Apartments, L.P. (Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$6,800,000 to finance the site acquisition and construction of Slauson Station Apartments, a 30-unit multifamily rental housing development located at 1707-1717 East 61st Street in the unincorporated Florence-Firestone area; and authorize the Acting Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$6,800,000 for the purposes described herein. (APPROVE)

11. Housing Commissioners Comments and Recommendations for Future Agenda Items

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or by e-mail at marisol.ramirez@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

MINUTES FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, September 24, 2008

The meeting was convened at the Housing Authority, located at 12131 Telegraph Road, Santa Fe Springs, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Chair Severyn Aszkenazy at **12:16** p.m.

ROLL CALL	<u>Present</u>	<u>Absent</u>
Severyn Aszkenazy	X	
Adriana Martinez	X	
Philip Dauk		X
Lynn Caffrey Gabriel	X	
Henry Porter, Jr.	X	
Alberta Parrish	X	

PARTIAL LIST OF STAFF PRESENT:

Bobbette Glover, Assistant Executive Director
Maria Badrakhan, Director, Housing Management

GUESTS PRESENT:

Rick Velasquez, Assistant Chief of Staff, 4th District

Reading and Approval of the Minutes of the Previous Meeting

On Motion by Commissioner Gabriel, seconded by Commissioner Porter, the Minutes of the Regular Meeting of August 27, 2008, were approved as corrected. Commissioner Porter noted that the effective date of November 1, 2008, of the 20-Year Ground Lease Board Letter was omitted from Agenda item number 9, recommendation number 2 of the August 27, 2008, minutes.

Agenda Item No. 4 - Report of the Executive Director

Ms. Glover reported that Mr. Gregg Fortner, Assistant Executive Director, has assumed management responsibility over the Housing Authority, the Fraud Investigations Unit and the Office of Community Educational Partnership.

Ms. Glover provided an update on Ujima Village. She reported that the completed environmental site testing indicates the existence of soil contaminants; however, preliminary findings indicate no intrusion into the housing units. When testing at the Magic Johnson Park is concluded, the Water Board will generate a complete analysis of the findings. The Housing Authority

continues to make progress with voluntary tenant relocations, and approximately 26-27 percent of the households have moved. On the advice of Legal Aid, a small group of residents may be planning to resist relocation in order to receive more financial compensation. Some tenants who qualify for Section 8 Program assistance are also resisting relocation. Ms. Glover stated that HUD may send deadline notices to some tenants. Commissioner Porter suggested that a paper trail be created on each family. Ms. Glover responded that the Relocation Consultant maintains records on each family, including strategies used to contact them and encourage them to relocate. Weekly conference calls are continuing with HUD representatives from the Washington, Fort Worth and the local offices.

The Department of Labor is conducting an audit of Community Development Commission/Housing Authority labor practices covering the period from October 1, 2006 through October 1, 2008. The OIG financial audit is ongoing. We received a final report from HUD on the 06-07 SEMAP performance.

Agenda Item No. 5 – Public Comments

No public comments were received.

Agenda Item No. 6 - Staff Presentations

Margarita Lares, Assisted Housing Director and her staff, provided a Section 8 Program status report, including a Yardi Voyager Systems demonstration.

Ms. Glover noted that a recent issue of the *Housing and Development Reporter* included an article on a public housing tenant that sued the Housing Authority to re-establish his public housing assistance. Esther Keosababian, Assistant Director of Housing Management, summarized the history of the case.

Regular Agenda

On Motion by Commissioner Gabriel, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:

APPROVE CONTRACT FOR A PHYSICAL NEEDS ASSESSMENT FOR
HOUSING DEVELOPMENTS WITHIN LOS ANGELES COUNTY
(ALL DISTRICTS)
AGENDA ITEM NO. 7

1. Recommend that the Board of Commissioners find that approval of a Contract for a physical needs assessment is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.
2. Recommend that the Board of Commissioners approve and authorize the Acting Executive Director of the Housing Authority to execute a Contract in the amount of \$170,019 in Capital Funds

Program (CFP) funds provided by the U.S. Department of Housing and Urban Development (HUD), with Clampett Industries, LLC d/b/a EMG (EMG), to be effective upon Board approval through November 30, 2009, to provide physical needs assessment services for 56 housing developments located throughout the County of Los Angeles that are owned or managed by the Housing Authority.

3. Recommend that the Board of Commissioners authorize the Acting Executive Director to approve Contract change orders not exceeding \$42,504 for unforeseen project costs, using the same source of funds.
4. Recommend that the Board of Commissioners authorize the Acting Executive Director to incorporate up to \$212,523 in CFP funds into the Housing Authority's approved Fiscal Year 2008-2009 budget, for the purposes described above.
5. Recommend that the Board of Commissioners authorize the Acting Executive Director to execute amendments to the Contract for an annual ongoing database maintenance fee, following approval as to form by County Counsel, to extend the time of performance for a maximum of four years, in one-year increments, at the cost of \$7,500 per year, using funds to be approved through the annual budget process.

Agenda Item No. 8 – Housing Commissioner Comments and Recommendations for Future Agenda Items

Commissioner Porter requested an update on establishing a Lancaster/Palmdale Housing Authority office. Ms. Glover reported on the progress and noted that Gregg Fortner, Assistant Executive Director, is serving as a consultant to the cities. Commissioners Porter and Gabriel expressed concerns about a possible conflict of interest. Ms. Glover will look into their concern and report back during the next meeting.

Commissioner Martinez requested an update on the Executive Director recruitment. Ms. Glover will provide a report at the next meeting.

On Motion by Commissioner Porter the Regular Meeting of September 24, 2008, was adjourned at 2:01 p.m.

Respectfully submitted,

for 
WILLIAM K. HUANG
Acting Executive Director
Secretary –Treasurer

News Articles

NCDA Washington Report

September 12, 2008

Democrats and Republicans Outline Their Party Platforms on Housing and Community Development

At their respective conventions, the Republican National Committee and the Democratic National Committee passed their party platforms, outlining their priority policy positions. These platforms are intended to provide guidance to the presidential candidates and a voice to the parties.

Republican Party Platform on Housing and Community Development

The platform is scant on housing and community development issues. It mainly outlines how the Republican party plans to reign in spending, create a smaller Federal government, and focus its housing policy on responsible homeownership, as follows:

Attack wasteful spending.

- Enact a balanced budget amendment to require a balanced federal budget except in time of war.
- Stop earmarks.
- All non-defense, non-veterans discretionary programs will undergo a cost-benefit review.
- Enact a presidential line-item veto.
- New authorizations should be offset by reducing other programs and no appropriations should be permitted without a current authorization.

Smaller Federal Government; Larger State Government

- Create a National Sunset Commission to review all federal programs and recommend which of them should be terminated for redundancy and waste and ask Congress to schedule a ye or nay vote on the entire sunset list with no amendments.
- Urge every congressional committee to conduct oversight of the nearly 1,700 separate grant and loan programs of the federal government.

Rebuilding Homeownership

- Help homeowners who face foreclosure transition to a mortgage loan that reflects their home's value and eases the amount of mortgage they have to pay.
- Prosecute criminal wrongdoing in the mortgage industry and investment sectors.

- Make owning a home more accessible through enforcement of housing laws, voucher programs, and urban homesteading.
- Sound housing policy should recognize the needs of renters so that apartments and multi-family homes remain important components of the housing stock.

Democratic Party Platform

The Democratic party platform is full of policy priorities aimed at housing and community development, including fully funding the Community Development Block Grant (CDBG) Program.

Housing

- Support the foreclosure prevention programs enacted by Congress as part of H.R. 3221.
- Reform bankruptcy laws to restore a balance between lender and homeowner rights.
- Crack down on fraudulent brokers and lenders.
- Invest in financial literacy.
- Implement the newly created Affordable Housing Trust Fund (National Affordable Housing Trust Fund).
- Restore cuts to public housing operating subsidies.
- Fully fund the Community Development Block Grant Program.
- Work to end housing discrimination.
- Combat homelessness, particularly among veterans.

Metropolitan and Urban Policy

- Fully fund CDBG.
- Support community-based initiatives such as micro-loans, business assistance centers, community economic development corporations, and community development financial institutions.
- Create a network of public-private incubators.

Housing Affairs Letter Stories posted week of 9/13/08 - 9/19/08

Public Housing

Public Housing Cheaper Than Sec. 8

Maintaining the present public housing inventory likely will be much cheaper in the long run than reverting to Sec. 8 housing vouchers, says a new study on public housing by the Center on Budget & Policy Priorities (CBPP), a Washington, DC-based liberal think tank. CBPP's "Preserving Safe, High Quality Public Housing Should Be a Priority of Federal Housing Policy" calls for an immediate reversal of the Bush administration's policy to marginalize public housing and focus on Sec. 8.

The study concludes that many of the 2.3 million public housing tenants would be institutionalized if traditional public housing is abandoned, reversing a decades-old trend to eliminate warehousing of the disabled and elderly and keep them functioning independently in communities.

With most of the negatively stereotyped public housing projects demolished or transformed into mixed-income developments (largely Hope VI efforts), a much smaller share of public housing concentrated in poor urban areas, and a larger share of tenants employed, CBPP says it makes sense to maintain and improve remaining public housing units rather than focus on Sec. 8 where costs could spiral out of control as rents rise.

The study finds "the vast majority of public housing developments are now in good physical condition," with 90% of them meeting or exceeding housing quality standards, although most developments are more than 30-years old and many will need rehabilitation to continue to provide decent quality homes.

Thus, CBPP scores the administration for financially starving public housing capital funds for the last seven years, depleting their ability to maintain units at a maximum level and leading to an estimated \$22 billion backlog of improvements. But demolishing even more units -- CBPP puts that figure at 100,000 of the remaining 1.2 million units -- the cost of bringing public housing up-to-date would be \$32 billion.

While Sec. 8 vouchers are a viable alternative, CBPP finds public housing can serve certain demographic groups, such as the disabled and elderly, better than vouchers can. Likewise, public housing is more expedient in poor areas where vouchers may be difficult to use and construction of new affordable housing likely would face local hurdles.

Preserving and rehabilitating public housing units and subsidizing their operation for 30 years would cost taxpayers 8% less than replacing the units with vouchers, CBPP concludes.

how quickly HUD can post funding notices, score applications, and process the grants.

Preston is also making an effort to resolve public housing issues. This includes greater flexibility in the use of funds by Moving-to-Work housing authorities, which said in a recent roundtable meeting that specific plans have been stymied by restrictive legal opinions of the HUD Office of General Counsel.

Another objective is to improve coordination between the Office of Fair Housing and Equal Opportunity and the Office of Public and Indian Housing. Preston also intends to make progress on resolving fair housing and other issues related to a lawsuit filed by the Philadelphia Housing Authority.

Preston also wants to accelerate the hiring and recruitment process at HUD, which, along with the rest of the federal government, is experiencing a wave of staff retirements.

The goal is to reduce the amount of time between the application for a HUD job and the actual hiring. On the legislative agenda, Preston wants Congress to approve the consolidation of HUD's homeless assistance programs, which HUD says would help both the department and program participants.

FEDERAL PROGRAMS

GOP Platform Emphasizes Need To Restrain Growth of Government

The 2008 Republican Party platform differs sharply from the Democratic campaign blueprint by emphasizing the need to restrain government growth, rather than expand federal programs.

"The entrenched culture of official Washington — an intrusive tax-and-spend liberalism — remains a formidable foe," the platform says, "but we will confront and ultimately defeat it."

While the Democrats promise to expand federal housing assistance, for example, the GOP cites 23 separate programs for housing aid to the elderly as one indicator of "bloated government." (*For background on the Democratic platform, see Current Developments, Vol. 36, No. CD-17, p. 513.*)

Review of Federal Programs

"With so many redundant, inefficient, and ineffective federal programs," the platform adds, "it is no wonder that the American people have so little confidence in Washington to act effectively when federal action is really needed."

The Republicans are also calling for a one-year pause in non-defense, non-veterans discretionary spending, along with the creation of a National Sunset Commission to review all federal programs and recommend which ones should be terminated. Congress would then be required to schedule an up-or-down vote on the whole sunset list, with no amendments.

The platform also endorses tax reform and simplification, including a major reduction in the corporate tax

rate, in order to maximize economic growth and job creation.

It also stresses the importance of private property rights and criticizes the Supreme Court's Kelo decision, which upheld the use of eminent domain to support private economic development.

"We call on state legislatures to moot the Kelo decision by appropriate legislation, and we pledge on the federal level to pass legislation to protect against unjust federal takings," the platform says.

It also urges caution in the designation of national historic areas, "which can set the stage for widespread governmental control of citizens' lands."

Infrastructure, Natural Disasters

The Republicans agree with the Democrats on the need to restore the nation's infrastructure and improve the response to natural disasters, though not necessarily on the details.

Criticizing the "politics of pork" for distorting the allocation of infrastructure resources, the platform promises "a business-like, cost-effective approach for infrastructure spending, always mindful of the special needs of both rural and urban communities."

The platform also calls for a "radical overhaul" of the federal government's disaster response system after the "painful lesson" of Hurricane Katrina, and it advocates completion of the rebuilding of devastated areas, including the Gulf Coast.

"State and local cooperation is crucial, as are private relief efforts, but Washington must take the lead in forging a partnership with America's best-run businesses to ensure that FEMA's Emergency Operations Centers run as well as any Fortune 500 company," the platform says.

PUBLIC HOUSING

Waters Supports One-for-One Replacement Rule, Cites Loss of Units in Mixed-Income Housing

House housing subcommittee chair Maxine Waters (D-Calif.) told the Public Housing Authorities Directors Association (PHADA) annual legislative conference on September 9 that reform of the demolition and disposition of public housing is necessary to stem the loss of low-income units in new mixed-income developments.

Waters said that reform should include reinstatement of a one-for-one replacement rule for public housing. "Mixed-income redevelopment has created housing that includes some public housing units, but the result has been the loss of public housing," said Waters. "There are just too many people in this country without housing, and as a result we need the one-for-one replacement rule."

Waters and House Financial Services Committee Chairman Barney Frank (D-Mass.) have asked HUD for a moratorium on public housing demolition and disposition while they work on legislation to reform the process.

