



**Los Angeles Housing + Community Investment Department (HCIDLA)
Fourth Substantial Amendment to the
46th Program Year (2020-21) Housing and Community Development Annual Action Plan
(46-04)**

**Reprogramming of Additional Resources for the Community Development Block Grant
and Revision to the HOME Investment Partnerships Program Allocations**

Purpose

In accordance with the Code of Federal Regulations (found under 24 CFR Parts 91.105 and 91.505), and our Citizen Participation Plan, the City of Los Angeles is required to provide citizens with an opportunity to comment on all proposed Substantial Amendments to its Housing and Community Development Consolidated Annual Action Plan (Con Plan). The City wishes to notify the public of a substantial amendment to its 46th Year (PY 46) 2020-21 Con Plan.

A 30-day public comment period will provide the public with an opportunity to review and comment on this proposed fourth amendment, beginning December 11, 2020 and ending on January 10, 2021.

Proposed Changes

Since the City Council and Mayor adopted the PY 46 Con Plan budget on July 1, 2020, the Housing and Community Investment Department (HCIDLA) has identified changes to the total resources available for the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME) grants and has recommended allocations for funding.

Community Development Block Grant (CDBG)

Prior year and current year CDBG funding is proposed to be reprogrammed for other activities. This includes the amount of \$3,079,903 of Neighborhood Stabilization Program income which is proposed to be converted to CDBG program income per requirements of the U.S. Department of Housing and Urban Development (HUD) and allocated for an activity. Also, the City was notified by HUD that an error was discovered in its formula allocations and a correction reduced the City's award by \$8,281 from \$54,334,788 to \$54,326,507.

Neighborhood Stabilization Program

The Neighborhood Stabilization Program (NSP) was established in 2009 in response to the Great Recession and allowed the City to purchase and renovate properties that were foreclosed, abandoned and deteriorated to prevent and address blight in lower-income neighborhoods. As homebuyers repay the NSP funds, the funds become program income; HCIDLA is in the process of obtaining approval from HUD to convert NSP program income to CDBG program income in the amount of \$3,079,903 and is recommending that those funds be allocated to the Slauson Wall Affordable Housing project and be used to address the site contamination issues in order to be able to construct affordable housing at that site.

Administration Cost Cap

Federal regulations set a cap on administration costs calculated based upon the grant amount and program income forecasted to be received for the year. The impact of a reduced program income forecast on the administration cap was not accurately reflected in the administration budget approved by the City Council and Mayor. In addition, the reduced

the grant amount further reduced the administration cap. The amount allocated for administration costs must be reduced by \$782,000 to align with the cap and be in compliance with federal regulations.

Cancelled Project

The James Slauson Recreation Center Splash Pad and Restroom project is cancelled and the \$777,695 that was awarded in PY46 is recommended for reprogramming.

Reprogramming Recommendations

Below are the projects and programs recommended for funding.

| Activities and Projects | City Dept. | Council District | Vested or on Priority List | Amount | Project Description |
|--|---|------------------|----------------------------|--------------------|--|
| Public Services | | | | | |
| Eviction Defense Program | HCIDLA | Citywide | V | \$50,000 | Gap needed to fully fund Tenant Stability Advisors at 8 FamilySource Centers (FSCs), in addition to \$520,000 |
| FamilySource System | HCIDLA | 13 | V | \$128,100 | Additional amount needed to close-out Youth Policy Institute contracts and pay outstanding bills incurred prior to its bankruptcy filing. |
| Homelessness Prevention Program (FamilySource Solid Ground) | HCIDLA | Citywide | V | \$500,000 | Extend and expand existing program with FSCs; early interventions such as mediation, advocacy, and housing stabilization services to expedite stabilizing housing and building a more financially secure future. |
| LAHSA for Shelter Partnership | HCIDLA | Citywide | V | \$100,000 | Funding to support Shelter Partnership's resource bank to provide supplies to homeless shelter programs in the City. |
| Senior Emergency Meals Program | Aging | Citywide | | \$1,831,500 | Preparation and delivery of meals to older adults in response to COVID-19. |
| Public Service Subtotal | | | | \$2,609,600 | |
| Economic Development | | | | | |
| Section 108 payment | Economic and Workforce Development Department | Citywide | | \$491,920 | Payments to HUD on small business loans that have a 6-month deferment due to COVID-19 recession. |
| Economic Development Subtotal | | | | \$491,920 | |

