

FRANK T. MARTINEZ
City Clerk

KAREN E. KALFAYAN
Executive Officer

When making inquiries
relative to this matter
refer to File No.

06-2867

CD 3

January 25, 2007

Honorable Antonio Villaraigosa, Mayor
Chief Legislative Analyst
City Administrative Officer
Community Redevelopment Agency

RE: AMENDING A CONTRACT WITH THE LOS ANGELES NEIGHBORHOOD HOUSING SERVICES, INC. TO INCREASE THE FUNDING BY \$1,080,000 AND AMENDING THE COMMUNITY REDEVELOPMENT AGENCY FISCAL YEAR 2006-07 WORK PROGRAM AND BUDGET TO TRANSFER FUNDS FROM RESPONSE TO HOUSING OPPORTUNITIES WORK OBJECTIVE TO THE FIRST TIME HOMEBUYERS' PROGRAM WORK OBJECTIVE

At the meeting of the Council held January 24, 2007, the following action was taken:

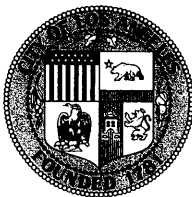
Attached report adopted	X
Attached motion adopted ()	
Attached resolution adopted	X
Motion adopted to approve attached report.....	
Motion adopted to approve attached communication	
To the Mayor FORTHWITH	
Mayor vetoed.....	
Mayor approved	
Mayor failed to act - deemed approved	
Findings adopted	
Negative Declaration adopted	
Categorically exempt.....	

Frank T. Martinez

City Clerk
dng

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

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CLAUDIA M. DUNN
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TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE

reports as follows:

	<u>Yes</u>	<u>No</u>
Public Comments	<u>XX</u>	<u>—</u>

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE REPORT and RESOLUTION relative to authorizing the Community Redevelopment Agency's (CRA) to amending a contract with the Los Angeles Neighborhood Housing Services, Inc. (LANHS) to increase the funding by \$1,080,000 and amending the CRA's Fiscal Year 2006-07 Work Program and Budget to transfer funds from Response to Housing Opportunities Work Objective to the First Time Homebuyers' Program Work Objective.

Recommendations for Council action:

1. AUTHORIZE the CRA Acting Chief Executive Officer, or designee, to execute a second amendment to Contract No. 520523 with the LANHS and increase the amount by \$1,080,000 from \$2,240,000 to \$3,320,000 to provide \$1,000,000 for the Council District Three First Time Homebuyers' Program (Program) and \$80,000 to implement a new Community Pride Program, subject to the review and approval of the City Attorney as to form.
2. AUTHORIZE the CRA to amend its Fiscal Year 2006-07 Work Program and Budget to transfer \$1,080,000 from the Response to Housing Opportunities Work Objective (RP1990) to the First Time Homebuyers' Program Work Objective (RP1030).
3. ADOPT the FINDING OF BENEFITS RESOLUTION (attached to Chief Administrative Officer (CAO) report dated January 8, 2007) to allow the CRA to use up to \$2,000,000 in the Reseda-Canoga Park Low and Moderate-Income Housing Trust Funds outside the boundaries of the Reseda-Canoga Park Redevelopment Project Area.

Fiscal Impact Statement: The CAO reports that there is no impact on the General Fund. The CAO further reports that, the CRA is only bound by the City Debt Management Policies; the City Financial Policies are not applicable to the CRA; and the approval of the recommendations will result in the expenditure of \$1,080,000 of Reseda-Canoga Park Redevelopment Project Area Low and Moderate Income Housing Funds for the Council District Three First Time Homebuyers' Program.

Summary:

In its report dated January 8, 2007, the CAO reports that the CRA is requesting authorization to amend a contract with the LANHS to increase it by \$1,080,000 from \$2,240,000 to \$3,320,000, and to amend the CRA's Fiscal Year 2006-07 Work Program and Budget to transfer \$1,080,000 from Response to Housing Opportunities Work Objective (RP1990) to the First Time Homebuyers' Program Work Objective (RP1 030). The amendment will fund \$1,000,000 in subordinate mortgage

financing for eligible buyers within an area defined as two miles from the Reseda-Canoga Park Redevelopment Project Area (RCPRPA) boundaries under the Program. The balance of the funds (\$80,000) will fund a new community beautification program in RCPRPA.

The CAO further reports that the CRA is requesting that the Council adopt a Finding of Benefit Resolution to permit the use of \$2 million in Reseda-Canoga Park Low and Moderate-Income Housing Trust Funds for the Program outside the boundaries of the RCPRPA. A Finding of Benefit Resolution for the use of \$1,000,000 outside of redevelopment area was previously adopted by the Council in April 2005 (C.F. 03-0269).

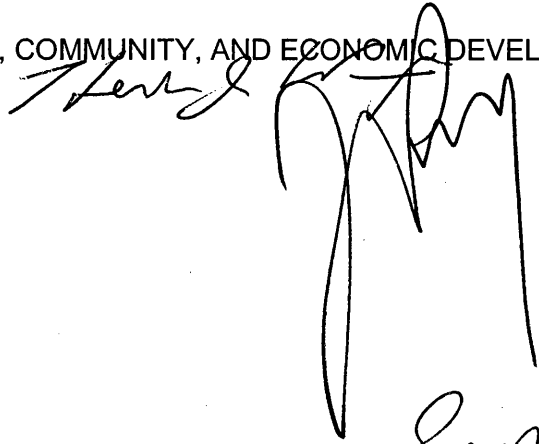
The CAO reports that the CRA states that, since the inception of the Program in 2003, ten low and moderate income households have purchased dwellings and two additional families are in escrow. Approval of the proposed actions will enable continuation and expansion of the Program. The CRA states that \$1,000,000 in additional funding will allow for the purchase of homes by at least five families. The proposed funds of \$80,000 will be earmarked to implement two Community Pride Days, one in Canoga Park and one in Reseda. During the Community Pride Days, a number of services and items will be provided free of charge including paint, landscaping elements, minor exterior repairs and technical assistance. The CRA estimates that the services for each dwelling will cost \$8,000, depending on the size of the home and the preparatory work needed, for a maximum of ten dwellings.

The CAO concurs with the CRA recommendations to amend the LANHS contract to \$3,320,000 and to adopt a Finding of Benefit Resolution to allow the CRA to use up to \$2,000,000 outside the RCPRPA boundaries.

At its regular meeting held January 9, 2007, the Housing, Community, and Economic Development Committee considered this matter and recommended that Council approve the recommendations of the CAO, as submitted in its report dated January 8, 2007. This matter is now submitted to Council for its consideration.

Respectfully submitted,

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE



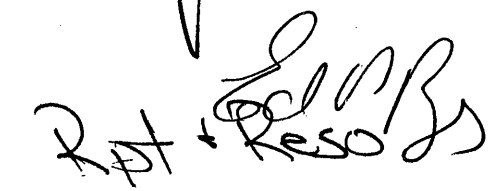
MEMBER	VOTE
WESSON	YES
REYES	YES
CARDENAS	YES
GARCETTI	ABSENT
PERRY	YES

AD
1/17/07
#062867.wpd

ADOPTED

JAN 24 2007

LOS ANGELES CITY COUNCIL



ADOPTED

JAN 24 2007

LOS ANGELES CITY COUNCIL