PHADA members told Waters that they will need full funding of the capital and operating funds if they are to

adequately comply with a one-for-one replacement rule. Otherwise, PHAs will be unable to modernize and maintain properties or cover operating costs, they said.

Public Housing Disposition

Jon Gutzmann said that this has been the most difficult budget year in his 21 years as executive director of the Saint Paul Public Housing Agency.

The agency has sold 27 public housing units to finance the redevelopment of one project and received replacement Section 8 vouchers for the units.

"We have already laid off staff, cut overhead," he said. Gutzmann said Saint Paul had to sell off public housing because it didn't have enough capital funds to maintain the stock. He said "this is a one-time deal" to preserve a key public housing development.

Curt Hiebert, chief executive officer of the Keene, N.H., Housing Authority, a Moving-to-Work agency, told Waters that Keene will raise the equivalent of 17 years of capital funding in a transaction that involves the replacement of its 228 public housing units with Section 8 project-based vouchers.

The voucher cash flow will support debt service on 30-year bonds to be issued by the New Hampshire Housing Finance Authority in combination with 4 percent low-income housing tax credits.

Hiebert said that affordability will be maintained, though a few tenants will have to be relocated because they are overincome under tax credit rules.

A public housing commissioner from Saratoga, N.Y., said that even in wealthy communities like his, there are low-income families that need help.

Preserving public housing becomes ever more important as Section 8 landlords in Saratoga convert their properties to market-rate housing, he said.

Flexibility May Be Possible

Waters said there may be room for flexibility with the one-for-one replacement requirement. She noted that the House-passed HOPE VI reauthorization bill (H.R. 3524) does not necessarily require replacement in the same footprint as the old development.

Waters said that she hopes a new Administration next year will create a more positive environment for public housing and the voucher program.

In other comments, Waters said that voucher reform legislation probably won't be enacted this year. The House approved a voucher bill (H.R. 1851), but the Senate appears unlikely to act on a companion measure (S. 2684). Waters said she hopes that the new Congress will pass voucher reform.

Waters reiterated her opposition to the razing of four public housing projects that HUD plans to redevelop in New Orleans.

Waters explained that she is not against the construction of new housing, but believes that public housing tenants should be allowed to live in the old buildings as replacement units are phased in.

SECTION 8

Mark-to-Market Rule Restricting Exception Project Renewals Is Invalid For Failure to Comply with APA

A regulation invoked by HUD to deny a second renewal of a Section 8 contract under an exception to the mark-to-market requirements is invalid because the department failed to follow the notice-and-comment requirements of the Administrative Procedure Act (APA), the U.S. District Court for the District of Columbia ruled. (*Steinhorst Associates v. Preston*, Civil Action No. 07-00813 (HHK), 2008 WL 3884337 (D.D.C.), August 22, 2008)

Under the mark-to-market program, as established by the Multifamily Assisted Housing Reform and Affordability Act (MAHRAA), Section 8 projects with FHA-insured mortgages and above-market rents may be subject to mortgage restructuring and rent reduction requirements when their contracts are renewed.

However, Section 524(b) of MAHRAA provides an exception for certain projects, including projects with an impediment to mortgage restructuring, such as a prepayment lockout on a mortgage funded by a state or local government.

Contract Renewal

Under Option Four of HUD's Section 8 Renewal Guide, an exception project may renew its housing assistance payments (HAP) contract at the lower of the rents in effect when the HAP contract expires, as adjusted by an operating cost adjustment factor (OCAF), or budget-based rents.

Steinhorst Associates, the plaintiff in this case, owned a Section 8 project in Utica, N.Y., with a mortgage from an instrumentality of a local unit of government that prohibited prepayment before April 15, 2006. In November 2001, the HAP contract was renewed for a five-year term under Option Four.

On January 12, 2006, HUD issued a final rule that added a new section on eligibility for restructuring plans, 24 C.F.R. Section 401.100, to the mark-to-market regulations. Section 401.100(b) provides that eligibility for a restructuring plan will be determined on the earlier of the expiration date of a HAP contract, including a contract previously renewed under Section 524, or the date of the owner's request for a restructuring plan.

In other words, as the court explained, before promulgation of Section 401.100(b), a project whose contract was previously renewed under Option Four would be entitled to another renewal under Option Four. Under Section 401.100(b), however, HUD will make a new determination of qualification as an exception project when the contract comes up for the subsequent renewal.

Renewal Request

In this case, when Steinhorst's contract came up for renewal in November 2006, HUD denied the request for renewal under Option Four because the prepayment lock-

NAHRO Monitor: September 15, 2008

Report on HUD-Assisted Renters Published

HUD has issued a report entitled "Characteristics of HUD-Assisted Renters and Their Units in 2003," which covers rental housing assistance in 2003 for low-income families and individuals in three basic categories: 1) Conventional public housing, 2) Section 8 Housing Choice Vouchers, and 3) Privately-owned assisted housing, including Rent Supplement, Section 221(d)(3) Below Market Interest Rate, Section 202 Supportive Housing for the Elderly, Section 236 Mortgage Assistance, Section 8 New Construction, Substantial Rehabilitation, Moderate Rehabilitation, and some other smaller programs.

The findings contained in the report may be summarized as follows: Compared with all income-eligible renters, assisted households are more likely to be minorities, be older, and have lower levels of education. Assisted households are more likely to be female-headed householders, smaller in size, have lower incomes, pay lower rents, and have lower rent-to-income ratios than all income-eligible renters. The housing units occupied by assisted households are more often in multifamily buildings in central cities and have fewer bedrooms than the units of all income-eligible renters. The structures and the equipment and services of these units are better than, or nearly as good as, the housing occupied by all income-eligible renters. Assisted renters more often reported troublesome neighborhood problems, but nonetheless rated their units as high as all income-eligible renters. Recently moved assisted renters say they are better off in their new units.

Percentage of VLI Unassisted Households Served: Approximately 35 percent of all eligible unassisted renter households received rental housing assistance under various HUD subsidy programs in 2003.

Shift from Project-Based to Tenant-Based Assistance: Since 1993, of the total assisted households, approximately 1,094,000 lived in public housing units, down 4 percent from 2003; approximately 1,800,000 were receiving assistance through housing vouchers, up 50 percent from 1993; and approximately 1,385,000 lived in privately owned assisted units under various other HUD subsidy programs, down 19 percent.

Lengths of Stays: Assisted householders tend to stay in their units longer than all income-eligible renters, but changes in the length of

stay between 1993 and 2003 are not consistent across programs. Public housing lengths of stays rose, but stays of voucher recipients and tenants in privately owned housing fell between 1993 and 2003. The most dramatic change between 1993 and 2003 occurred among voucher recipients. In 1993, only 37 percent had stayed in the same unit for 3 years or less compared with 60 percent in 2003. Shortening of stay is also evidenced by the reduction in the fraction of voucher recipients living in their units for 9 to 13 years, from 42 percent in 1993 to 9 percent in 2003.

Sources of Income: Income for assisted housing tenants is less likely to be from earnings (48 percent) than it is among all income-eligible tenants (62 percent). Assisted households are more likely to be receiving Social Security income or pensions, welfare or Supplemental Security Income (SSI), and Food Stamps. Wages and salaries are received by 56 percent of voucher recipients compared with 44 percent of public housing tenants and 43 percent of tenants in privately owned housing. Social Security and pensions are received by 47 percent of tenants in privately owned housing compared with 26 percent and 37 percent for voucher recipients and public housing tenants, respectively. Voucher recipients more frequently receive welfare or SSI (40 percent) than do public housing tenants (36 percent) or tenants in privately owned housing (21 percent). The pattern is nearly the same for the receipt of Food Stamps: voucher recipients, 53 percent; public housing tenants, 40 percent; and tenants in privately owned housing, 30 percent.

Median income grew for all groups between 1993 and 2003; however, the rates were lower for the assisted groups. The 10-year income growth rate was 38 percent for public housing tenants, 32 percent for voucher recipients, and 26 percent for tenants in privately owned housing; the rate for all income-eligible renters was 43 percent. In comparison, the Consumer Price Index for all urban consumers increased by 27 percent during the 10-year period. Between 1993 and 2003, the trend shifted away from unearned income sources toward wage and salary income, especially among public housing tenants. In 1993, 29 percent of public housing tenants reported receipts of wage and salary income, which increased to 44 percent in 2003. Receipts of wage and salary income also increased for voucher recipients, changing from 46 percent in 1993 to 56 percent in 2003.

Ratio of Income to Housing Costs: The median ratio of housing costs to income was 45 percent for all income-eligible renters, 27 percent for public housing tenants, 32 percent for tenants in privately owned

housing, and 40 percent for voucher recipients. Under the Section 8 Housing Choice Voucher program, the 30-percent target rate is used in calculating the subsidy, but tenants have the choice of paying more for rent. Recent program changes, however, introduced an initial burden limit: The household share may not exceed 40 percent of the household's monthly adjusted income when the household initially moves into the unit or signs the first assisted lease for a unit. HUD's 1993 report focused on the following problems that affect all survey respondents and cause reported burden estimates to be biased upward: income underreporting; rent over-reporting; allocation or imputation of rent and income amounts independently when either or both are not reported by respondent. Given these response problems, authors of HUD's report advise readers to use the rent-to-income ratio results with caution. Nearly half of all income-eligible renters faced housing cost-to-income ratios of 40 percent or more, but only 17 percent of public housing tenants, 31 percent of tenants in privately owned housing, and 44 percent of voucher recipients were so heavily burdened.

Building Types: More than one-third of voucher recipients, however, live in single-family houses, while only 12 percent of public housing tenants and 4 percent of tenants in privately owned housing live in single-family units. Of tenants living in large buildings with 50 or more units, 47 percent are in privately owned housing and 33 percent are in public housing. About 20 percent of each group live in buildings with 10 to 49 units, between 9 and 24 percent of each group live in buildings with two to four units, and between 13 and 19 percent of each group live in buildings with five to nine units.

Age of Dwelling Unit: Of the three assisted groups, voucher recipients are most likely to live in buildings built in 1990 or later, but they are also most likely to live in buildings built before 1950. The structure age distribution of voucher recipients mirrors that of all income-eligible renters. The relative newness of the privately owned housing is expected because the Section 8 New Construction Program, which is included in privately owned housing, was active in the late 1970s and the Section 236 program was active in the early 1970s. On the other hand, nearly 60 percent of public housing units were built between 1950 and 1974. The major shift between 1993 and 2003 reflects the aging of the units in the public housing and privately owned housing programs.

Residents' Unit Ratings: When tenants were asked to rate their housing unit structure on a scale of 1 (worst) to 10 (best), a higher

proportion of all three programs of assisted renters (32 to 36 percent) gave their structure a "10" than did all income-eligible renters (23 percent). Among the assisted renters, public housing tenants were more likely to give the highest rating (36 percent) than were tenants in privately owned housing (31.9 percent) or voucher recipients (31 percent).

Housing Unit Area Locations: During the 1993-to-2003 period, assisted housing units have shifted to the suburbs and away from central cities and non-urban areas, especially units for voucher recipients, in which the suburban percentage went from 29 percent in 1993 to 39 percent in 2003.

Residents' Neighborhood Ratings: Voucher recipients were most positive about their new neighborhoods, with 53 percent saying their recent move was to a better neighborhood. Public housing tenants were the least satisfied with their new neighborhoods, with only 31 percent giving the "better neighborhood" response. From 1993 to 2003, the proportion giving the "better neighborhood" response increased for all tenant groups.

Head of Household Status: Nearly 20 percent of all income-eligible renters are married-couple families, but only 10 percent of both public housing tenants and voucher recipients and 12 percent of tenants in privately owned assisted housing are married couples. In the income-eligible population, 30 percent of two-or-more-person households are female-headed households, which compares with 55 percent for voucher recipients, 38 percent for public housing tenants, and 26 percent for tenants living in privately owned housing. Single females are more common in privately owned housing, where they make up 42 percent of the tenants compared with 32 percent of public housing tenants and 24 percent of voucher recipients.

Overcrowding: Overcrowding is less likely in assisted housing. The rates of overcrowding (more than one person per room) in the assisted program categories are less than 4 percent, but 6 percent of all income-eligible renters are over-crowded.

Household Relatives: Households containing relatives other than spouses and own children account for about 17 percent of all assisted households, about the same as the 16 percent among all income-eligible renters. Within the assisted programs, more voucher recipients are likely to have such relatives (22 percent) compared with public

housing tenants (15 percent) and tenants in privately owned housing (11 percent).

A full copy of "Characteristics of HUD-Assisted Renters and Their Units in 2003" is available at

www.huduser.org/publications/pubasst/hud_asst_rent.html.

dailynews.com

Housing crisis even worse than it seems

By Jack Shine Jack Shine is the chairman of the Board of Habitat for Humanity, San Fernando and Santa Clarita valleys.

Article Last Updated: 09/16/2008 07:49:22 PM PDT

In a recent editorial the L.A. Daily News cites a new Los Angeles Business Council report about the lack of affordable housing for workers and predicts the continued deterioration of our Southern California lifestyle unless we change course.

This news couldn't be timelier, as the San Fernando Valley/Santa Clarita Valley affiliate of Habitat for Humanity prepares to launch the second phase of its planned 61-home neighborhood in Pacoima on Oct. 5, which is World Habitat Day.

As an affordable housing agency serving northern Los Angeles, we agree with the Business Council's dire predictions, but sadly must point out that the housing crisis is even worse than reported.

Scores of recent articles state that, despite significant reductions in home values in L.A. and surrounding areas, families earning the median income still cannot afford to purchase most homes on the market.

We hear the high cost of housing is forcing young, talented workers to leave our region.