| Activities and Projects | City Dept. | Council District | Vested or on Priority List | Amount | Project Description |
|---|---|------------------|----------------------------|-------------|---|
| Neighborhood Improvements/Public Facilities | | | | | |
| All Peoples Community Center FSC—ADA (Building Improvement Fund—Nonprofit owned) | HCIDLA | 9 | V | \$500,000 | Architect/engineer cost, permits, and other incidental cost related to the ADA work |
| Celes King III Pool Replacement | Recreation and Parks (RAP) | 10 | V | \$230,000 | Award was 11.5% less than original requested amount |
| Central City Neighborhood Partners—New Generator Installation | HCIDLA | 1 | V | \$308,000 | Updated estimate from General Services Dept.(GSD) is \$378,040. Additional funds will cover estimate. |
| City Attorney Residential Enforcement (CARE) | City Attorney | Citywide | V | \$17,300 | Award was 11.5% less than original requested amount |
| City Attorney Task Force for Apartment & Rental Properties (TARP) | City Attorney | Citywide | V | \$51,700 | Award was 11.5% less than original requested amount |
| Clinica Romero Transformation & Renovation Project | HCIDLA | 14 | V | \$46,000 | Award was 11.5% less than original requested amount |
| Code Enforcement (Citywide PACE) | Department of Building and Safety (DBS) | Citywide | V | \$350,500 | Award was 11.5% less than original requested amount |
| Council District 1 Streetscape & Beautification | Public Works—Office of Community Beautification | 1 | | \$500,000 | Sidewalk improvements, installation of tree planters and lighting to increase accessibility and safety while also enhancing the aesthetics of the neighborhood. |
| Elysian Valley Recreation Center Improvements | RAP | 13 | V | \$115,000 | Award was 11.5% less than original requested amount |
| Green Meadows Recreation Center (Phase 2) | RAP | 9 | V | \$150,000 | Additional cost is to complete 2 playgrounds. |
| Hoover Intergenerational Center Rehabilitation | HCIDLA | 9 | V, P | \$1,489,000 | Need additional funds to complete the project |
| Hoover-Gage Park Playground Demo and Additional Fitness Equipment | RAP | 9 | V | \$34,500 | Award was 11.5% less than original requested amount |

| Activities and Projects | City Dept. | Council District | Vested or on Priority List | Amount | Project Description |
|---|--|------------------|----------------------------|-------------|--|
| Hubert Humphrey Park Improvements | RAP | 7 | V | \$450,000 | Award was 11.5% less than original requested amount and \$350,000 was reallocated to other projects |
| Martin Luther King, Jr. Blvd. Street Lighting Project | Public Works – Bureau of Street Lighting (PW-St. Lighting) | 9 | P | \$2,000,000 | Council office identified as a priority project |
| ONEgeneration Senior Enrichment Center Improvements | RAP | 3 | V | \$175,000 | Award was 11.5% less than original requested amount |
| Pacoima Street Lighting | PW-St. Lighting | 7 | V | \$21,900 | Award was 11.5% less than original requested amount |
| Pacoima Arleta CD 6 Street Lighting | PW-St. Lighting | 6 | V | \$78,400 | Award was 11.5% less than original requested amount |
| Ramon Garcia Recreation Center Improvements | RAP | 14 | V | \$149,400 | Award was 11.5% less than original requested amount |
| Robert M. Wilkinson Multipurpose and Senior Center Building Improvements | RAP | 12 | V, P | \$670,000 | Awarded funds were insufficient to complete project. Original request was \$1,250,000. |
| San Pedro Area 4 Street Lighting | PW-St. Lighting | 15 | V | \$87,600 | Award was 11.5% less than original requested amount |
| Sepulveda Recreation Center and Park Ballfield Improvements | RAP | 6 | V, P | \$106,000 | Award was 11.5% less than original requested amount |
| Skid Row Neighborhood Improvements | Public Works – Bureau of Street Services (PW-St. Services) | 14 | V, P | \$574,400 | Award was 11.5% less than original requested amount |
| Sylmar Community Park Improvements—New Restroom | RAP | 7 | V | \$137,000 | Award was 11.5% less than original requested amount |
| Theresa Lindsay Multipurpose Center | Aging | 9 | V, P | \$980,000 | Need additional funds for roof demolition and replacement per GSD estimate |
| Vera Davis McClendon Center Rehabilitation | Public Works – Bureau of Engineering | 11 | V, P | \$304,000 | Change order for Information Technology work (\$196,000) plus contingency restored from 5% back to 10% (\$108,000) |

| Activities and Projects | City Dept. | Council District | Vested or on Priority List | Amount | Project Description |
|--|-----------------|------------------|----------------------------|---------------------|--|
| Watts Rising WalkBikeWatts | PW-St. Services | 15 | V | \$114,900 | Award was 11.5% less than original requested amount |
| Ways Park | RAP | 9 | P | \$750,000 | Funding for new park installation. Funds were previously awarded and then reprogrammed when funding needed elsewhere. Priority of Council office. |
| Neighborhood Improvement/Public Facilities Subtotal | | | | \$10,390,600 | |
| Administration | | | | | |
| Aging Department | Aging | Citywide | | \$(19,291) | Correction of administration budget to match admin cap |
| Economic and Workforce Development Dept. | EWDD | Citywide | | \$(134,426) | Correction of administration budget to match admin cap |
| Los Angeles Housing + Community Investment Dept. Administration | HCIDLA | Citywide | | \$(628,283) | Correction of administration budget to match admin cap |
| Administration Subtotal | | | | \$(782,000) | |
| Total Amount of CDBG to Reprogram | | | | \$12,710,120 | |
| Housing | | | | | |
| Slauson Wall Affordable Housing | HCIDLA | 9 | V | \$3,079,903 | HUD requested NSP program income be converted to CDBG program income to speed closing of NSP grant. Funds still needed for remediation of contaminated soil to construct affordable housing. |
| Housing Subtotal | | | | \$3,079,903 | |
| Grand Total of CDBG Reprogramming, including NSP Program Income | | | | \$15,790,023 | |

HOME Investment Partnerships Program (HOME)

The City was notified by HUD that an error was discovered in its formula allocations, and a correction reduced the City's award by \$6,124 from \$28,158,891 to \$28,152,767. The reduction will affect the Affordable Housing Managed Pipeline and Program Delivery project, which will be reduced from \$22,470,891 to \$22,464,767.

Comment Period

HCIDLA will receive public comment on the proposed amendment from December 11, 2020 to January 10, 2021.

Please address questions or comments on the proposed substantial amendment to:

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