

MOTION BY SUPERVISOR HILDA L. SOLIS

April 7, 2015

**NATIONAL COMMUNITY DEVELOPMENT WEEK**

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, through the Community Development Commission, administers the largest CDBG Urban County Program in the nation, encompassing the unincorporated County areas and 49 participating cities.

This year, 2015, marks the 41<sup>st</sup> 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 funds provide services to youth

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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 provided services to 100,700 persons who were homeless and/or living with HIV/AIDS; created or improved 1,517 housing units through housing rehabilitation; served 702,216 persons and 133 housing units through code enforcement programs; provided economic development technical assistance to 1,900 businesses; constructed or improved three public facilities; provided public services to 16,900 persons through 55 public/non-profit agencies; provided supportive services to 3,753 seniors; and provided services and activities to 2,200 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 expended \$26.4 million, or 93% of its total CDBG expenditures, for the benefit of low- and moderate-income persons.

However, the CDBG Program is threatened by pressures to reduce the Federal deficit. Proposals have ranged from modest reductions to the Program up to outright elimination. Between fiscal years 2009-2010 and 2014-2015, the County expended \$153.2 million in CDBG funds, but it was also able to leverage an additional \$205.1

million from other public and private sources during the same period. CDBG Program funds for economic development, public services, housing rehabilitation, neighborhood development, and supportive services are vital to the County's mission.

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

Los Angeles 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 down payment assistance for eligible first-time homebuyers. Since the Program's inception in 1992, the County has overseen the administration of approximately \$267 million in HOME funds into the County's housing market. The 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 \$605 million available for local housing.

**I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:**

Proclaim April 6 through 11, 2015, as National Community Development Week in the County of Los Angeles in order to recognize the history and accomplishments of the CDBG and HOME Programs.

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