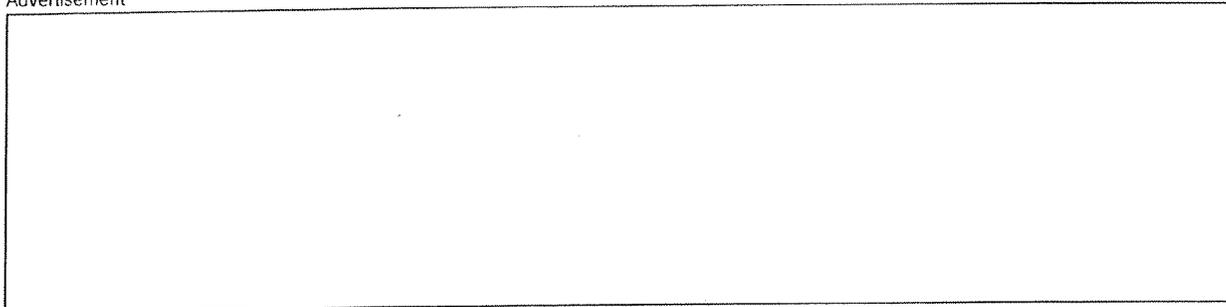
Meanwhile, businesses are expected to support efforts to improve area transit, as well as other local measures designed to stop this migration of our best and brightest to cities touting an affordable housing market and better overall lifestyle.

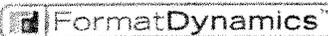
The 2007 American Community Survey of the U. S. Census Bureau documents that the top 20 percent of all income earners in Los Angeles make 53 percent of all the income. Conversely, the Economic Policy Institute reports that 35 percent of L.A.'s full-time workers make less than \$25,000 a year - which is only slightly more than the federal poverty guideline. This is not enough for these workers to meet their most basic needs, which include housing.

Such extremes place very few people in the middle-income category. Here at Habitat for Humanity, we are developing homeownership programs for the working poor at about 50 percent of the median income. We are able to keep home costs far lower than market value, and we offer zero-percent interest loans to our families. In return, families are asked to invest 500 hours into the building of their own home; and in the end, our families are able to afford a home.

In addition to the 17 new homes that are already under construction in Pacoima, our Habitat affiliate is planning other affordable housing developments in the Santa Clarita and Antelope valleys. However, current federal funding from the Department of Housing and Urban Development is limited and may delay these

Advertisement



Print Powered By  FormatDynamics

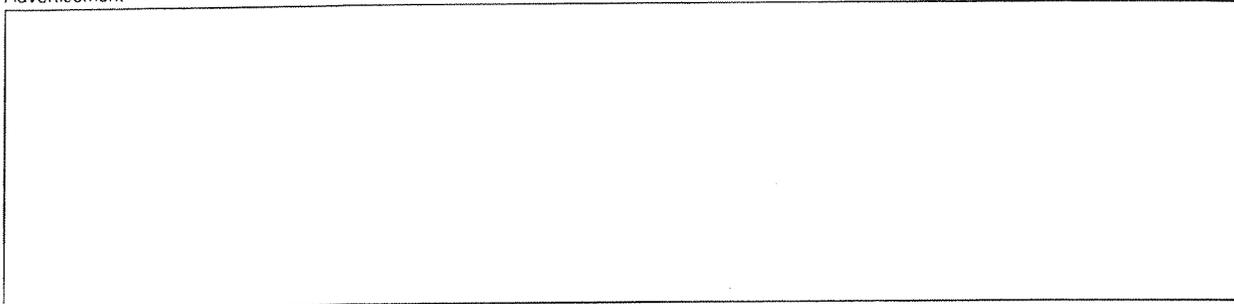


developments. HUD funds for 2009 have been necessarily reallocated to address the mortgage crisis. This results in a lack of funding at the county and city level.

In such times as these, additional funds must be made available to continue current housing programs, such as Habitat for Humanity, that serve the most at-risk populations in our communities. Until these populations are served with affordable housing options, the authentic housing crisis in Los Angeles will never be solved.

Jack Shine is the chairman of the Board of Habitat for Humanity, San Fernando and Santa Clarita valleys.

Advertisement



Print Powered By  FormatDynamics™

- [Home](#)
- [ABOUT ME](#)
- [ENTREPRENEUR TV](#)
- [PROFESSIONAL SERVICES](#)
- [RSS](#)

Successful Companies Through Incubation

Posted on September 17, 2008

Filed Under [Southern California Incubation](#), [Southern California Tech Entrepreneurs](#)

SoCal Incubators Serve the High Tech Industry

Saturday, October 11, 2008

Early stage companies need to conserve their resources, and moving into business incubators designed to accelerate their growth offers one very attractive option. Business incubators reduce the risk of small business failures by offering not only affordable space – a premium in Los Angeles – but also shared facilities and an array of business support resources and services that can be valuable to companies just starting out. Astute entrepreneurs also know that they are joining a business community and can leverage the advantageous connections and networks centered on a well-run incubator. In fact statistics bear out these facts: the National Business Incubator Association reports that 87% of all firms that graduated from NBIA member incubators are still in business.

The Caltech/MIT Enterprise Forum on October 11 will feature some of the award-winning business incubators supporting the high tech industry in Greater Los Angeles. Come hear about the regional business incubator network and get answers to your questions about how they can benefit your business, including:

What is a business incubator and what types are available? What type of entrepreneurial companies benefit from those incubators? Why do entrepreneurs apply? Do they think it was worthwhile after they graduate? Would they do it again? How do investors think about businesses in incubators?

These questions and more will be answered by representatives from major incubators in the Los Angeles area and entrepreneurs heading successful incubator “graduates”. Come and listen, learn, meet and ask your own questions about how these organizations can save you time and money, as well as advance your business goals.

Confirmed Speakers

John Waller
Managing Director
New Ventures
Idealab

Mark Lieberman Manager Community Development Commission of Los Angeles County

Stan Tomsic
Administrator
Business Technology Center of Los Angeles County

Doug Howe
Interim Director
i3 Advanced Technology Incubator
College of the Canyons

Bruce Bromstrom
President

City seats Section 8 commissioners

*This story appeared in the Antelope Valley Press
Thursday, September 25, 2008.*

By BOB WILSON
Valley Press Staff Writer

LANCASTER - The City Council on Tuesday voted to seat seven people as members of a new Section 8 Commission organized by Mayor R. Rex Parris.

Parris said in June he wanted to have the commission created, and he named Councilwoman Sherry Marquez to seek community members interested in serving on the panel.

Nominees Bret Banks, Gene Gaynor, Larry Grooms, LeeRoy Halley, Risa Shelper, Tim Sturtevant and Perry Watkins were seated as the commission's members Tuesday on a 4-0 vote, with Councilman Ken Mann absent.

Banks is a former landlord employed as operations manager for the Antelope Valley Air Quality Management District; Gaynor is a tax service professional who lost his fourth bid for the city's mayoral post this year; and Grooms, who lost his first bid for a seat on the council in April, is district director for Assemblywoman Sharon Runner, R-Lancaster.

Halley owns and operates the Halley-Olsen-Murphy funeral home and sits on the Antelope Valley Fair board; Shepler is a parole agent with the state Department of Corrections; Sturtevant is a former finance director with the San Diego Housing Commission; and Watkins is employed by the Los Angeles County Probation Department and chairs the AV Black Chambers of Commerce.

Marquez said the new commissioners "are going to be the face (of the commission) to the citizens" of the city."

In a press release issued earlier, city officials said the commission would be directed to obtain community comments on, and support for, the council's efforts to reign in the misuse of Section 8 assistance for low-income renters.

"The Section 8 commissioners will play a central role in supporting citywide efforts and making recommendations (to the council) on behalf of the community," the press release showed.

The information about the commission showed it will assist in:

Development of an ordinance to penalize landlords, tenants and home owners for problem properties in Lancaster neighborhoods.

Exploration of possibly creating a localized housing authority that would have control over the Antelope Valley's Section 8 rentals.

Producing a "Good Neighbor Guide" with tips on how to be a good neighbor and a list of resources to assist people with neighbor conflicts and problem properties.

At a briefing prior to the council's meeting, City Manager Mark Bozigian said the commission will take on new Section 8-related tasks that might otherwise might fall to city staff.

"We need input from the public about how we're going to be running the program, good and bad," Bozigian said.

"For us to truly get the support of the community to make this work, we need to hear from the community, and the commission will do that."

Ultimately, Lancaster's goal is to replace L.A. County as the controlling authority for the Section 8 rental program in the Antelope Valley.

Lancaster and Palmdale officials recently agreed to share the \$25,000 price of hiring a consulting firm that will analyze the potential cost of assuming control of the Section 8 program.

The analysis is expected to be completed within two months and should describe the costs if each city undertakes its own program and the costs of working together in a joint-powers arrangement.

"I think our council is predisposed to want to administer the program, but we have to get the report back and make a decision based on the information" in the analysis, Bozigian said.

"We are going to be taking over a program that has problems with it. And while those problems are not directly ours, we are being affected by them, and when we take the program over, they will be the problems we will have to solve," he said.

To proceed, "We might need concurrence from the county, we might need legislation - there's a whole host of things. There would be a transition period of services going from the county to a local entity, and that's where the issue of budget and authority and scope would come up, because there are certain services we may still want to contract for," Bozigian said.

bwilson@avpress.com

Bobbette Glover

From: Natalia Macias
Sent: Friday, September 26, 2008 1:53 PM
To: Arlene Black; Bill Huang; Bobbette Glover; Elisa Vasquez; Esther Keosababian; Lynna Ochoa; Marcie Miranda; Margarita Lares Herrera; Marie Quon; Richard Martinez; Yui Cheng
Cc: IGR-PI
Subject: FW: CLPHA Alert: \$1 billion for PHAs included in House stimulus bill

CLPHA Alert & Request for Information

Our recent advocacy efforts are paying off: The economic stimulus bill to be considered as early as next week by the House includes **\$1 billion for the Public Housing Capital Fund**.

The funds, says H.R. 7110, “shall be allocated to public housing agencies according to the same funding formula used for other amounts already made available in fiscal year 2008, and not later than 120 days after enactment of this Act.” It continues, “...in selecting project to be funded , public housing agencies shall give priority to capital projects for which contract awards based on competitive bids can be executed within 120 days of enactment...”

The release from the Appropriations Committee, using analysis generated by the CLPHA-commissioned E-consult report, notes that “every dollar of Capital Fund expenditures produces \$2.12 in economic return.”

The Senate version of the stimulus bill includes \$200 million for Public Housing.

We have been asked by Congressional staff to get information from our members about how they would use these funds. **Please e-mail us (gholder@clpha.org) on how your PHA can use these funds quickly, which will be of help to us as we continue to make the case to Congressional staff.**

Conventional wisdom, if there is such a thing during this crazy week in Washington, holds that should the stimulus bill emerge from a House-Senate Conference it will not be attached to either the Continuing Resolution necessary to fund the government through spring of next year or to the mortgage bailout legislation. So the prospects of the legislation are murky. We will keep you informed as the stimulus bill moves forward.

We strongly encourage all CLPHA members to contact their member of Congress to support the economic stimulus package.

For more information, contact Gerard Holder, CLPHA Legislative Director, at gholder@clpha.org.

September 26, 2008

House Stimulus Boosts Capital Fund

The economic stimulus bill to be considered as early as today by the House includes \$1 billion for the Public Housing Capital Fund.

The funds, says **H.R. 7110**, "shall be allocated to public housing agencies according to the same funding formula used for other amounts already made available in fiscal year 2008, and not later than 120 days after enactment of this Act." It continues, "...in selecting project to be funded, public housing agencies shall give priority to capital projects for which contract awards based on competitive bids can be executed within 120 days of enactment..."

A release from the House Appropriations Committee, using analysis generated by the CLPHA-commissioned Econsult report on "Assessing the Economic Benefits of Public Housing," notes that "every dollar of Capital Fund expenditures produces \$2.12 in economic return."

Meanwhile, earlier today, the Senate rejected a similar stimulus measure. The 56-42 vote in favor of the bill fell four short of what is needed for passage. The White House is opposed to any economic stimulus bill.

For more information, contact Gerard Holder, CLPHA Legislative Director, at gholder@clpha.org. ■

* Future of Public Housing Meeting Considers Consensus Statement

Now is the time for supporters of public housing to develop and make their case to the next presidential administration and Congress, former HUD Secretary Henry Cisneros urged participants at the September 25 Future of Public Housing meeting.

Cisneros kicked-off the full-day gathering, urging PHA representatives, industry representatives, advocates, and residents to "be bold" in their approach. Like bailed-out brokerages and faltering banks, said Cisneros, public housing "is a system that is too big to fail."

About 60 participants gathered for the Washington, DC meeting, the latest step in a CLPHA-convened process that began earlier this year. The first objective of the group is to develop a consensus among the broad spectrum of supporters of the public housing program for initiatives to present to the presidential transition teams of both major party candidates. The starting point for discussion was a seven-page "policy framework" draft that grew out of discussions among three working groups that met by teleconference throughout the summer. (That draft, and other materials, are available on the

(Continued on p. 2)

HOPE VI Grants Announced In Washington State, Milwaukee

HUD announced \$70 million in HOPE VI grants earlier this week, including funding for developments in King County and Seattle, in Washington State, and \$6.8 million to replace 24 severely distressed public housing units with 100 new and renovated housing units in Milwaukee.

In Milwaukee, the grant will enable the housing authority to replace 24 severely distressed public housing units in different parts of the city with 100 new or renovated units, including 29 public housing and affordable rental units. There will also be nine affordable homeownership units and 62 moderately priced condominiums. Of these 100 units, 13 will be on the scattered site unit's original site and 87 will be in other locations.

HACM will pay relocation and re-occupancy costs for residents as needed. Affected residents can relocate to other public housing or receive a Housing Choice Voucher (Section 8) to subsidize their rent in privately owned housing. Relocated residents are given the opportunity to move back to the newly constructed units. Alternatively, if residents choose not to return to public housing, they may keep their voucher. The HOPE VI grant will also give relocated families access to support services such as career training

(Continued on p.4)

Future of Public Housing Meeting Considers Consensus Statement

(Continued from p. 1)

password-protected website, www.thefutureofpublichousing.org. If you have difficulty accessing the site, please call CLPHA.)

The draft states some of the challenges facing the public housing system – lack of funding and flexibility, capital needs shortfalls, isolation of the program from other providers of affordable housing – and offers a bold proposal to restructure the public housing program.

The first two focus areas, Reinvestment and New Partnerships, generated considerable discussion, suggestions on how to clarify meaning, and ultimately a rough consensus that the draft statement represented the views of the group. The draft statement, for example, calls for three specific reinvestment steps – ensuring PHA access to capital outside the traditional public housing system, providing for “adequate replacement reserves and opportunities to recapitalize to meet future capital needs,” and converting some developments to “a more reliable funding track.”

