



ERIC GARCETTI
MAYOR

October 27, 2020

Honorable Members of the City Council
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Re: **47th Program Year (PY) of the Housing and Community Development Consolidated Plan—Fourth Year Action Plan (2021-22)**

For Angelenos and all Americans, 2020 has been a year of monumental challenge. An unprecedented pandemic has infected more than 7 million people and killed over 200,000 across the United States, including 7,000 here in L.A. County. Not only did COVID-19 upend our health and safety, but this public health emergency forced businesses to close, pushed our families and students inside for months on end, exacerbated the digital divide, and changed how we socialize, communicate, work, and live.

With this all-consuming crisis came a massive wave of economic devastation — the worst since the Great Depression — that left so many of our neighbors without jobs, tens of thousands unable to pay their bills, too many at risk of becoming homeless, and all of us dealing with supply chains that couldn't keep up with demand, spiking prices, and shortages of various goods. In the toughest times in recent memory, those with the least have suffered the most.

Add to this cascade of difficulty intensifying wildfires surrounding us in Southern California and throughout our state. We've endured the worst air quality in 30 years. And we've witnessed, and taken part in, a reckoning with racial injustice that's spurred an honest look at how redlining, discriminatory laws, lack of investment, and systemic inequity have left Black families and workers at a steep disadvantage in housing, income, education, health, and more.

In the face of it all, our first priority became our most basic one: to save lives and protect livelihoods. But that clear goal came with immense questions and no obvious answers. How do we ensure COVID-19 testing could reach our hardest-hit neighborhoods, our communities of color, our most vulnerable patients, with no unified, national strategy to back us up? How do we bring unhoused Angelenos — perhaps most susceptible to the virus — indoors quickly, while preventing evictions for households choosing between covering the rent and buying groceries?

How can we deliver direct financial assistance in a moment when revenues are cratering and the fiscal cupboard is practically bare?

When all is said and done, Los Angeles responded effectively — with purpose and compassion. The City and our residents met this unmatched moment with resolve, creativity, innovation, and determination. We were among the first to enact a Safer at Home order. We implemented an eviction moratorium to give tenants and small businesses some breathing room. We worked with the Mayor's Fund for Los Angeles to provide direct cash assistance to struggling households through the Angeleno Card campaign, bring meals to homebound seniors, support domestic violence victims, and support other vital programs. We provided microloans to businesses so they could keep their doors open and workers on the payroll.

Our city also fast-tracked critical initiatives like Project Roomkey to move unhoused Angelenos into hotel rooms, and the L.A. CARES Corps, a partnership between the City and County of Los Angeles to provide small businesses with assistance in applying for federal loans. We have more on the way, including Project Homekey, which will move more of our unhoused neighbors into long-term housing of their own, and the Eviction Defense Program, which will provide legal representation to tenants facing eviction.

COVID-19 and everything else that's happened this year have raised the stakes of our actions in government. Yet in this time lies great opportunity — a chance to address long-festered wounds with a shared urgency and common compassion. We can do more than respond to the pandemic and recover; we can reimagine our future, if we work together. That must be our purpose as we launch the 47th Program Year (2021-22) Annual Action Plan for the City's Housing and Community Development Consolidated Plan (Con Plan).

Background

The Con Plan is an opportunity to dedicate resources to our residents and neighborhoods that need them most. This is made possible by leveraging over \$100 million in annual allocations of the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funding from the U.S. Department of Housing and Urban Development (HUD).

Two years ago (PY 44), the City approved the 2018-2022 Five-Year Consolidated Plan. As part of the planning process, a needs assessment was conducted to determine the greatest concerns and challenges for Los Angeles. The results pointed strongly to certain interconnected factors: housing, income stability, and homelessness. Based on this needs assessment, the City Council and I passed a Five-Year Consolidated Plan with six specific goals:

- 1. Develop affordable and supportive housing for low-income and homeless Angelenos:**
 - a. Support the development of and equal access to affordable, sustainable, accessible, and resilient housing for homeless individuals, persons living with a disability, and other low-income residents;
 - b. Create new housing opportunities for low-income households and homeless persons by financing new affordable rental housing and permanent supportive housing;
 - c. Provide first time homebuyers with financial assistance; and
 - d. Increase the supply of affordable and accessible housing units for persons living with disabilities, and those living with HIV/AIDS.

