

CITY OF LOS ANGELES

CALIFORNIA

KAREN E. KALFAYAN
City Clerk



When making inquiries relative to
this matter, please refer to the
Council File No.

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MAYOR

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06-2867

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June 27, 2008

Councilmember Zine
Community Redevelopment Agency
City Attorney

RE: AMENDING THE CONTRACT WITH LOS ANGELES NEIGHBORHOOD HOUSING SERVICES, INC. AND
ADOPTING A RESOLUTION TO EXPEND UP TO \$2 MILLION IN THE RESEDA-CANOCA PARK LOW
AND MODERATE INCOME HOUSING TRUST FUND

At the meeting of the Council held June 20, 2008, the following action was taken:

Attached report adopted	<u>X</u>
Attached motion (-) adopted	_____
Attached resolution (-) adopted	<u>X</u>
FORTHWITH	_____
Motion adopted to approve committee report recommendation(s)	_____
Motion adopted to approve communication recommendation(s)	_____
Mayor vetoed	_____
Mayor approved	_____
Mayor failed to act – deemed approved	_____
Findings adopted	_____
Negative Declaration adopted	_____
Categorically exempt	_____
Generally exempt	_____

Karen E. Kalfayan

City Clerk
me

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE

reports as follows:

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE REPORT and RESOLUTION relative to amending the contract with Los Angeles Neighborhood Housing Services, Inc. (LANHS) and adopting a resolution to expend up to \$2 million in the Reseda-Canoga Park Low and Moderate Income Housing Trust Fund (Trust Fund).

Recommendations for Council action:

1. AUTHORIZE the Community Redevelopment Agency (CRA) Chief Executive Officer, or designee, to execute a Fourth Amendment to Contract No. 520523 with the LANHS and increase compensation by \$2 million, from \$3.32 million to a total contract amount not to exceed \$5.32 million, for the Council District Three First Time Homebuyers' Program (Program) and extend its time of performance for a one-year period, from July 1, 2008 to June 30, 2009, subject to the review of the Department of Public Works, Bureau of Contract Administration for compliance with CRA contracting requirements and the City Attorney as to form.
2. ADOPT the accompanying JOINT FINDING OF BENEFIT RESOLUTION to allow the CRA to use up to \$2 million in the Trust Fund outside the boundaries of the Reseda-Canoga Park Redevelopment Project Area.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no General Fund impact. The City's Financial Policies are not applicable to the CRA. The CRA is only bound by the disclosure provisions of the City's Debt Management Policies. Approval of the recommendations will provide \$2 million of Trust Fund to continue and expand the Council District Three First Time Homebuyers' Program.

Community Impact Statement: None submitted

Summary:

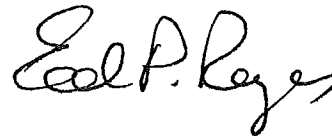
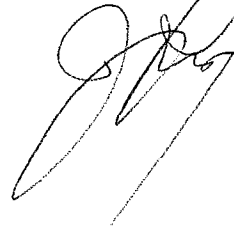
In its report dated June 9, 2008, the CAO recommends that Council take related actions relative to the request of the CRA to increase the contract amount with LANHS by \$2 million and adopt a resolution to expend up to \$2 million in the Trust Fund outside the boundaries of the Reseda-Canoga Park Redevelopment Project Area. It was stated in the report that the funds will be utilized to administer the Program and provide subordinate mortgage financing to eligible low and moderate income buyers to purchase homes within the area.

Since the Program's inception in 2003, the total amount authorized and spent to date is \$3.2 million, which has resulted in home buying opportunities to a total of 17 households. Three amendments to the Agency Contract No. 520523 with LANHS have been approved by Council in May 2004, November 2005 and January 2007 to extend the term and increase compensation (C.F. 03-0269 & 06-2867). Council also approved amendments to the Program's parameters in April and September 2005 (C.F. 03-0269). Once the 4th amendment is approved, the increase in funding will enable the continuation and expansion of the Program to enable participation for approximately 11 additional households within a one-year period. It was indicated in the report that the LANHS is a nonprofit corporation involved exclusively in homeownership programs for low and moderate income buyer.

At its regular meeting held June 11, 2008, 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 June 9, 2008. This matter is now submitted to Council for its consideration.