Likewise, the New Partnerships initiative focuses on “green and gray” – initiatives to “green” the nation’s 1.2 million public housing units and provide housing and services to low-income elderly. While generally supportive of prioritizing “green and gray” a number of participants urged that the final statement should include a broader array of partners, including job training, education, and labor.

Questions associated with “institutional reform,” meanwhile, provoked a lengthy discussion, ranging from whether the Annual Contributions Contract should be replaced

with a “real contract” to the desirability of one-for-one replacement of demolished public housing units.

Cisneros said the group was on the right track but that speed was essential in order to influence the next administration and Congress. An initial goal, he said, is to get a consensus document “into the notebooks” that are being developed to brief transition officials and potential appointees on issues related to HUD. “This work session can be the decisive moment,” said Cisneros, noting that having a plan in place will give supporters of public housing “the high ground” as new policies and initiatives are developed over the coming months.

Cisneros noted that issues related to public infrastructure and global warming will be at the top of the next administration’s priorities. “Can we find a place for the reform of public housing within that agenda? I think we can,” he said.

A tight timetable for completion of the framework statement was agreed to. CLPHA counsel Steve Holmquist, who drafted the framework paper, will be working with the chairs of the three working groups to develop a revised version, which will then be widely circulated with the goal of having broad sign-on’s by mid-October.

The statement will then be provided to the campaign transition teams, members of Congress and their staff, and others supportive of the effort. Supporters of the statement are expected to work together as a new administration takes office to find the proper legislative vehicles to enact the changes called for in the framework document. ■

Diverse Representation at Sept. 25 Meeting

Groups represented at September 25 Future of Public Housing meeting on the Future of Public Housing included:

- ▶ Abt Associates
- ▶ American Assoc. of Homes & Services for the Aging
- ▶ California Housing Partnership Corporation
- ▶ Cambridge Mass. PHA
- ▶ Center on Budget and Policy Priorities
- ▶ City of Yonkers PHA
- ▶ CityView
- ▶ CLPHA
- ▶ Consensus Building Institute
- ▶ DC Housing Authority
- ▶ Enterprise Community Partners
- ▶ Fannie Mae
- ▶ Housing Authority Insurance Group
- ▶ Keene County PHA
- ▶ Los Angeles PHA
- ▶ Massachusetts Union of Public Housing Tenants
- ▶ MIA Consulting
- ▶ NAHRO
- ▶ NCB Capital Impact
- ▶ NOAAH
- ▶ NYCHA
- ▶ Nat’l Housing Conference
- ▶ Nat’l Housing Law Project
- ▶ Nat’l Low Income Housing Coalition
- ▶ National Housing Trust
- ▶ Newark NJ PHA
- ▶ Oklahoma City Housing Authority
- ▶ PHADA
- ▶ Reno & Cavanaugh
- ▶ San Diego Housing Authority
- ▶ US Green Building Council
- ▶ Urban Institute ■

Los Angeles Times

<http://www.latimes.com/news/local/la-me-hud27-2008sep27,0,7090349.story>

From the Los Angeles Times

California to get \$500 million in federal foreclosure relief

Los Angeles is to receive about \$33 million. Plans call for using the money to buy blighted homes and either resell or turn them into affordable housing.

By Jessica Garrison
Los Angeles Times Staff Writer

September 27, 2008

California and many of its communities hardest hit by the foreclosure crisis stand to receive more than \$500 million in federal aid over the next 18 months to buy and fix up distressed homes, the Department of Housing and Urban Development announced Friday.

Within hours of the announcement, California's two Democratic U.S. senators, Dianne Feinstein and Barbara Boxer, protested that the state was not getting its fair share of the nearly \$4 billion Congress allocated to help local governments deal with blight from foreclosures.

"Frankly, it is beyond us how California -- which has nearly twice the amount of foreclosure filings than Florida (561,223 compared with 287,210) -- could receive less assistance. This makes no sense, and is totally unacceptable," the senators wrote in a letter to HUD Secretary Steve Preston. (Florida received \$541 million; California \$521 million.)

HUD officials said they believe their formula fairly distributes money to the places that need it most. They also said the senators were using different, less complete data than HUD relied on; HUD data show that Florida has a higher foreclosure rate and a higher risk for abandoned homes than California.

The city of Los Angeles is to receive about \$33 million directly from the federal government. In the next few months, the city could also get money from the state, which has a pool of \$145 million to allocate to communities. With more than 13,000 foreclosed homes in the city, Los Angeles Councilman Ed Reyes warned that the federal funds would go quickly. Los Angeles County is to receive \$17 million, and other cities in the county, such as Long Beach and Lancaster, also would get awards.

The largest single award, about \$50 million, would go to Riverside County, where the foreclosure crisis is so dire that bobcats recently took up residence in an empty home.

HUD's neighborhood stabilization program, which was championed by U.S. Rep. Maxine Waters (D-Los Angeles), is part of a housing bill approved in July. It gives money directly to local governments to buy and fix up foreclosed homes.

Critics of the program say it could hurt recovery, explaining that governments will now be competing with lenders and private homeowners who have been struggling to sell in a depressed market.

Last month, The Times contacted housing officials in the 12 California counties with the highest concentrations of foreclosed properties. Most said they had not lobbied for the bill, and several wondered whether they had the staff to make use of the funding.

Under the program, governments can demolish or rehabilitate blighted homes, then either resell them or use them for affordable housing.

jessica.garrison@latimes.com

If you want other stories on this topic, search the Archives at latimes.com/archives.

TMSReprints

Article licensing and reprint options

Copyright 2008 Los Angeles Times | [Privacy Policy](#) | [Terms of Service](#)
[Home Delivery](#) | [Advertise](#) | [Archives](#) | [Contact](#) | [Site Map](#) | [Help](#)

partners:



Housing Affairs Letter Stories posted week of 9/27/08 - 10/3/08

Affordable Housing

\$5B Affordable Housing Plan Unveiled

California: Flanked by several members of the social activist Assn. of Community Organizations for Reform Now (ACORN), which pressed city officials for the plan, Los Angeles Mayor Antonio Villaraigosa (D) unveils a \$5 billion program to build 20,000 affordable houses in five years.

Dubbed "Housing That Works," the plan coordinates the city's housing and planning agencies into a single strategy to accomplish the goal. The city will put up \$700 million and use it to leverage the balance from the private and other government sectors.

The program will focus on creation of 20 sustainable transit communities targeting housing along public transit corridors and close to job centers. Another move would create 2,200 permanent supportive housing units for the city's exploding homeless population. It would connect homeless persons with social services and an expanded Sec. 8 program for the chronically homeless.

10/03/2008 12:28 PM

Community Development

Buyback Plan Has Dec. 1 Deadline

HUD issues guidelines for the new Neighborhood Stabilization Program (NSP) to buy back foreclosed and abandoned properties for resale, leaving state and local officials scrambling to get the new program to HUD as part of amendments to action plans by Dec. 1.

The guidelines emerge from Title III, Division B of the Housing & Economic Recovery Act of 2008 (PL 110-289), titled Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes. HUD publicist Brian Sullivan, says local communities must not confuse NSP with Community Development Block Grants (CDBG). "This is not CDBG. This requires that you think in a different way."

Many state and local officials, in a sense, are forced to look at NSP differently, because the cash flow does not follow the CDBG model. Most CDBG entitlement communities do not receive direct NSP grants and are left to compete for funds in state NSP coffers that are larger than those rural communities compete for in the CDBG program. Sullivan says HUD set a \$2 million NSP grant threshold, sending any CDBG entitlement community who would have received less under NSP into the competitive NSP state programs. "We didn't think that anything less than \$2 million would have made a

significant difference at the local level," he says.

The guidance document provides new approaches to the distribution of NSP funds compared to those typically done in CDBG. For instance, a state can use its money in any jurisdiction it wishes, even being allowed to send it to NSP entitlement communities that already received funding directly, something that cannot happen under CDBG and is being allowed in this case because of the program's focus on need, Sullivan says.

Adjacent NSP entitlement communities can band together for a joint effort, or a single community can partner with the state program. Urban counties that have partnerships in CDBG with another local government are covered by NSP funds as well. Jurisdictions also can apply for grants and then enter into agreements with a subrecipient, another jurisdiction or a nonprofit entity to administer it.

At the local level, the public comment period for CDBG spending plans is cut in half by the NSP guidelines in an effort to expedite use of the money.

Sullivan says HUD used data in the National Delinquency Survey from the Mortgage Bankers Assn. to determine who received entitlement funds and how much, as opposed to data from RealtyTrac, whose numbers would have given more money overall to California. Sullivan said the MBA data was used because it provides a broader national coverage.

--*Thomas Harman*

Info: HUD Office of Community Planning & Development, 202/708-2690

10/03/2008 11:52 AM

HUD

HUD to Host Housing Summit Next Week

Mayors and state and local housing officials are expected to converge on Washington, DC, next week to fine tune their efforts to spend the \$3.9 billion of Neighborhood Stabilization Program allocations released Oct. 1. HUD is hosting the Nat'l Housing Summit Oct. 7-8 at the Mandarin Oriental Hotel near the department's headquarters.

Among the topics HUD officials are expected to cover are details of present and developing policies, including the new NSP. Also, HUD will explain successful federal, state and local policies preventing foreclosures and reducing effects of property abandonment and the loss of property values resulting from foreclosures. There will be a discussion of how to cultivate public-private partnerships and talks about local best practices.

Discussions will feature the Hope for Homeowners Program designed to prevent the tide of foreclosures ravaging property values and crunching credits. It and the NSP are the main features of PL 110-289, the Housing Economic Recovery Act of 2008, which was signed in July.

Info: HUD, 202/708-0417. For more information, visit

www.hcdi.com/housing_summit 10/03/2008 12:16 PM

Public Housing

Crackdown On Sec. 8 Delinquencies

South Carolina: Greenville Housing Authority (GHA) tells 110 Sec. 8 voucher holders to pay long-overdue rent or face eviction. All have failed to report income increases required annually by HUD. GHA says all signed repayment agreements and those targeted for eviction have failed to pay back rent, some from as far back as 2004.

GHA officials acknowledge the agency had been lax in monitoring income but with 2,055 voucher holders in the agency's portfolio, they attempt to bring income reporting up-to-date. Full payment of back rent due would give GHA about \$200,000. So far, about \$40,000 has been repaid.

10/03/2008 12:19 PM

Governor Nixes Public Housing Restraint

California: Public housing authorities (PHAs) in the state will not be bound by a proposal to require them to replace public housing units on a one-for-one basis. Gov. Arnold Schwarzenegger (R) vetoes Assembly Bill 2818 by not signing the measure and returning it to lawmakers.

Lawmakers wanted to bar PHAs from disposing public housing units unless the authority meets certain state mandated conditions, such as one-for-one replacement of disposed units.

"The restrictions that this bill would add are unnecessary and over burdensome to local housing authorities. The federal government has been reducing subsidy funding for public housing, but the demand for public housing is not declining. Local housing authorities must have the flexibility to dispose of financially unsupportable housing in an efficient and timely manner that minimizes the loss of housing units. This bill would impose new notice requirements and other restrictions and limitations that would limit too severely that vital flexibility," Schwarzenegger says in his explanation to lawmakers.

Public housing industry advocates have been watching the California developments closely, particularly following attempts by House Financial Services Chairman Barney Frank (D-MA) and housing subcommittee Chairwoman Maxine Waters (D-CA) to persuade HUD to initiate a moratorium on public housing demolitions nationwide. The move was triggered by housing activists, particularly in Atlanta, where public housing has been demolished and replaced with mixed-income neighborhoods in a pilot HOPE VI effort to erase the public housing stigma.

The Atlanta experiment apparently was too successful and the power that housing activists had over the public housing constituency has waned accordingly. Other efforts to improve public housing in Las Vegas and San Diego were cited by Frank and Waters

as well in an Aug. 13 letter to HUD Secy. Steven Preston seeking a moratorium.

Success of the experiments prompts HUD to reject the congressional plea. In his response, Preston tells Frank and Waters that, "Demolition and disposition of distressed or obsolescent public housing creates opportunities for PHAs to leverage funds from public and private sources to rehabilitate and redevelop public housing properties. Over the long term, these demolition and disposition efforts create housing opportunities that offer a greater variety of housing choices and produce higher quality units for low-income families."

Info: www.cdpublications.com/docs/6642

10/03/2008 11:57 AM

ASSISTED HOUSING

House Passes Section 811 Bill to Eliminate Tenant-Based Assistance

The House passed legislation (H.R. 5772) September 17 revising the Section 811 program for supportive housing for the disabled to eliminate the use of program funds for tenant-based rental assistance.

Under the bill, the use of Section 811 funds would be limited to capital advances and project-based rental assistance, and tenant-based assistance would be shifted to the Section 8 voucher program. (For background, see *Current Developments*, Vol. 36, No. CD-16, p. 502)

According to Rep. Christopher Murphy (D-Conn.), who introduced the bill along with Rep. Judy Biggert (R-Ill.), the change would allow the number of units constructed with Section 811 funds to be tripled over time.

Project-Based Assistance

Revised provisions for project-based rental assistance would set the initial contract term for projects with low-income housing tax credits at 360 months, with funding for 60 months. Current law provides for an initial contract term of 240 months for all Section 811 project-based rental aid, with no specific funding requirement.

Expiring contracts, including previously renewed contracts, would be renewed for terms of at least 60 months, to the extent provided in appropriations acts.

Projects receiving capital advances would generally have to be used as supportive housing for very-low-income persons with disabilities for at least 40 years. However, with HUD's approval, a project could be converted to use for other very-low-income persons with disabilities if the department determines that it is no longer needed as supportive housing.

The number of units in a multifamily project occupied or set aside for all persons with disabilities would generally be limited to 25 percent, but this limit wouldn't apply to group homes and independent living facilities.

Delegated Processing

Except for group homes and independent living facilities, the bill would require HUD to delegate the processing of projects combining capital advances with other sources of acquisition or development funding to a state or local housing agency experienced in underwriting loans for multifamily housing and supportive services that agrees to issue a firm commitment within 12 months. HUD would retain processing authority if no such agency applies to provide delegated processing.

