Office of the City Clerk, City of Los Angeles

Council File Number

<u>05-0002-S50</u>

Title

AB 1491 (CALDERON) INDUSTRY HOUSING FUND PROGRAM

Subject

Resolution - WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and, WHEREAS, State Legislation enacted in 1992 grants oversight authority of City of Industry Redevelopment Housing Set-Aside Funds (Industry Funds), consisting of 20 percent of tax increment funds, to the County's Housing Authority to develop low- and moderate-income housing to ensure equitable application and use of these funds within a 15-mile radius of the City of Industry; and, WHEREAS, the Los Angeles Board of Supervisors adopts a competitive Allocation and Distribution Plan and submits to the State an Administrative Plan relative to allocation of Industry Funds on an annual basis; and, WHEREAS, the Housing Authority has successfully awarded over \$116 million for 128 affordable and special needs housing projects, which has leveraged over \$738 million in other resources; these efforts have produced over 4,500 housing units; and, WHEREAS, 50% of all the applications submitted are approved by the County housing for affordable housing projects in the City of Los Angeles representing 56% of the units awarded; and, WHEREAS, AB 1491 (Calderon) continues the City of Industry sponsorship of legislation to change the structure of the City of Industry Funds Program removing the County Housing Authority's oversight of a very successful program in the delivery of affordable housing; and, WHEREAS, AB 1491 would give the City of Industry the authority on a permanent basis to allocate and approve up to 50% of these low-moderate income housing funds through a non-specified "public entity"; and, WHEREAS, AB 1491 would have the following adverse consequences: * Undermine the certainty for developers of a traditional pool of funds available for affordable housing purposes; * Create a separate allocation process yet to be determined by the City of Industry; * Represent a "bad faith" effort of the part of the City of Industry to abrogate its 1992 commitment and retain is Housing Element exemption; * Dilute the timely expenditure provisions of California Redevelopment Law by creating a "Special Exception" for the City of Industry; * Reduce the successful allocation of such funds for units in the City of Los Angeles; and, WHEREAS, given the success of the County program, there appears to be no reason to modify the existing law, and any legislation to do so would be disadvantageous to both the City and County. THEREFORE, BE IT RESOLVED, with concurrence of the Mayor, that the adoption of this Resolution, the City of Los Angeles hereby includes in its 2005-2006 State Legislative Program OPPOSITION to AB 1491 (Calderon) modifying the County Housing Authority's oversight in the allocation and approval of Industry Housing Fund Program giving to the City of Industry the authority on a permanent basis to allocate and approve up to 50% of low-moderate income housing funds within a 15-mile radius through a non-specified "public entity."

Last Change Date

05/09/2005

Mover ERIC GARCETTI Second CINDY MISCIKOWSKI

Archive History

3-18-05 - This day's Council session
3-18-05 - Ref to Housing, Community and Economic Development Committee
3-18-05 - File to Housing, Community and Economic Development Committee Clerk
4-1-05 - For ref - Communication from the Chief Legislative Analyst 05-03-0429, dated March 31,

2005, relative to legislative position on AB 1491 (Calderon).

4-1-05 - Ref to Housing, Community and Economic Development Committee - to Committee Clerk 4-20-05 - Council Action - Motion ADOPTED to APPROVE Housing, Community and Economic Development Committee report recommendation, subject to the approval of the Mayor to RESOLVE to include in the City's 2005-06 State Legislative Program OPPOSITION to AB 1491 (Calderon) modifying the County Housing Authority's oversight in the allocation and approval of Industry Housing Fund Program authorizing the City of Industry, on a permanent basis, to allocate and approve up to 50% of low-moderate income housing funds within a 15-mile radius through a non-specified "public entity." 4-22-05 - File to the Mayor

4-27-05 - Mayor's message concurred in Council Action of April 20, 2005

4-28-05 - File to Calendar Clerk

5-6-05 - File to Housing, Community and Economic Development Committee Clerk OK

5-9-05 - File in files