Community Development Commission

April 30, 2010

TO: Each Supervisor

FROM: for Sean Rogan, Executive Director

SUBJECT: UPDATE ON THE PURSUIT AND IMPLEMENTATION OF FUNDING MADE AVAILABLE IN H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009

On March 31, 2009, the Board of Supervisors (Board) requested that the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) report on the efforts to apply for, or take the necessary steps to accept, each category of funding contained within ARRA that the CDC/HACoLA is eligible to receive, either by formula or by competitive grant application. To date, the CDC/HACoLA has been awarded $33,603,148 of the $114,312,431 applied for; with $2,260,000 pending award notification.

Funding Awarded

PUBLIC HOUSING CAPITAL FUND (CF)

Funding Amount: **$7,401,512 (by formula)**

Award of Funds: On March 31, 2009, the Board of Commissioners approved a motion to accept the grant funds, and funding became available to the HACoLA on May 14, 2009.

Use of Funds: The funds are being used for security improvements, energy efficiency work measures, preventive maintenance, and general improvements at 12 public housing developments comprised of 2,500 public housing units. As a direct result of CF formula activities, the HACoLA has reported a total of 73 full-time equivalent jobs (that were created or retained) through the 3rd Quarter to FederalReporting.gov.

Expenditure Levels: As of April 21, 2010, the HACoLA had expended $2,584,492 of the $7,401,512 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year, expend 60% of the funds in 2 years, and complete 100% of the fund expenditures in 3 years. The HACoLA has met the mandatory obligation deadline.

Funding Amount: **$5,924,000 (Applied for $22,399,000 by competition.)**

Award of Funds: On June 22, 2009, the HACoLA applied for $16,475,000 in funding for improvements addressing the needs of the elderly and/or people with disabilities and public housing transformation. Additionally, on July 21, 2009, the HACoLA applied for $5,924,000 in funding for energy efficient/green community projects.

Use of Funds: The HACoLA was only awarded funding in the 'Creation of an Energy Efficient

Green Community' category in the amount of $5,924,000. Funds were granted on September 29, 2009, and are being used at the Nueva Maravilla housing development to reduce energy costs, generate resident and HACoLA energy savings, and reduce greenhouse gas emissions attributable to energy consumption. A total of 20 full-time equivalent jobs have been created or retained. This will be reported to FederalReporting.gov in the 4th Quarter.

Expenditure Levels: On December 1, 2009, the Board approved the acceptance of the funds. As April 21, 2010, the HACoLA had expended $176,289 of the $1,214,556 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year of the date in which funds become available for contracts. The U.S. Department of Housing and Urban Development (HUD) requires the HACoLA to use at least 60% of the funds within 2 years and 100% of the funds within 3 years.

COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R)

Funding Amount: **$8,080,528 (by formula)**

Award of Funds: The CDC submitted an amendment to the CDBG Program Year 2008 Action Plan (as required by ARRA) on June 5, 2009, after receiving approval from the Board on June 2, 2009. The CDC received the CDBG-R Grant Agreements on August 26, 2009.

Use of Funds: The CDC worked with the agencies affected by CDBG/ARRA regulations and submitted a final list of projects for approval to HUD on August 13, 2009, and the Board on August 18, 2009. Both HUD and the Board approved the list for the CDC's CDBG-R Program. Project activities include public improvements, housing rehabilitation, economic development, public services, and administration. During the 3rd Quarter, the following activities occurred: completed rehabilitation of 87 housing units, assisted 49 businesses, and completed construction of one street improvement project serving 1,100 people. In addition, the CDC has reported the creation or retention of 357 jobs which corresponds to 28.77 full-time equivalent positions to date.

Expenditure Levels: As of April 15, 2010, the CDC had expended $1,311,463.

Provisions: The CDC must use all CDBG-R funds by September 30, 2012.

HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

Funding Amount: **$12,197,108 (by formula)**

Award of Funds: The CDC submitted a completed application to HUD on May 18, 2009, which was subsequently approved the following June. Trainings on reporting, program monitoring, and general implementation were held for the applicable County Departments on August 19, 2009, and the CDC received the HPRP Grant Agreements on August 20, 2009.

Use of Funds: Implementation of HPRP began on October 1, 2009; and the Departments of Public Social Services, Consumer Affairs, Children and Family Services, Community and Senior Services, and the Los Angeles Homeless Services Authority have been working collaboratively to deliver assistance to those in need. In addition, Neighborhood Legal Services began offering legal assistance and representation to persons and families with unlawful detainers on November 1, 2009.

