MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

<u>Proclaiming "National Community Development Week" in the County of Los Angeles</u>

The Community Development Block Grant (CDBG) Program, enacted in 1974, has long been considered the most successful federally-supported local program ever approved by Congress. The CDBG Program gives state, city, and county governments the flexibility to target CDBG funds to locally-determined priority needs, primarily to benefit low- and moderate-income residents, and to help eliminate slums and blight. The County of Los Angeles (County), through the Community Development Commission, administers the largest CDBG Urban County Program in the nation, encompassing the unincorporated County areas and 48 participating cities.

This year, 2019, marks the 45th anniversary of the CDBG Program. Since its inception, the CDBG Program has consistently provided assistance to low- and moderate-income residents of the County through a variety of economic development, public service, recreation, and housing rehabilitation programs. CDBG Program funds provide services to youth and seniors, the homeless, persons with HIV/AIDS, and persons with special needs. Strong partnerships among County departments, participating cities, community-based organizations, and other public agencies have helped ensure the quality and effectiveness of the CDBG Program within the County.

For example, during the past fiscal year, the CDBG Program served 100,566 persons who were homeless and/or living with HIV/AIDS, as well as 255 housing units through code enforcement programs, improved 2,383 housing units through housing

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rehabilitation, offered economic development technical assistance to 612 businesses, and constructed or improved 19 public, senior, youth or special needs facilities. Through 38 non-profit agencies and 46 participating cities, the County provided public services to 224,663 persons, supportive services to 4,753 seniors, and services and activities for 1,750 youth and children.

The Los Angeles Urban County 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 spent \$21.7 million, equaling 97.13% of its total CDBG expenditures, for the benefit of low- and moderate-income persons.

However, the CDBG Program is facing unprecedented threats to its existence as a result of shifting priorities in the current administration. Proposals to lessen the CDBG Program have ranged from modest reductions to outright elimination, without respect to the potential effects on low- and moderate-income residents who are already disproportionally affected economically and the negative economic impact that could result from the loss of CDBG Program dollars in local communities. Within fiscal years 2013 through 2018, the County expended \$128.2 million in CDBG Program funds, but it was also able to leverage an additional \$185.6 million in expenditures from other public and private sources during the same period. In other words, for every \$1 in CDBG Program funds expended, an additional \$1.45 in leverage funds were spent.

It is vital that the CDBG Program remains intact to provide funding for economic development, revitalization of local infrastructure, public services, housing rehabilitation, neighborhood development, and supportive services.

In addition, prior to the 1990 enactment of the HOME Investment Partnerships (HOME) Program, there were few options available to communities to develop affordable housing. Families lived in overcrowded and unsafe housing, and working families struggled to save enough for a down payment. Communities lacked the resources needed to design large-scale affordable housing programs to address these problems. The HOME Program was developed to provide resources to communities to provide decent, safe, and affordable housing opportunities for low-income persons.

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HOME Program funding has been used nationally to complete over one million units of affordable housing.

Despite significant reductions to this valuable resource, the County has used its HOME Program funds with great success 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 in 1992, the County has overseen the administration of over \$285 million in HOME funds into the County's housing market. The HOME Program's added benefit is its ability to leverage local funding. The total leveraging ratio for its rental projects is approximately 3.7 times, for a total of over \$850 million available for local housing.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Proclaim April 22 through 26, 2019, as National Community Development Week in the County of Los Angeles in order to recognize the history and accomplishments of the Community Development Block Grant and HOME Investment Partnerships Programs.

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