HOME program cost limits would generally apply to housing developed with capital advances, though HUD could waive those limits to accommodate special design features or the cost of providing housing in locations that are accessible to public transportation and community organizations providing supportive services.

The current requirement for HUD to establish development cost limits for various types of Section 811 housing would be revised to apply only to group homes.

In addition, HUD's authority to waive the limitations of eight persons in group homes and 24 persons in independent living facilities would be repealed.

Admission, Occupancy

Under revised Section 811 admission and occupancy provisions in the bill, occupancy would generally be available to all eligible persons with disabilities, regardless of their particular disability, but with HUD approval, an owner could limit occupancy to persons with disabilities who could benefit from the supportive services offered with the housing.

A supportive service plan would have to permit residents to take responsibility for acquiring their own services, to receive any supportive services made available directly or indirectly by the owner, or to not receive any supportive services.

An owner could not terminate or refuse to renew a Section 811 tenant's lease except for serious or repeated violations of the lease terms and conditions; for violation of applicable federal, state, or local law; or for other good cause. An owner would have to provide 30 days' written notice of a termination or refusal to renew, with the grounds for the action.

Project Rental Assistance

The bill would authorize a demonstration program in which Section 811 funds would be provided to state housing finance agencies and other appropriate entities for project rental assistance only and not for capital advances.

Eligible projects would include new and existing multifamily projects for which development costs are paid from other sources and which have a commitment for low-income housing tax credits, HOME assistance, or other federal, state, or local funding.

State agencies responsible for health and human services programs and for Medicaid would have to agree to provide appropriate services.

Demonstration projects would have to be operated as supportive housing for persons with disabilities for at least 30 years.

The bill would earmark funds for 2,500 incremental units annually under the demonstration program in fiscal 2008 and 2009 and 5,000 units annually in fiscal 2010 through 2012.

PUBLIC HOUSING

Final Operating Subsidy Proration Near 89 Percent of Formula Amount; Utility Expense Level Reduced

The prorated amount of public housing operating subsidy for 2008 was increased from the third-quarter estimate of 82 percent to 88.96 percent of the formula level as the final amount for the entire year, HUD said in a September 10 notice.

The amount of available funds is \$4.192 billion while the final program eligibility for the year is \$4.712 billion, according to formula calculations.

The major reason for the increased proration was a reduction in the utility expense level (UEL) to \$1.545 billion from the third-quarter estimate of about \$1.8 billion.

Although HUD used actual submitted data from 90 percent of PHAs for the formula project expense level (PEL) for the third quarter, the UEL was entirely an estimate.

The UEL estimate was based on the 2007 UEL with an inflation factor, while the final operating subsidy proration uses an aggregate UEL based on the data submitted by PHAs, as adjusted after the HUD field offices reviewed the numbers.

Other Factors

There were other factors contributing to the increased final operating subsidy proration compared to the third-quarter estimate. The number of housing units eligible for subsidy declined somewhat from HUD's estimate. Formula eligible units decreased by 14,189 units, from 1,148,534 in 2007 to 1,134,345 in 2008.

In addition, HUD determined that it needed less than it had estimated for stop-loss PHAs that have met regulatory requirements to mitigate operating subsidy losses under the asset management formula.

To determine the final obligated amount for this year, the proration factor of 88.96 percent is applied to the 2008 formula eligible amount for each PHA project and then the amount obligated for the project during the first nine months is subtracted.

The remainder represents the fourth and final obligation of funding. According to the notice, if a PHA has experienced changes in project inventory, HUD will make adjustments to reconcile the project level funding.

The HUD notice shows that Moving-to-Work (MTW) agencies are eligible for \$459.9 million based on the alternative subsidy calculation in their contracts. This amount is part of the operating fund eligibility and is subject to the proration. MTW eligibility dropped from \$483.8 million in 2007, a reduction of \$23.9 million.

(The explanation for fourth and final obligations is available at www.hud.gov/offices/pih.)

PUBLIC HOUSING

* Preston Says HUD Must Consider Demolition, Disposition Applications, Effectively Rules Out Moratorium

HUD Secretary Steve Preston effectively ruled out a moratorium on approval of public housing demolition and disposition applications in a September 10 letter to House Financial Services Committee Chairman Barney Frank (D-Mass.), saying that current law requires the department to consider and make decisions on such applications from housing agencies.

The letter was a response to a request from Frank and housing subcommittee chair Maxine Waters (D-Calif.) that HUD suspend approvals of applications until legislation

is enacted to reform the demolition and disposition program. The lawmakers said they do not consider Section 8 vouchers to be an adequate replacement for hard units. *(For background, see Current Developments, Vol. 36, No. CD-17, p. 531.)*

"Demolition and disposition approvals are not automatic," said Preston. "The public housing agency must demonstrate that the project or a portion of the project is consistent with the requirements of Section 18 (of the U.S. Housing Act of 1937)."

Preston said that the PHA must show that the project or portion of a project proposed for demolition or disposition is unsuitable for housing purposes, that no program or modifications would be cost effective to return the property to useful life, or that the disposal of the property allows for the acquisition, development, or rehabilitation of other properties.

Continuing Housing Assistance

In reply to the lawmakers' concerns about applications approved for PHAs in Atlanta, Las Vegas, and San Diego and the effect on the availability of subsidized housing in these cities, Preston said that each agency plans to continue providing subsidized housing to low-income families in their jurisdiction.

He said that over the last 15 years, the Atlanta Housing Authority (AHA), a designated Moving-to-Work (MTW) agency, has created 22,419 housing opportunities consisting of public housing units, tenant-based vouchers, and project-based units, compared to 20,198 it offered low-income families in 1996.

In Las Vegas, the total number of families receiving housing assistance remains the same even though the demolition of 924 public housing units has been approved, said Preston. The housing authority has demolished 876 units since 1996 and has a portfolio of 2,056 public housing units. It also provides 217 tenant protection vouchers for relocated residents.

In addition, Preston said that although the San Diego Housing Commission (SDHC) has disposed of all its public housing, it continues to operate those same units as housing for low-income families.

The SDHC received 1,354 tenant protection vouchers for residents as a result of the public housing disposition. As a condition of the disposition approval, the SDHC will create 350 additional affordable housing units. "The net result is more low-income families will be served in San Diego," he said.

Housing Opportunities

"The department ensures that all units occupied at the time of demolition or disposition are replaced by new housing opportunities in affected cities," Preston said. HOPE VI funds awarded between fiscal 1999 and fiscal 2006 and related financing will construct 33,006 public housing units and 18,986 other affordable rental units, along with 18,210 market-rate and homeownership units in mixed-income communities, he said.

Preston reported that in addition to HOPE VI, PHAs are constructing 9,326 public housing and other affordable rental or homeownership units as part of mixed-

finance development proposals approved since 2002.

In addition, HUD has provided 64,210 new Section 8 vouchers to PHAs as replacement housing, he said. "These vouchers represent an important housing opportunity for many public housing families who are looking for a way to transition out of public housing or are on waiting lists," Preston said.

PHADA Comments

Separately, the Public Housing Authorities Directors Association (PHADA) sent a letter to Waters opposing a demolition-disposition moratorium.

"While PHADA shares the deep concern that you (and Frank) expressed about declining numbers of public housing units nationwide," the letter says, "the proposed moratorium on demolition and disposition overlooks the fundamental reasons why certain public housing properties are in the application queue."

PHADA said that decisions to demolish or dispose of public housing are not taken lightly and that the process is needed "to salvage as much as possible in an era of crippling underfunding."

SECTION 8

Clarification on Use of Model Forms Eases Problem of Reissuing Leases To Change OMB Approval Number

Section 8 owners and managers received authorization to remove the Office of Management and Budget (OMB) approval number and expiration date from HUD model leases generated by software programs, thus eliminating the problem of having to reissue leases when there is a change in the OMB expiration date.

The use of model leases was clarified in a September 18 memorandum to multifamily field offices.

The memo was issued after the National Leased Housing Association (NLHA) asked HUD to resubmit the model lease forms to OMB for further review of the paperwork burden on owners.

Under the previous guidance, leases that had been modified, sometimes over several years, would have to be rewritten and new leases would have to be reissued to tenants after the OMB expiration date. Section 8 owners objected to the additional cost that would result. (*For background, see Current Developments Vol. 36, No. CD-17, p. 516.*)

The memo says that owners and managers who do not have software programs that generate lease forms but use the leases posted on HUDCLIPS should use the model lease that includes the OMB approval number and OMB expiration date for new admissions and current tenants. Leases must be reissued when there is a change of the OMB expiration date. The current model lease has an expiration of March 31, 2011.

Use of Existing Leases

The memo also says that owners and management agents

with leases that were modified prior to the March 2008 release of the OMB-approved HUD model leases may continue to use the leases as long as the modifications have been approved by the HUD multifamily office or contract administrator.

The modified lease can be used until HUD issues changes to the lease language. Any new changes made by owners or agents must be in the form of a lease addendum approved by HUD or the contract administrator.

The memo says that when writing up management and occupancy reviews, HUD staff and contract administrators must not issue a citation when they find an owner or agent is using a lease containing modifications approved prior to the release of the OMB-approved model lease or is using a lease that does not have the OMB approval number or expiration date.

However, HUD staff and contract administrators were directed to continue to cite lease-related issues such as not using the correct model lease or modifying the lease without approval from HUD or the contract administrator.

The HUD memo was made available through a list serve for the rental housing integrity project (RHIP).

(For more information, contact Michael Sharkey, 202-402-6788.)

MORTGAGE FINANCE

HUD Announces No Changes in Fiscal 2009 FHA Multifamily MIPs

HUD is making no changes in the FHA multifamily mortgage insurance premiums for fiscal 2009, according to a notice published in the September 24 Federal Register.

For apartment loans, the annual MIP will be 45 basis points for all projects with low-income housing tax credits, though the first-year premium will be 1 percent for Section 207/223(f) loans.

The premium will also be 45 basis points for Section 232(a)(7) refinancing loans and Section 221(d)(4) loans on projects without tax credits.

For other projects without tax credits, the MIP will be 50 basis points for Section 207 apartment and manufactured home park loans, Section 220 urban renewal housing loans, and Section 207/223(f) refinancing loans, which will have a first-year premium of 1 percent.

The MIP will be 80 basis points for Section 221(d)(3) loans to nonprofit mortgagors on projects without tax credits, Section 223(d) operating loss loans, and Section 241(a) supplemental loans on projects without tax credits.

Health Care Facilities

For health care facility loans, the MIP will be 45 basis points for projects with tax credits, with a first-year premium of 1 percent for Section 232/223(f) refinancing loans.

For projects without tax credits, the MIP will be 50 basis points for Section 231 elderly housing loans; Sec-

Bobbette Glover

From: bounce-938288-160698@lyrisnet.nahro.org on behalf of nahro@nahro.org
Sent: Thursday, October 02, 2008 6:33 AM
To: Glover; Bobbette Glover
Subject: HUD Unveils Neighborhood Stabilization Program Implementation Notice

NAHRO*Building Communities Together***Useful Links**

- [Advocacy Center](#)
- [Legislative Information](#)
- [Regulations](#)
- [NAHRO Monitor](#)
- [News](#)
- [Professional Development](#)
- [Member Services](#)

October 2, 2008

Washington Update

HUD Unveils Neighborhood Stabilization Program Implementation Notice

HUD has posted the *Federal Register* notice for the Neighborhood Stabilization Program (NSP). NSP is the name HUD has chosen for the program established by Title III of Division B of the recently enacted Housing and Economic Recovery Act of 2008 (HERA). Title III of Division B of HERA provided \$3.92 billion in emergency Community Development Block Grant (CDBG) funding to support state and local efforts to stabilize neighborhoods with high numbers of vacant and foreclosed-upon homes.

The NSP *Federal Register* notice summarizes "the allocation formula and allocation amounts, the list of grantees, alternative requirements, and the waivers of regulations granted to grantees."

This NAHRO Direct News provides a complete review of the NSP notice along with an overview of the HUD-devised NSP formula - including an explanation of why so few CDBG entitlement communities are eligible for a direct NSP formula allocation. To continue reading, see <http://www.nahro.org/members/news/2008/081002.cfm>.



National Association of Housing and Redevelopment Officials
630 Eye Street, NW, Washington DC 20001
Toll Free: 877-866-2476 Phone: 202-289-3500 Fax: 202-289-8181
E-mail: nahro@nahro.org Privacy Policy, © Copyright 2006; NAHRO

You are currently subscribed to nahro-directnews-washington-update as: Bobbette.Glover@iacdc.org To unsubscribe send a blank email to leave-938288-160698.32ca6377299d453ad40e6a6b9096854b@lyrisnet.nahro.org

10/2/2008

Housing Affairs Letter Stories posted week of 10/4/08 - 10/10/08

HUD

HUD Hosts Regional Housing Summits

HUD takes its \$3.9 billion Neighborhood Stabilization Program on the road to explain the effort's fine point to local and regional government officials in Los Angeles, Orlando, and Columbus, OH. The road trip augments the department's two-day summit in Washington, DC, this week to accelerate application of the program.

Asst. HUD Secy. Susan Pepler and department staffers are conducting sessions in Los Angeles today and will be in Columbus, Oct. 14 and in Orlando, Oct. 16.

Info: HUD, 202/708-0685

10/10/2008 12:44 PM

Public Housing

PHA Chooses Bankruptcy Over Mold

Washington State: A fight over several lawsuits regarding mold in public housing units in Puyallup prompts the Pierce County Housing Authority (PCHA) to seek bankruptcy protection. If approved, bankruptcy would prevent 81 present and former residents of the apartment complex from collecting damages they attribute to mold at the 193-unit project.

PCHA contends the cost of fighting the lawsuits is a drain on finances, making it difficult to fight the mold problem and maintain services for its 8,000 tenants throughout the county. The authority faced three lawsuits, all filed by the same Tacoma law firm.

The first case resulted in a \$750,000 settlement and a \$1.2 million payment to lawyers defending PCHA. The two remaining cases are active. PCHA operates with a \$21 million annual budget for 1,123 apartments in 13 complexes and 134 single-family homes.