Respectfully submitted,

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
WESSON	YES
REYES	YES
GARCETTI	YES
CARDENAS	ABSENT
PERRY	YES

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REPT. & RESOL.
ADOPTED

JUN 20 2008

LOS ANGELES CITY COUNCIL

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS
ANGELES. CA

RESOLUTION NO. _____

A JOINT RESOLUTION OF THE COMMUNITY
REDEVELOPMENT AGENCY OF THE CITY OF LOS
ANGELES, CALIFORNIA AND THE CITY COUNCIL
OF THE CITY OF LOS ANGELES, CALIFORNIA
FINDING THAT THE USE OF EARTHQUAKE
DISASTER ASSISTANCE PROJECT FOR PORTIONS
OF COUNCIL DISTRICT 3 LOW AND MODERATE
INCOME HOUSING FUNDS FOR THE COUNCIL
DISTRICT 3 FIRST TIME HOMEBUYERS'
PROGRAM WILL BE OF BENEFIT TO THE
EARTHQUAKE DISASTER ASSISTANCE PROJECT
FOR PORTIONS OF COUNCIL DISTRICT 3

WHEREAS, The Community Redevelopment Agency of the City of
Los Angeles, California (the ``CRA/LA'') has established the
Earthquake Disaster Assistance Project for Portions of
Council District 3 (Reseda-Canoga Park) Housing Fund and has
deposited therein tax increment revenues received by the
CRA/LA from the Earthquake Disaster Assistance Project for
Portions of Council District 3 (the ``Reseda-Canoga Park
Project'') to be used for the purposes of improving,
increasing and preserving the community's supply of low- and
moderate-income housing available at affordable housing
cost, pursuant to Section 33334.2 of the California

Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*); and

WHEREAS, Health and Safety Code Section 33334.2(g)(1) provides that the CRA/LA may use such Housing Funds outside of the Reseda-Canoga Park Project Area if a finding is made by resolution of the CRA/LA and the City Council that such use will be of benefit to the Reseda-Canoga Park Project; and

WHEREAS, pursuant to Health and Safety Code Section 33334.6, the California Legislature has found and declared that the provision and improvement of affordable housing as provided by Section 33334.2 outside of a redevelopment project area can be of benefit to the project area; and

WHEREAS, one of the purposes of the Reseda-Canoga Park Project is to increase homeownership opportunities available to low- and moderate-income families or persons; and

WHEREAS, the CRA/LA has established the Council District 3 First Time Homebuyers Program for the purpose of increasing homeownership opportunities for eligible low- and moderate-income families and persons; and

WHEREAS, it has been demonstrated that there is an inadequate supply of affordable single family dwelling units within the Reseda-Canoga Park Project; and

WHEREAS, it is necessary to increase the supply of affordable single family dwelling units in order to effectively implement the Council District 3 First Time Homebuyers' Program; and

WHEREAS, the CRA/LA and the City Council adopted a Joint Resolution finding it of benefit to use up to \$1,000,000 of Reseda-Canoga Park Project Housing Funds outside the boundaries of the Project Area for the purpose of increasing homeownership opportunities on March 17, 2005, April 20, 2005.

WHEREAS, the CRA/LA and City Council adopted a Joint Resolution finding it of benefit to use up to \$1,000,000 of Reseda-Canoga Park Project Housing Funds outside the boundaries of the Project Area for the purpose of increasing homeownership opportunities on November 15, 2006

WHEREAS, additional funding, in an amount not to exceed \$2,000,000 of Reseda-Canoga Park Project Housing Funds, is necessary to continue implementation of the Council District 3 First Time Homebuyers' Program.

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA, AND THE CITY COUNCIL OF THE CITY OF LOS ANGELES, CALIFORNIA DO HEREBY RESOLVE AS FOLLOWS:

1. The CRA/LA and the City Council hereby find, determine and resolve that the use of up to \$2,000,000 of Reseda-Canoga Park Project Housing Funds outside of the Reseda-Canoga Park Project Area is necessary to meet the purpose of increasing homeownership opportunities for eligible low- and moderate- income families and persons and is therefore of benefit to the Reseda-Canoga Park Project. The boundaries within which these Funds may be used are defined by Roscoe Boulevard on the north, Louise Avenue on the east, Victory Boulevard on the south, and Shoup Avenue on the west.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2008

I hereby certify that the foregoing Resolution was adopted by the City Council of the City of Los Angeles, California, at its regular meeting held 20th DAY OF June, 2008

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
the official seal of the City of Los Angeles on this 20th day
of June, 2008

Karen E. Kalfayan, City Clerk



By: _____

E. Jone

Deputy