



Sean Rogan
Executive Director

COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles

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ADOPTED

Community Development Commission

August 31, 2010

The Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

2-D

August 31, 2010

SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Commissioners:

REPLACE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS WITH HOME INVESTMENT PARTNERSHIP FUNDS FOR THE MAPLE GLEN DEVELOPMENT IN UNINCORPORATED SOUTH WHITTIER AND THE OLIVE GLEN DEVELOPMENT IN UNINCORPORATED LA PUENTE (DISTRICT 1) (3 VOTES)

SUBJECT

This letter recommends replacing previously approved Community Development Block Grant funds from the First Supervisorial District with Countywide HOME Investment Partnership Program funds for two single family for-sale developments: Maple Glen, located at 13832 Utica St, and 12112 and 12127 Ramsey Drive in unincorporated South Whittier; and Olive Glen, located at 135 S. 3rd Street in unincorporated La Puente. This letter relates to another item on the agenda for the Board of Commissioners of the Housing Authority, to amend the Disposition and Development Agreements for the Maple Glen and Olive Glen developments.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Executive Director to replace \$293,981 in Community Development Block Grant (CDBG) funds from the First Supervisorial District with \$293,981 in Countywide HOME Investment Partnership Program (HOME) funds for the Maple Glen development in unincorporated South Whittier.
2. Authorize the Executive Director to replace \$559,983 in CDBG funds from the First Supervisorial District with \$559,983 in HOME funds for the Olive Glen development in unincorporated La Puente.
3. Authorize the Executive Director to incorporate up to \$853,964 in HOME funds into the Commission's approved Fiscal Year 2010-2011 budget.

4. Find that approval of this funding replacement is not subject to the California Environmental Quality Act (CEQA) because the action is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Maple Glen and Olive Glen developments are unable to meet the requirement of Low- and Moderate National Housing objective under CDBG regulations; therefore, we recommend that HOME funds be used to replace the previously approved CDBG funds. The Housing Authority will continue to administer all funds for both projects.

FISCAL IMPACT/FINANCING

There is no impact to the County general fund.

Up to \$853,964 in HOME funds will be incorporated into the Commission's approved Fiscal Year 2010-2011 budget as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Both developments (Maple Glen, LLC and Olive Glen, LLC) are owned by Abell Helou Homes and are located within the First Supervisorial District.

On February 8, 2006, the Housing Authority entered into a DDA with Maple Glen, LLC to help finance the sale of 31 single family homes, of which 16 would be set-aside for low-income homebuyers. The approved financing included \$293,981 in CDBG funds. These funds will be replaced with HOME funds. A related item on the agenda for the Board of Commissioners of the Housing Authority will increase the total number of homes from 31 to 34, and the number of assisted homeownership units from 16 to 25.

On March 16, 2006, the Housing Authority entered into DDA with Olive Glen, LLC to help finance the sale of 26 single family homes, of which 14 would be set-aside for low-income homebuyers. The approved financing included \$559,983 in CDBG funds. These funds will be replaced with HOME funds. A related item on the agenda for the Board of Commissioners of the Housing Authority will decrease the number of assisted homeownership units from 14 to six.

Maple Glen is currently under construction and conducting sales, while Olive Glen will not begin construction until early 2011. Allowing these changes would increase homeownership opportunities for qualified homebuyers at Maple Glen, where sales interest has been high, and avoid the risk of unsold inventory at Olive Glen.

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)

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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 SERVICES (OR PROJECTS)

The recommended actions will promote and increase homeownership opportunities for qualified buyers in the County of Los Angeles.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line extending to the right.

SEAN ROGAN

Executive Director

SR:jr