10/10/2008 12:40 PM

State & Local

City Settles Sec. 8 Issue With HUD

New York: Mount Vernon will pay HUD \$1.7 million to settle charges the city's Urban Renewal Agency requested and spent Sec. 8 money it wasn't entitled. The final amount is \$570,532 less than HUD billed the city after negotiations to end the two-year dispute.

The city will pay HUD \$47,314 a month over three years, with the money normally deducted from subsidies the department provides the city.

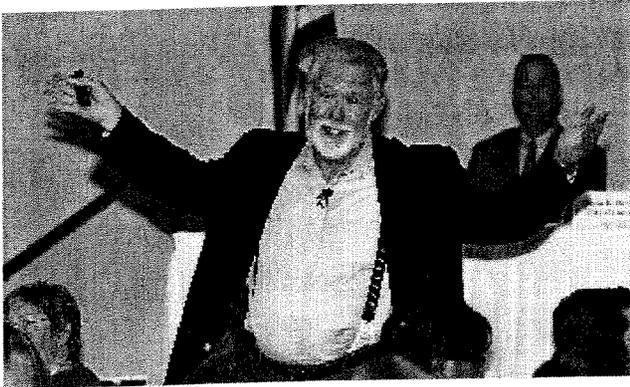
10/10/2008 12:56 PM

Public Housing Pay To Park

Florida: Winter Haven Housing Authority (WHHA) tenants soon will pay for the privilege to park at their apartments. The agency initiates the plan to deter loitering and abandoned vehicles.

Each resident and any adult tenant who owns a vehicle will have to register with WHHA and pay a \$5 fee. All cars must have valid tags and vehicle registration with the Florida Dept. of Motor Vehicles. Visitors who stay longer than 24 hours will have to get a free parking pass.

10/10/2008 12:43 PM



NEW DIRECTION - Lancaster Mayor R. Rex Parris lays out his plans for improving the city during an Antelope Valley Chambers of Commerce meeting Wednesday in Lancaster.

BERNARD KANE/Valley Press

Lancaster mayor shares his vision

Parris: Reject myths; use science, facts to build city

*This story appeared in the Antelope Valley Press
Thursday, October 9, 2008.*

By **BOB WILSON**
Valley Press Staff Writer

LANCASTER - The city's mayor told Valley business leaders Wednesday he hopes to bring a new mind-set to Lancaster City Hall that includes embracing creativity, cutting-edge technology and experimentation.

"What we're attempting to do is to throw out everything that is based on myth," Mayor R. Rex Parris said during a lunchtime presentation to members of the Antelope Valley Chambers of Commerce.

"If there isn't any science or fact to support why we are doing something, why are we doing it?" Parris asked.

Before the election, a poll he commissioned indicated about 49% of the people did not like the direction Lancaster was headed, while about 31% did and 20% didn't provide an opinion, he said. Now, about 51% like the city's direction, about 32% do not and about 17% didn't provide an opinion.

"That tells me people think there's hope, that the people think there really is something we can do," Parris said.

Further, 64% of those polled recently indicated they approve of his performance as mayor, he noted. "With that type of approval rating, it now gives us a license to push the envelope a little further. ... I have more permission than I thought I might have had to try different things."

Among thinking patterns to be discarded, he said, is one that has pitted Lancaster against Palmdale in a battle for new residents, shopping centers and amenities because of a perception

For that reason, city staff members "are working as fast as they can on coming up with new, innovative, creative ways so people can own their own homes."

Also, the city is working to take control of the Section 8 housing process in an effort to reduce the number of people coming to the Antelope Valley to find larger homes for smaller payments, the mayor noted.

Further, city officials are hoping to obtain e-mail addresses to take advantage of communicative efforts to find out what products and services residents need or want so the city or its businesses can provide them, Parris said.

His intention is to find a way for the city's businesses to work with City Hall to make such projects affordable, the mayor said, adding that such a program would put Lancaster far ahead of cities unwilling or unenlightened enough to undertake such experiments.

Another new goal is to make Lancaster a laboratory for generating solar power on a mass scale, Parris said.

In the past, the Antelope Valley led the world in the development and production of aircraft, and solar technology represents a chance for the area to lead the world in the development of a new source of power, he said.

Parris was referring to the possibilities that might stem from an experimental solar facility planned at Avenue G and Division Street.

The project uses computers to collect light and focus it on collectors that create steam that spins generators that produce electricity.

"I think this energy crisis will change the Antelope Valley into a truly significant place," he said.

Another of his priorities is to find a way to make sure there is a supply of well-trained leaders prepared to pick up where today's leaders leave off, the mayor said.

"If we are to thrive and flourish, we've got to figure out what it is to get young professionals to move to this community."

Studies indicate that cities which have a "creative class" of people as part of their population have high property values, low crime rates and other benefits, Parris noted.

For that reason, he intends to create an Art Commission that can "make this a great place to live for really creative people," the mayor said. "I don't have the answers, but there are people who do."

Initiating such efforts already has changed the way residents view the city and its leaders, Parris said.

One of the most difficult tasks may be to get people out of their old mind-sets and into new ones that reward creativity and experimentation, even if many of the experiments lead to failure, Parris said. "We want people to try things they will be willing to fail at."

Without experimentation and growth, little will change, he said. "If we all work together, magnificent things will happen," he predicted.

bwilson@avpress.com

For Your Information

Community Development Commission

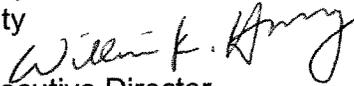
FOR YOUR INFORMATION ONLY

October 16, 2008

To: Michael D. Antonovich
Supervisor, 5th District

Attention: Norm Hickling, Senior Deputy
Paul Novak, Planning Deputy

From: William K Huang, Acting Executive Director



SUBJECT: SECTION 8 ANTELOPE VALLEY ACTIVITY REPORT

Attached is the Antelope Valley activity report for September 2008 for distribution to Lancaster and Palmdale. The next report is scheduled for Monday, November 10, 2008, which will reflect data for October 2008. If you have any further questions, please contact me at (323) 890-7400.

WKH:AR
September 2008 AV report-a-wkh.ar

Attachment

**Housing Authority of the County of Los Angeles
Antelope Valley Section 8 Activity Report - Fiscal Year 2009**

Report Year: JULY 2008 - JUNE 2009 Report Period: September 1 - 30, 2008

	Lancaster		Palmdale		*Unincorporated AV Areas		AV TOTALS		Non-AV Cities	
	YTD	Period	YTD	Period	YTD	Period	YTD	Period	YTD	Period
HOUSING CONTRACTS										
Contract Total as of First of the Month		2226		1303		76		3605		16196
New Contracts	53	27	22	9	1	1	76	37	300	153
-New Participants	31	16	9	1	1	1	41	18	204	109
-From other Housing Authorities	22	11	13	8	0	0	35	19	96	44
Moves out of Area - Billed to HACoLA		0		0		0		0		0
Terminated Contracts		(11)		(16)		0		(27)		(102)
-General Terminations		(4)		(4)		0		(8)		(75)
-Fraud/Program Violation Contract Terminations	(32)	(7)	(37)	(12)	(1)	0	(70)	(19)	(43)	(27)
Change in Number of Contracts from Previous Month	26	(9)	(11)	(39)	5	4	20	(44)	86	463
Total Active Housing Contracts		2217		1264		80		3561		16659

Housing Contracts represent the number of assisted households. New Contracts represent both new households on the program from our waiting list and new households that have moved into our jurisdiction from other Housing Authorities whom have not received housing assistance previously. Contracts terminated include families that have moved from the County's jurisdiction, voluntary and involuntary terminations, and fraud/program violation terminations.

ASSISTED HOUSING DIV'N INVESTIGATIONS	YTD	Period								
Investigations Opened	3	2	4	3	0	0	7	5	33	14
-Referred to Fraud Unit	0	0	0	0	0	0	0	0	6	2
-Proposed Terminations Issued	1	0	1	1	0	0	2	1	1	0

Assisted Housing Division Investigations are program violation investigations conducted by Administrative Analysts and can result in terminations. Referrals come from staff, the public, Board of Supervisors, and HUD. Cases are referred to the Fraud Unit Investigators as needed.

FRAUD HOTLINE CALLS	YTD	Period								
Calls Received	81	25	43	12	0	0	124	37	106	0
-Referred For Investigation	32	11	27	8	0	0	59	19	62	0
-Dismissed	49	14	16	4	0	0	65	18	44	0

FRAUD UNIT INVESTIGATIONS	YTD	Period								
Investigations Opened	54	6	43	17	0	0	97	23	253	47
-Unfounded	14	1	1	1	0	0	15	2	54	3
-Counseled	8	1	9	2	0	0	17	3	7	5
-Referred For Termination	25	9	27	11	0	0	52	20	71	18
-Pending Results	7	(5)	8	3	0	0	15	(2)	121	21

Fraud Unit Investigations are conducted by Housing Authority Investigators

TERMINATION APPEALS(HEARINGS)	YTD	Period								
-Hearings Requested	13	2	33	8	0	0	46	10	49	14
-Hearings Held	18	4	30	5	0	0	48	9	34	15
-Terminations Overturned by Hearing Officer	4	1	3	2	0	0	7	3	2	0
-Terminations Upheld by Hearing Officer	15	3	22	3	1	0	38	6	27	19

Assisted households can appeal the decision to terminate assistance and have their case heard before a contracted Hearing Officer. Termination appeals represent fraud, administrative, and any other program related hearings. Not all terminations are appealed.

* Unincorporated areas in Antelope Valley include Acton, Lake Los Angeles, Leona Valley, Little Rock, Llano, Pearblossom, and Quartz Hill.

Housing Authority - County of Los Angeles

October 22, 2008

TO: Housing Commissioners

FROM: Margarita Lares, Director
Assisted Housing Division

RE: **THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM**

FOR YOUR INFORMATION ONLY

FSS Program Update for October

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to promote the development of local strategies to enable families both in public housing and the Housing Choice Voucher Program to achieve economic independence and self-sufficiency.

This report is provided to the Housing Authority of the County of Los Angeles Housing Commissioners on a monthly basis.

FSS Program Update for September

- The Family Self Sufficiency staff continued its ongoing recruitment efforts, with a total of 11 new applicants, 10 of whom were eligible for the Family Self Sufficiency Program.
- Staff enrolled 9 new participants.
- FSS staff received 6 requests to graduate from the Family Self Sufficiency program.
- FSS staff conducted the Money Smart credit education workshop "Charge it Right", on September 6, 2008, at the Housing Authority's Palmdale office.
- FSS staff attended three Southeast Area Social Services Funding Authority (SASSFA) partnership and advertising meetings.
- Staff continues to coordinate job fair planning activities with member partners such as SASSFA, HUB Cities, and WorkSource. Staff will represent the Family Self Sufficiency program at the annual partnership job and information fair, staff will disseminate program information to participants, and they will conduct a resume writing workshop and perform other duties as required.

- Resource information on the WorkSource Network, Adult Education, and Job Fair information were disseminated during recruitment and case management activities.
- Staff members are currently working on a “Best Practices” national review of Family Self Sufficiency Programs from a variety of other Public Housing Authorities.
- FSS staff referred 5 FSS applicants for job search assistance and 7 FSS participants for job search and resume writing and review assistance to WorkSource Centers.
- Resource information for employment opportunities, budgeting, money saving tips, public insurance plans and homeownership workshops were disseminated to 14 FSS participants and applicants during the September workshops and other appointments.
- FSS staff referred 9 FSS participants to the CDC Home Ownership Program (HOP) per the tenant’s request.

If you have any questions, please feel free to contact me at (562) 347-4837.

