

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

April 11, 2017

Recognizing the Significance of the Community Development Block Grant and HOME Investment Partnerships Programs in Conjunction with “National Community Development Week” in the County of Los Angeles

The Community Development Commission (CDC) is charged with administering a variety of federally-funded programs that are critical elements of Los Angeles County’s (County) local community and economic development strategy. Specifically, the Community Development Block Grant Program (CDBG Program), enacted in 1974, has long been considered the most successful federally-supported local program approved by Congress. The CDBG Program gives state, city, and county governments the flexibility to target funds to locally-determined priority needs, primarily to benefit low- and moderate-income residents, and to help eliminate slums and blight. The County, through the CDC, administers the largest CDBG Urban County Program in the nation, encompassing the unincorporated County areas and 47 participating cities.

This year marks the 43rd anniversary of the CDBG Program. Since its inception, it has consistently provided assistance to low- and moderate-income residents through a variety of economic development, public service, recreation, and housing rehabilitation programs. Services to youth and seniors, the homeless, persons with HIV/AIDS, and persons with special needs are provided through the CDBG Program.

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Strong partnerships among County departments, participating cities, community-based organizations, and other public agencies have helped to ensure the CDBG Program's quality and effectiveness. For example, during the past fiscal year, the County's CDBG Program served 100,956 persons who were homeless and/or living with HIV/AIDS, as well as 308 housing units through code enforcement programs, created and improved 1,560 housing units through housing rehabilitation, offered economic development technical assistance to 1,298 businesses, and constructed and improved 12 public facilities. Through 50 public/non-profit agencies, the County provided public services to 16,750 persons, supportive services to 4,095 seniors, and services and activities to 1,376 youth and children.

The County's CDBG Program substantially exceeded the Federal requirement to expend 70% of its funds for the benefit of low- and moderate-income persons. In the past fiscal year, the CDBG Program expended \$17.4 million, equaling 93% of its total CDBG expenditures, for the benefit of low- and moderate-income persons.

Another critical federally-supported local program is the HOME Investment Partnerships Program (HOME Program), which has been an essential tool since 1990 that supports the development of affordable housing units. Prior to 1990, communities lacked the resources needed to design large-scale affordable housing programs to address overcrowded and unsafe housing conditions. The HOME Program was developed to provide resources to communities to provide decent, safe, and affordable housing opportunities for low-income persons. HOME Program funding has been used to complete over one million units of affordable housing nationwide.

Despite significant reductions to this valuable resource, the County has used its HOME Program funds to finance innovative housing programs and projects for low-income families, including the construction of affordable housing, the rehabilitation of existing housing, and the down payment assistance for eligible first-time homebuyers. Since the HOME Program's inception, the County has overseen the administration of over \$279 million in HOME Program funds into the County's housing market.

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However, both the CDBG and HOME Programs are facing unprecedented threats to their existence as a result of the Trump Administration's proposed Federal Budget, which included an outright elimination of both Programs, ignoring the potential distress on low- and moderate-income residents.

A reduction to either Program would have a dire economic impact on the region. Between fiscal years 2011 and 2016, the County expended \$133.2 million in CDBG funds, but was also able to leverage an additional \$237.6 million in expenditures from other public and private sources during the same period. In other words, for every \$1 in CDBG funds expended, an additional \$1.78 in other funds has been leveraged. Similarly, every dollar made available through the HOME Program has leveraged \$3.70 in other funds, thereby generating \$700 million for local housing since the HOME Program's inception.

Both the CDC and HOME Programs provide funding for vital community development services and their continued existence will be critical to enhancing the quality of life for residents across the County.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Proclaim April 17, 2017 through April 22, 2017, as National Community Development Week in the County of Los Angeles (County) in order to recognize the history and noteworthy accomplishments of the Community Development Block Grants and the HOME Investment Partnerships Program (Programs); and
2. Direct the County's Legislative advocates, in coordination with the Los Angeles County Federal Delegation, to continue to advocate for Federal funding for these critical Programs.

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