As of January 1, 2010, approximately 4,695 Los Angeles County residents have been screened for eligibility in order to receive HPRP benefits. However, many have been found to be ineligible because they do not meet the HPRP criteria. From program start through the 3rd Quarter report, 196 persons have been assisted. We continue our focus on outreach and anticipate an increase in service accomplishments in the upcoming months. The CDC reported the creation or retention of 144 jobs which corresponds to 17.23 full-time equivalent positions to date.

We are still exploring a proposed redesign of the program, such as contracting with non-profits to assist in providing full HPRP services to clients and improving expenditure rates. Should this plan move forward, we will return to your Board for approval and report on the changes. A letter has been sent to the Department of Public Social Services advising them of the necessity to draw their funding by May 7, 2010 in order to provide an accurate accounting of all funds spent. To date, no funds have been drawn by the Department.

Expenditure Levels: As of April 15, 2010, the CDC had expended $634,951.

Provisions: HUD requires that 60% of the funds be used within 2 years, and 100% in 3 years.

Pending Grants

GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING

Funding Amount: **Applied for $2,260,000 by competition.**

Award of Funds: The HACoLA applications for the Kings Road and Lancaster Homes Housing Developments are complete and are being considered for funding by HUD. The award notice remains outstanding.

Use of Funds: The HACoLA plans to use the funds for the modernization and rehabilitation of the Kings Road and Lancaster Homes developments.

Expenditure Levels: There are no expenditures to date as this grant has yet to be awarded.

Provisions: If funds are received, 50% must be used within 2 years, and 100% in 3 years.

Unsuccessful Grant Applications

JUVENILE JUSTICE AND CRIME PREVENTION ACT PROGRAM (JJCPA)/EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM

Funding Amount: **Applied for $974,283 by competition.**

Award of Funds: The CDC submitted an application on April 27, 2009. The CDC did not receive this grant.

Using the Funds: Had the CDC been awarded, the funds would have been used to support existing JJCPA programs.

NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2)

Funding Amount: **Applied for $61,000,000 by competition.**

Award of Funds: The CDC submitted an application on July 10, 2009. The CDC did not receive this grant.

Use of Funds: Had the CDC been awarded, the funds would have been used to supplement the NSP1 program, which includes the HERO program and Rental Infill Sites activities for tenants below 50% of the area median income (AMI).

If you have any questions, please contact me at (323) 890-7400, or Terry Gonzalez, Director, CDBG Division, at (323) 890-7150.

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Attachment

c: Each Deputy
Lari Sheehan, Deputy Chief Executive Officer, Chief Executive Office
Ellen Sandt, Deputy Chief Executive Officer, Chief Executive Office
Kathy House, Acting Deputy Chief Executive Officer, Chief Executive Office
Sachi A. Hamai, Executive Officer/Clerk Board of Supervisors
Lisa Rizzo, Principal Analyst, Chief Executive Office
Scott Wiles, Special Assistant, Chief Executive Office
Jenny Serrano, Program Specialist, Chief Executive Office

The CDC/HACoLA
American Recovery and Reinvestment Act of 2009 (ARRA) Proposal and Award Tracking Chart
As of April 30, 2010

	ARRA GRANT OPPORTUNITY	FUNDING AGENCY	FORMULA AMOUNT/ $ APPLIED FOR	AMOUNT AWARDED	GRANT AGREEMENT*
1	Capital Fund (formula)	HUD	$7,401,512	$7,401,512	Yes
2	Capital Fund (competitive) - Disabilities Category	HUD	$9,235,000	Did Not Receive	No
3	Capital Fund (competitive) - PH Transformation	HUD	$7,240,000	Did Not Receive	No
4	Capital Fund (competitive) - Green Technology	HUD	$5,924,000	$5,924,000	Yes
5	Community Development Block Grant - Recovery	HUD	$8,080,528	$8,080,528	Yes
6	Neighborhood Stabilization Program 2	HUD	$61,000,000	Did Not Receive	No
7	Homeless Prevention and Rapid Re-Housing Program	HUD	$12,197,108	$12,197,108	Yes
8	Green Retrofit Program for Multifamily Housing	HUD	$2,260,000	Pending	No
9	Edward Byrne Memorial Competitive Grant	DOJ	$974,283	Did Not Receive	No
	Total Awarded Under ARRA as of 4/30/2010		**$33,603,148**		

Grant Agreement Received – Funds available for drawdown at U.S. Treasury.