ML:dt

HOUSING AUTHORITY COUNTY OF LOS ANGELES - CONVENTIONAL AND NON-CONVENTIONAL HOUSING

FOR YOUR INFORMATION ONLY

GROUP NO.	SITE	HUD DEV. NO.	PROJECT NUMBER	ADDRESS	Date Built and/or Acquired	NO. OF UNITS
1	Carmelitos (family)	CA16P002001	SS1102	700 Via Wanda, Long Beach 90805	1983	558
1	Carmelitos (senior)	CA16P002026	SS1102	761 Via Carmelitos, Long Beach 90805	1986	155
Total Unit Count: Carmelitos						713
2	Harbor Hills (family/senior)	CA16P002002	SS1203	26607 S. Western Ave., Lomita 90717	1941	301
Total Unit Count: Harbor Hills						301
3	Nueva Maravilla (family/senior)	CA16P002004	SS1301	4919 E. Cesar E. Chavez Ave., Los Angeles 90022	1972	504
Total Unit Count: N. Maravilla						504
4	West Knoll (senior)	CA16P002014	SS3001	838 West Knoll Ave., West Hollywood 90069	1977	136
4	Palm Apartments (senior)	CA16P002014	SS3002	959 Palm Ave., West Hollywood 90069	1978	127
Total Unit Count: West County 1			Admin Project XX0930			263
5	Marina Manor I (senior)	CA16P002013	SS3003	3401 Via Dolce, Marina Del Rey 90292	1983	112
5	Marina Manor II (senior)	CA16P002027	SS3003	3405 Via Dolce, Marina Del Rey 90292	1983	71
5	Ocean Park (family/senior)	CA16P002018	SS3006	175 Ocean Park Boulevard, Santa Monica 90405	1947	22
5	Monica Manor (family)	CA16P002097	SS3007	1901-1909 11th Street, Santa Monica 90405	1987	19
Total Unit Count: West County 2			Admin Project XX0935			224
6	Orchard Arms (senior)	CA16P002030	SS2001	23410-23540 Wiley Canyon Rd., Valencia 91355	1980	183
6	Foothill Villa (senior)	CA16P002029	SS2002	2423 Foothill Boulevard, La Crescenta 91214	1981	62
6	Quartz Hill I (family)	CA16P002062	SS2003	5028 West Avenue L-12, Quartz Hill 93536	1984	20
6	Quartz Hill II (family)	CA16P002069	SS2003	42051 51th Street West, Quartz Hill 93536	1984	20
Total Unit Count: North County			Admin Project XX0920			285
7	Francisquito Villa (family)	CA16P002015	SS4002	14622 Francisquito Ave., La Puente 91746	1979	89
7	Carmelita Avenue (senior)	CA16P002091	SS4003	354-354 So. Carmelita Ave., Los Angeles, 90063	1975	2
7	McBride Avenue (family)	CA16P002021	SS4004	1229 So. McBride Ave., Los Angeles, 90023	1968	4
7	Williamson Avenue (family)	CA16P002020	SS4005	706-708 1/2 So. Williamson Ave., Los Angeles, 90022	1972	4
7	Triggs Street (family/senior)	CA16P002097	SS4006	4432-4434 1/2 Triggs St., Los Angeles 90023	1964	4
7	Simmons Avenue (family)	CA16P002021	SS4007	927 So. Simmons Ave., Los Angeles, 90022	1939	4
7	4th & Mednick (family)	CA16P002034	SS4009	341 So. Mednick Ave., Los Angeles, 90022	1985	2
7	Arizona & Olympic (family)	CA16P002048	SS4010	1003-1135 So. Arizona Ave., Los Angeles 90022	1984	18
7	Whittier Manor (senior)	CA16P002033	SS4011	11527 Slauson Ave., Whittier 90606	1986	49
7	Herbert Ave (senior)	CA16P002058	SS4012	133 Herbert Ave., Los Angeles 90063	1985	46
7	Sundance Vista (family)	CA16P002156	SS4014	10850 Laurel Ave., Whittier 90605	1999	41
Total Unit Count: East County			Admin Project XX0940			263
8	El Segundo I (family)	CA16P002023	SS5001	1928/37/49 E. El Segundo Blvd., Compton 90222	1972	30
8	South Bay Gardens (seniors)	CA16P002032	SS5002	230 E. 130th St., Los Angeles 90061	1981	100
8	1115-16 W. 90th St. (family)	CA16P002091	SS5005	1115-16 W. 90th St., Los Angeles 90044	1985	18
8	El Segundo II (2140) (family)	CA16P002052	SS5015	2140-2144 1/2 E. El Segundo Blvd., Compton 90222	1985	13
8	El Segundo II (2141) (family)	CA16P002061	SS5015	2141-2145 E. El Segundo Blvd., Compton 90222	1985	5
8	9104-18 S. Bandera St. (family)	CA16P002080	SS5016	9104-18 S. Bandera St., Los Angeles, 90002	1961	8
8	1535 E. 83rd Street (family)	CA16P002080	SS5017	1535 E. 83rd St., Los Angeles 90002	1985	2
8	1615-17 E. 87th Street (family)	CA16P002067	SS5018	1615-17 E. 87th St., Los Angeles 90002	1985	4
8	8739 Beach St. (88th & Beach) (family)	CA16P002056	SS5019	8739 Beach St., Los Angeles 90002	1985	4
8	4212-20 E. Addington Street (family)	CA16P002071	SS5020	4212-20 E. Addington St., Compton 90221	1984	3
8	W. Imperial (family)	CA16P002132	SS5026	1221 & 1309 E. Imperial Hwy., Los Angeles 90044	1992	9
8	Athens (family)	CA16P002127	SS5027	1120 W. 107th St., 1310 W. 110th St., & 11104 S. Normandie Ave., Los Angeles 90044	1996	10
8	1527 E. 84th (family)	CA16P002107	SS5029	1527 E. 84th St., Los Angeles 90001	1998	4
8	Jarvis Avenue (family)	CA16P002107	SS5030	12920 Jarvis Ave., Los Angeles 90061	1997	1
8	Woodcrest I (family)	CA16P002066	SS5003	1239 W. 109th St., Los Angeles 90044	1983	10
8	Woodcrest II (family)	CA16P002090	SS5003	1245 W. 109th St., Los Angeles 90044	1983	10
8	1101-09 W. 91st (family)	CA16P002021	SS5006	1101-09 W. 91st St., Los Angeles 90044	1965	16
8	1232-34 E. 119th (family)	CA16P002021	SS5007	1232-34 E. 119th St., Los Angeles 90059	1955	2
8	1231-33 E. 61st (family)	CA16P002021	SS5008	1231-33 E. 61st St., Los Angeles 90001	1961	6
8	1100 W. 106th Street (family)	CA16P002021	SS5009	1100 W. 106th St., Los Angeles 90044	1970	10
8	1104 W. 106th Street (family)	CA16P002020	SS5009	1104 W. 106th St., Los Angeles 90044	1970	10
8	1320 W. 107th (family)	CA16P002021	SS5010	1320 W. 107th St., Los Angeles 90044	1970	18
8	11431-463 S. Normandie (family)	CA16P002020	SS5011	11431-463 S. Normandie Ave., Los Angeles 90047	1970	28
8	1027-33 W. 90th (family)	CA16P002078	SS5014	1027-33 W. 90th St., Los Angeles 90044	1986	6
8	W. 106th Street & Budlong (family)	CA16P002079	SS5021	1334-38 W. 106th St. 9410 & 11126 Budlong Ave., Los Angeles 90044	1984	11
8	W. 94th & 95th Street (family)	CA16P002060	SS5022	1035-37 1/2 W. 94th St. & 1324 W. 95th St., Los Angeles 90044	1985	8
8	W. 105th & 106th (family)	CA16P002124	SS5024	1336-40 W. 105th St. & 1057 W. 106th St., Los Angeles 90044	1991	13
8	Century Wilton (family)	CA16P002020	SS5025	10025 Wilton Place, Los Angeles 90047	1965	40
8	11248 S. Budlong (family)	CA16P002138	SS5028	11248 S. Budlong, Los Angeles 90044	1986	6
8	111th & Firmona (family)	Pending	SS5031	11117 & 11119 Firmona Ave., Lennox 90304	2008	2
8	Lindsey (family)	Pending	SS5032	4621 & 4625 Linsley St., Compton 90221	2008	2
Total Unit Count: South County			Admin Project XX0950			409

Total Housing Authority-Owned - Conventional **2,962**

City of Lomita - Conventional	Lomita Manor (senior)		SS1204	24925 Walnut St., Lomita 90717		78
-------------------------------	-----------------------	--	--------	--------------------------------	--	----

Non-Conventional Housing						
	Kings Road JPA (senior)		UU0001	800-801 N. Kings Road., West Hollywood 90069	1980	106
	Lancaster Homes (senior)		UU0002	711-737 W. Jackman St., Lancaster 93534	1978	120
	Santa Monica RCHP (family)		SS3005	1855 9th St., 1450 14th St., & 2006 20th St., Santa Monica 90404	1983	41
	Villa Nueva RHCP (family)		SS4013	958-676 S. Ferris Ave., Los Angeles 90022	1985	21
	Willowbrook (family)		SS6001	11718-11740 Willowbrook Ave., Los Angeles 90044	1975	8
	Ujima Village (family/senior)		SS8001	941 E. 126th St., Los Angeles 90059	1971	300
Total Number of Units- Non Conventional						596

Total Number of Units- HM **3,636**



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

William K. Huang
Acting Executive Director

October 22, 2008

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

APPROVE HEALTH PLAN CHANGES (ALL DISTRICTS)

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that approval of the changes to the 2009 health plans is not subject to the provisions of CEQA, as described herein, because the activities are not defined as a project under CEQA.
2. Recommend that the Board of Commissioners authorize the Acting Executive Director to approve the proposed premium rates for group medical plans provided by Anthem Blue Cross of California Health Maintenance Organization (HMO) and Preferred Provider Option (PPO) and Kaiser Health Plan (Kaiser), effective January 1, 2009.
3. Recommend that the Board of Commissioners approve the combined payment, with the Community Development Commission, of the employer-paid subsidy for the 2009 calendar year to Anthem Blue Cross and Kaiser, at an estimated cost of \$471,000.
4. Recommend that the Board of Commissioners authorize the Housing Authority to fund all health plan costs using funds included in the approved Fiscal Year 2008-2009 budget, and funds to be approved through the annual budget process for Fiscal Year 2009-2010, as needed.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:

The purpose of the recommended action is to provide employees, during the 2009 calendar year, affordable health coverage that is comparable with plans offered to County employees. The current plans end on December 31, 2008.



FISCAL IMPACT/FINANCING:

For 2009, the minimum contribution under the Flexible Benefit and Optional Benefit plans will increase from \$855 and \$597 per month, respectively, to \$903 and \$645 per month, respectively, at an additional cost of \$275,000. These increases are provided to assist employees with the purchase of medical, dental, vision and life insurance benefits. The Executive Director was provided the authority on October 11, 2005, to increase these contributions provided the amounts do not exceed the contributions for County employees.

The employer-paid subsidy is estimated at \$471,000 for January 1, 2009 through December 31, 2009.

The current Fiscal Year 2008-2009 budgets of the Housing Authority and Community Development Commission include funds for the proposed health plan changes through June 30, 2009. The next annual budget process will include funding for the remaining costs.

The Board of Commissioners of the Housing Authority must approve the plan changes, because Housing Authority funds will be used to pay a portion of the benefits for Commission personnel performing Housing Authority functions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Currently, employees covered by the Flexible Benefit Plan receive a Commission contribution expressed as a percentage of salary, but not less than a minimum "floor" contribution of \$855 per month. Employees covered by the Optional Benefit Plan receive \$597 per month. For 2009, the minimum contribution under the Flexible Benefit Plan will increase to \$903 per month and to \$645 per month under the Optional Benefit Plan, at an estimated annual cost of \$275,000. The Executive Director was provided the authority on October 11, 2005 to increase these contributions provided these amounts do not exceed the contributions provided to County employees. The County received approval on September 16, 2008 to increase contributions for 2009 to \$1,078 and \$809 under the MegaFlex and Flexible Benefit Plans, respectively.

Employees are currently provided with Anthem Blue Cross HMO, Anthem Blue Cross PPO, and Kaiser as employee medical plan options. During the month of September, the Commission's group insurance broker, Alliant Insurance Services, and the Commission evaluated these plans and the required cost increase for 2009.

Negotiations with Anthem Blue Cross resulted in a premium increase averaging 14.5%. Kaiser is requiring an increase of 17.0%, and remains unwilling to negotiate renewal premiums.

In an effort to assist employees with paying for medical insurance coverage, the Commission will continue to provide an employer-paid subsidy at the current levels. This amount, totaling approximately \$471,000 plus the amount contributed by each employee, will fund the total cost of medical insurance for 2009.

The new monthly contribution for each medical plan is provided in Attachment A.

The Chief Executive Office and County Counsel have reviewed this letter. This letter is being filed concurrently with the Housing Commission for its monthly meeting of October 22, 2008. The annual open enrollment period, which allows Commission employees to enroll in their health plans for 2009, will begin on October 27, 2008. Commission employees must have at least a one-week period to enroll so that the Commission may submit the new enrollment details to the health plan providers during the month of November. Any delays will prevent the Commission from meeting the enrollment deadlines and contractual agreements with the health plan providers which are due to expire on December 31, 2008.

ENVIRONMENTAL DOCUMENTATION:

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROGRAM:

The recommended actions are consistent with the principle of promoting the well being of Commission employees and their families by offering comprehensive employee benefits.

Respectfully submitted,



for WILLIAM K. HUANG
Acting Executive Director

Attachment

Attachment A

Monthly Employee Contribution for 2009*

Anthem Blue Cross HMO

Employee Only	\$325
Employee + One	\$650
Family	\$800

Anthem Blue Cross PPO

Employee Only	\$550
Employee + One	\$1,150
Family	\$1,500

Kaiser

Employee Only	\$405
Employee + One	\$750
Family	\$878

*Monthly employee contribution is the employee cost after the subsidy is applied to the actual plan cost.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

William K. Huang
Acting Executive Director

October 22, 2008

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**AWARD CONTRACT TO PROVIDE TEMPORARY PERSONNEL SERVICES
(ALL DISTRICTS)**

SUBJECT:

This letter requests approval of five contracts to be awarded to Tri-State Employment Service, Inc., JM Temporary Services & Affiliates, Inc., Protocol Professional Staffing, L.A. Business Personnel, Inc., and AppleOne to provide needed temporary personnel services to the Housing Authority.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the approval of a service contract for temporary personnel services is exempt from the provisions of CEQA, as described herein, because the activities will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Acting Executive Director to execute, administer, implement and if necessary terminate one-year Temporary Personnel Service contracts (Contracts) with Tri-State Employment Service, Inc., JM Temporary Services & Affiliates, Inc., Protocol Professional Staffing, L.A. business Personnel, Inc., and AppleOne, in an aggregate amount not to exceed \$111,468, to provide temporary personnel services, to be effective following approval as to form by the County Counsel and execution by all parties.
3. Recommend that the Board of Commissioners authorize the Acting Executive Director to execute amendments to the one-year Contracts, following approval as to form by County Counsel, to increase the total amount of compensation by up to ten percent to cover unforeseen costs, modify the scope of work to address unforeseen issues, or make other



non-monetary changes necessary for the administration and implementation of the Contracts.

4. Recommend that the Board of Commissioners authorize the Acting Executive Director to extend the time of performance for up to four years, in one-year increments, at the same annual cost of \$111,468, using funds to be approved through the annual budget process.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this recommended action is to enter into five Contracts with Tri-State Employment Service, Inc., JM Temporary Services & Affiliates, Inc., Protocol Professional Staffing, L.A. Business Personnel, Inc., and AppleOne to provide needed temporary personnel services for the Housing Authority.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund.

The Contracts will be funded with a total of \$111,468 in administrative services funds included in the Housing Authority's Fiscal Year 2008-2009 approved budget. A ten percent contingency, in the amount of \$11,147, is being set aside for unforeseen costs. The Contracts may be extended for up to four additional years, in one-year increments, at the same annual cost. Funds for future years will be requested through the annual budget approval process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Housing Authority has the need for qualified temporary personnel services throughout the agency. Without these services, the Housing Authority would be short-staffed and productivity would decrease. The use of temporary personnel services is crucial in order to continue job efficiency in a cost-effective manner. The approval of the temporary personnel contracts will meet these needs.

The proposed services are being primarily federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the Greater Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, all five contractors must comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain U.S. Department of Housing and Urban Development (HUD) assistance be directed to low and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

ENVIRONMENTAL DOCUMENTATION

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the CEQA pursuant to State CEQA Guidelines Section

15301 because it does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On July 15, 2008, an Invitation for Bid (IFB) process was initiated to identify temporary personnel agencies able to provide needed temporary personnel services for both the Community Development Commission and Housing Authority. Notices were mailed to 132 agencies identified from the Commission's vendor list. Announcements appeared in ten local newspapers and on the County's WebVen website. A copy of the IFB was posted on the Commission and Housing Authority's website.

