AGN. NO. 6-A

MOTION BY SUPERVISORS GLORIA MOLINA AND MARK RIDLEY-THOMAS

June 23, 2014

ITEM #6 – Low and Moderate Income Housing Funds

The preservation and creation of affordable housing in Los Angeles County has been a longstanding goal of the County and its 88 cities. Programs to achieve this goal were hampered by the dissolution of redevelopment agencies that supplied much of the funding for affordable housing development. In fact, many cities' affordable housing projects in the planning stages were suspended due to lack of funding.

In order to lessen the impact of reduced funding, the Board of Supervisors approved an $11 million allocation of County General Funds in October 2012 to fund the development of affordable housing through the issuance of a Notice of Funding Availability (NOFA). As a result of the NOFA, the Board approved the development of eight housing projects with 310 affordable units located throughout the County on February 26, 2013.

Since the dissolution of redevelopment, the County has received over $80 million from Community Redevelopment Agency Low-Income and Moderate-Income Housing Fund Due Diligence Review Funds ("Housing DDR"). On March 5, 2013, the Board allocated $15 million of these funds to the Community Development Commission (CDC), and on June 24, 2013, an

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additional $15 million was allocated, for a total of $30 million.

The first half of these funds were used to release NOFA 19 in October 2013 and the projects selected for funding were approved by the Board on February 18, 2014. The remaining $15 million, which is included in the Chief Executive Office's (CEO) Final Change Letter, will be offered to projects under NOFA 20 which is currently being prepared for release in the fall of 2014.

WE, THEREFORE, MOVE, that the Chief Executive Officer and Auditor-Controller transfer $35,072,000 from obligated fund balance Committed for Low-to-Moderate Income Housing Fund to the Project and Facility Development budget unit to facilitate the transfer to the CDC the remaining $35 million from the total $80 million that the County of Los Angeles has received from the Community Redevelopment Agency Low and Moderate Income Housing Fund Due Diligence Review process.

WE, FURTHER, MOVE that the Chief Executive Officer be authorized to execute a funding agreement totaling $35,072,000 with CDC to supplement funding for a NOFA in the amount of $35,072,000.

WE, FURTHER, MOVE, that the Board, acting as the Commissioners of the Community Development Commission, direct the Executive Director of the CDC to accept and utilize the $35,072,000 million to include in the Affordable Housing Trust Fund for the next three upcoming NOFAs in 2015, 2016 and 2017. The CDC shall reinvest any interest earned from the account back into the Affordable Housing Trust Fund. An additional $5 million will be distributed in the upcoming NOFA for Fiscal Year 2014/2015; $15 million for upcoming NOFA for Fiscal Year 2015/2016; and $15 million for the NOFA in Fiscal Year 2016/2017.

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