A total of ten bids were received by the submission deadline of July 30, 2008. The bids were reviewed by one representative from the Commission. Each bidder provided a cost for each job classification and was ranked according to the lowest cost. Not all bidders were able to provide a rate for each job classification. After reviewing all bids, the representative recommends Tri-State Employment Service, Inc., JM Temporary Services & Affiliates, Inc., Protocol Professional Staffing, L.A. Business Personnel, Inc. and AppleOne for the Contract awards.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The five proposed Contracts will provide needed temporary personnel services for the Housing Authority.

Respectfully submitted,

for Bobbette A. Glover
WILLIAM K. HUANG
Acting Executive Director

Attachments: 1

ATTACHMENT A

Summary of Outreach Activities

Temporary Personnel Services

Beginning on July 10, 2008, the following outreach was initiated to identify temporary personnel agencies to provide needed temporary personnel services for the Community Development Commission and the Housing Authority.

A. Newspaper Advertising

Announcements appeared in the following newspapers:

La Opinion
The Daily News
International Daily News
L.A. Sentinel
Eastside Sun
Los Angeles Times
Long Beach Press Telegram
Agua Dulce News
Antelope Valley Press
Wave Communtiy Newspaper
The Westside
West Edition
East Edition

An announcement was also posted on the County's WebVen website and on the Commission Web Site.

B. Distribution of Notices

The Commission's vendor list was used to mail out the Invitation for Bids (IFB) to 132 temporary personnel agencies, of which seventy one identified themselves as firms owned by minorities or women (private firms that are 51 percent owned by minorities or women, or publicly owned businesses, in which 51 percent of the stock is held by minorities or women). As a result of the outreach, 10 bid packages were received.

C. Bid Results

On July 30, 2008, ten bids were received. One bid did not meet the minimum bid document requirements; the bid submitted by Human Potential Consulting, L.L.C. did not include a bid sheet and was determined to be non-responsive. Each bidder provided a cost for each job classification and was ranked according to the lowest cost. Not all bidders were able to provide a rate for each job classification. Tri-State Employment Service, Inc., JM Temporary Services & Affiliates, Inc., Protocol Professional Staffing, L.A. Business Personnel, Inc. and AppleOne were selected for recommendation of award of the Contract based on the criteria set forth in the IFB.

D. Minority/Women Participation – Selected Agency

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
L.A. Business Personnel, Inc.	Woman Business Enterprise	Total 8 4 Minorities 5 Women 2% Minorities 2% Women
JM Temporary Services & Affiliates, Inc.	Women Business Enterprise	Total 4 4 Minorities 2 Women 1% Minorities 2% Women

E. Minority/Women Participation – Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Human Potential Consultants, LLC	Women Business Enterprise	Total: 82 73 Minorities 42 Women 1% Minorities 2% Woman
Partners In Diversity	Women Business Enterprise	Total: 8 6 Minorities 6 Women 1% Minorities 1% Women
Microlink Enterprise Inc.	Women Business Enterprise	Total: 10 9 Minorities 2 Women 1% Minorities 5% Women

The Community Development Commission and Housing Authority conducts ongoing outreach to include minorities and women in the Contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Community Development Commission and Housing Authority.

The recommended award of Contract is being made in accordance with the Community Development Commission and Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

William K. Huang
Acting Executive Director

October 22, 2008

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT FOR SOUTHBAY GARDENS SENIOR
HOUSING DEVELOPMENT FLOORING REPLACEMENT PROJECT (DISTRICT 2)**

SUBJECT:

Approval of this Construction Contract (Contract) will provide for new flooring for 54 apartment units at the Southbay Gardens senior housing development located at 230 E. 130th Street in unincorporated South Los Angeles. The Contract will allow the Housing Authority to replace deteriorated flooring with new flooring.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the approval of a Contract for flooring replacement at the Southbay Gardens senior housing development is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Acting Executive Director of the Housing Authority to execute a Contract in the amount of \$105,246 to HM Carpet, Inc. to complete the flooring replacement at Southbay Gardens, following approval as to form by County Counsel and effective upon issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.



3. Recommend that the Board of Commissioners authorize the Acting Executive Director to use a total of \$105,246 in Community Development Block Grant (CDBG) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2008-2009 budget for the purposes described herein; and authorize the Acting Executive Director to approve Contract change orders not exceeding \$21,050 for unforeseen project costs, using the same source of funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award a Contract to complete the flooring replacement in 54 apartment units at the Southbay Gardens senior housing development.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$105,246 in CDBG funds allocated by HUD and included in the Housing Authority's approved Fiscal Year 2008-2009 budget. A 20% contingency, in the amount of \$21,050 is also being set aside for unforeseen costs, using the same source of funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The scope of work for the flooring replacement at Southbay Gardens includes the replacement of deteriorated and aged carpet, vinyl composition tiles and sheet vinyl flooring with new flooring, including all related work, in 54 apartment units.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, Continental Flooring Company dba: Arizona Continental Flooring Company will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Housing Authority has selected HM Carpet, Inc. to complete the flooring replacement. The Contract has been approved as to form by County Counsel and executed by HM Carpet, Inc.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On July 16, 2008, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to all 145 Class C-15 licensed contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight local newspapers and on the County WebVen website. Eleven bid packages were requested and distributed.

On August 14, 2008, six bids were received and formally opened. The lowest bid, submitted by HM Carpet, Inc. was determined to be the most responsive and is being recommended for the Contract award. The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The award of the Contract will remove and replace the existing deteriorated flooring and provide the residents with decent, safe and sanitary living conditions.

Respectfully submitted,


for WILLIAM K. HUANG
Acting Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

Southbay Gardens Interior Unit Flooring Project

On July 16, 2008, the following outreach was initiated to identify a contractor for the flooring replacement of 54 apartment units at the Southbay Gardens senior housing development located at 230 E. 130th Street, within the unincorporated area of Los Angeles County.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Dodge Construction News	Los Angeles Sentinel
Eastern Group Publications	Los Angeles Times
International Daily News	The Daily News
La Opinion	Wave Community Newspapers

An announcement was also posted on the County Web Site.

B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 145 C15-licensed contractors, of which 121 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, six bid packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On July 31, 2008 a mandatory pre-bid conference and site walk was conducted. Eleven firms were in attendance.

D. Bid Results

On August 14, 2008, a total of six bids were received and publicly opened. The bid result was as follows:

<u>Company</u>	<u>Bid Amount</u>
HM Carpet, Inc.	\$105,246
NACO, Inc.	\$142,863
Continental Flooring Company	\$146,680
Reliable Floor Covering, Inc.	\$179,199

Floor Covering Unlimited, Inc.
Moore Flooring, Inc.

\$198,673
\$208,888

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
HM Carpet, Inc.	Minority	Total: 11 10 Minorities 3 Women 91% Minorities 27% Women

F. Minority/Female Participation – Contractors Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
NACO, Inc.	Minority	Total: 6 2 Minorities 1 Women 33% Minorities 17% Women
Continental Flooring Company	Non-Minority	Total: 32 20 Minorities 20 Women 63% Minorities 63% Women
Reliable Floor Covering, Inc.	Non-Minority	Total: 33 27 Minorities 2 Women 82% Minorities 6% Women
Floor Covering Unlimited, Inc.	Non-Minority	Total: 14 11 Minorities 1 Women 79% Minorities 7% Women
Moore Flooring, Inc.	Non-Minority	Total: 12 7 Minorities 4 Women 58% Minorities 33% Women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

Contract Summary

Project Name: Southbay Gardens Interior Unit Flooring
Location: 230 E. 130th Street, Los Angeles, CA
Bid Number: CDC08-544
Bid Date: August 14, 2008
Contractor: HM Carpet, Inc.
Services: Replacement of carpet, vinyl composition tiles, and sheet vinyl flooring.

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder’s Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all Addenda to the Contract Documents.

Time of Commencement and Completion: The work to be performed under this Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within ninety (90) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Four Hundred Dollars and Zero Cents (\$400.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **One Hundred Five Thousand Two Hundred Forty Six Dollars and Zero Cents (\$105,246.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: \$21,050.00



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

William K. Huang
Acting Executive Director

October 22, 2008

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**ADOPT RESOLUTION DECLARING INTENT TO ISSUE MULTI FAMILY HOUSING
MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN
UNINCORPORATED FLORENCE-FIRESTONE (District 1)**

SUBJECT:

This letter requests that your Board approve a Resolution declaring the Housing Authority's intent to issue Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition and construction of Slauson Station, a 30-unit multifamily project to be located at 1707-1717 East 61st Street in unincorporated Florence-Firestone.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that adoption of a Resolution declaring the intent of the Housing Authority of the County of Los Angeles to issue Multifamily Housing Mortgage Revenue Bonds is not subject to the California Environmental Quality Act (CEQA) because the proposed activity will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners adopt and instruct the Chair to sign the attached Resolution, as required under Treasury Regulations, declaring an intent by Slauson Station Apartments, L.P. (Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$6,800,000 to finance the site acquisition and construction of Slauson Station Apartments, a 30-unit multifamily rental housing development located at 1707-1717 East 61st Street in the unincorporated Florence-Firestone area.

3. Recommend that the Board of Commissioners authorize the Acting Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$6,800,000 for the purposes described herein.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to approve a Resolution by the Housing Authority of the County of Los Angeles declaring its intent to issue Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$6,800,000, and to authorize the Acting Executive Director of the Housing Authority to apply to CDLAC for a private activity bond allocation in the same amount, in order to finance the site acquisition and construction of 30 units, including one manager's unit that will have no affordability requirements.

FISCAL IMPACT/FINANCING:

No County costs will be incurred. The Developer will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Project, to be located at 1707-1717 East 61st Street in unincorporated Los Angeles County, will consist of a three-story apartment building, comprised of five one-bedroom units, 14 two-bedroom units and 11 three-bedroom units. Four of the units will be reserved for households with incomes that do not exceed 30% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). Nine units of the units will be reserved for households with incomes that do not exceed 35% of AMI, and the remaining sixteen units will be reserved for households with incomes that do not exceed 50% of AMI. The affordability requirements will remain in effect for 55 years. The manager's unit will have no affordability requirements.

Adoption of the Resolution by the Board of Commissioners of the Housing Authority announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds is required to establish a base date after which costs incurred by the Developer may be included in the construction and permanent financing obtained pursuant to issuance of the tax-exempt bonds. The Resolution is also required to complete the Housing Authority's application to CDLAC.

Honorable Housing Commissioners
October 22, 2008
Page 3

On October 6, 2008, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolutions were prepared by Orrick, Herrington and Sutcliffe, Housing Authority Bond Counsel, and approved as to form by County Counsel. This letter relates to another item being considered by the Board of Supervisors.

ENVIRONMENTAL DOCUMENTATION:

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. This action is also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

An Environmental Assessment was prepared for this project pursuant to the requirements of NEPA. Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Community Development Commission on August 2, 2005. Following the required public and agency comment period, HUD issued a Release of Funds for the project on August 23, 2005.

CEQA requirements are satisfied by the Board of Commissioners' May 2, 2006 approval of the Environmental Assessment/Mitigated Negative Declaration, including the Mitigation and Monitoring Plan, and filing of the Notice of Determination.

IMPACT ON CURRENT PROJECT:

The proposed action is a necessary step to provide bond financing for the Project, which will retain the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,



for WILLIAM K. HUANG
Acting Executive Director

Attachments: 1

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING
AUTHORITY OF THE COUNTY OF LOS ANGELES DECLARING
ITS OFFICIAL INTENT TO UNDERTAKE
THE FINANCING OF A MULTIFAMILY HOUSING PROJECT
AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue and sell mortgage revenue bonds for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, Slauson Station Apartments L.P., a California Limited Partnership (or an affiliate or assign) (the "Borrower"), has requested that the Authority issue and sell its mortgage revenue bonds pursuant to the Act to provide financing for the acquisition and construction of a multifamily rental housing development consisting of 30 units to be located at 1707-1717 East 61st Street, in unincorporated Los Angeles County (the "Project"); and

WHEREAS, this Board of Commissioners of the Authority (the "Board") hereby finds and declares that it is necessary, essential and a public purpose for the Authority to finance multifamily housing projects pursuant to the Act, in order to increase the supply of multifamily housing in Los Angeles County available to persons and families within the income limitations established by the Act; and

WHEREAS, as an inducement to the Borrower to carry out the Project, this Board desires to authorize the issuance of mortgage revenue bonds by the Authority to finance the Project (the "Bonds") in a principal amount not to exceed \$6,800,000; and

WHEREAS, the Authority, in the course of assisting the Borrower in the financing of the Project expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of this Resolution prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California (the "Government Code") governs the allocation of the state ceiling among

governmental units in the State of California having the authority to issue multifamily housing mortgage revenue bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application with the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board hereby determines that it is necessary and desirable to provide financing for the Project by the issuance and sale of mortgage revenue bonds pursuant to the Act and hereby authorizes the issuance and sale of the Bonds by the Authority in aggregate principal amounts not to exceed \$6,800,000. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, provided that nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any officer, agent or employee of the Authority will grant any approval, consent or permit which may be required in connection with the acquisition and construction of the Project or the issuance of the Bonds.
3. The issuance and sale of the bonds shall be upon such terms and conditions as may be agreed upon by the Authority and the Borrower and the initial purchasers of the Bonds; provided, however, that the Bonds shall not be sold or issued unless specifically authorized by the subsequent resolution of this Board.
4. This Resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations. In that regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the Project.
5. The proper officers of the Authority are hereby authorized and directed to apply to CDLAC for a private activity bond allocation for application by the Authority to the issuance the Bonds for the Project in an amount not to exceed \$6,800,000, to collect from the Borrower an amount equal to the performance deposit required by CDLAC and to certify to CDLAC that such amount has been placed on deposit in an account in a financial institution.
6. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by this Board in the manner provided by law prior to the sale thereof.

7. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles, State of California, this 5th day of November, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Chair of the
Board of Commissioners

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Commissioners

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: Behrez Jochan
Deputy