2. Preserve existing affordable housing:

- a. Prevent the displacement of low- and moderate-income residents by preserving existing affordable and rent-stabilized housing;
- b. Preserve the existing stock of affordable rental housing and rent-stabilized housing, and support seismic retrofits and other hazard remediation;
- c. Provide lead-based paint remediation and other housing interventions and partnerships to make existing housing healthier, more resilient, sustainable, and accessible;
- d. Ensure equal access to housing for persons with protected characteristics, lower incomes, and experience being homeless; and
- e. Increase community integration and independent living opportunities for persons living with disabilities.

3. Stabilize and revitalize neighborhoods:

- a. Stabilize and revitalize low-income neighborhoods;
- b. Increase public access to opportunities for education, employment, recreation, and social services by creating new and improving existing public facilities and infrastructure;
- c. Improve access to public facilities and infrastructure for persons with disabilities; and
- d. Identify deteriorating properties and code violations for enforcement of safety standards in low-income neighborhoods.

4. Prevent and reduce homelessness and domestic violence:

- a. Work in partnership with community-based, not-for-profit, and government agencies to prevent and reduce homelessness and domestic violence;
- b. Support efforts to reach out to and provide emergency shelters, transitional housing, case management, supportive services, and rental assistance to persons who are homeless or are at risk of becoming homeless, and survivors of domestic violence and human trafficking; and
- c. Provide housing-related supportive services and rental assistance to those with low incomes, including at-risk homeless persons living with HIV/AIDS.

5. Improve local economy for low-income residents:

- a. Improve local economic conditions and expand access to opportunity for low-income residents and other protected classes, by supporting efforts to create and retain jobs and provide essential goods and services to underserved neighborhoods;
- b. Produce new jobs and retain employees in existing jobs for low- to moderate-income residents by helping businesses thrive and succeed through economic development, business loans, business assistance, and entrepreneurial assistance; and
- c. Support businesses' efforts to provide goods and services needed in low-income neighborhoods.

6. Help low-income families to economically stabilize:

- a. Help low-income households to stabilize economically and avoid displacement;
- b. Support family economic stabilization by providing services to improve employment, income, financial literacy, asset development, and academic achievement; and
- c. Support seniors in maintaining their physical and mental health and independence, and preventing loss of housing and premature institutionalization.

Program Year 47

With 2021 around the corner, COVID-19 is still here and still deadly. Until an effective vaccine is widely available, we will have to find ways to live in our new reality. We will have to seek innovative steps to help Angelenos, especially those at the lowest end of the income ladder, endure and survive.

That means taking a direct, multifaceted, and comprehensive approach to alleviating poverty. Our city starts with a solid foundation, beginning with our work to increase the stock of affordable housing; expand rapid transit in low-income neighborhoods; lift the minimum wage; establish the Children's Savings Accounts program; offer free community college; grow our suite of services through the FamilySource system; encourage entrepreneurship through various business incubators, loan programs, and the BusinessSource system; and build up the number and quality of domestic abuse and human trafficking shelters.

Where we can strengthen our system is in deepening the coordination between these services. Doing so will allow Angelenos to more quickly and effectively access assistance, while enabling us to improve outreach, resources, efficiency, and outcomes for clients. This also ensures people can see the full range of services available to them, and gives organizations ways to find the best paths out of poverty — examining what is most effective, what needs improvement, and what needs funding. In Program Year 47, we will focus on better coordinating the Action Plan with the larger anti-poverty measures within the city to achieve better results.

On top of these steps, our recovery from the pandemic will keep the full scope of challenges at the front of our minds — bringing back jobs, supporting small businesses, ensuring that neighborhoods are not neglected, and continuing capital improvements in low-income neighborhoods.

Guidance for PY 47 Con Plan Funding Applications

The window for PY 47 Con Plan funding applications is open through November 25, 2020. As with previous years, all Con Plan funding applications must be submitted through a City Department. Please see the attachments for details regarding the application process and schedule.

Conclusion

Program Year 47 will be among the most important and critical in our city's history. COVID-19 and the inequities it has laid bare make the work of Los Angeles' leaders and government as urgent as ever before. Together, we can and will build long-term solutions that can better serve everyone who calls this city home.

Sincerely,

A handwritten signature in dark ink, appearing to read "Eric Garcetti", with a stylized flourish at the end.

ERIC GARCETTI
Mayor

Attachments:

- 1) PY47 Application Instructions
- 2) PY47 Timeline

**Instructions for Program Year 47 Consolidated Action Plan
Applications for Community Development Block Grant (CDBG) Funding**

Action Plan Application Process and Considerations

Applications for the PY 47 Con Plan (July 1, 2021 – June 30, 2022) will be accepted as indicated below **from October 26 through November 25, 2020.**

I. Instructions for City Departments Reapplying for CDBG funds:

City staff will use the City's Consolidated Plan Application System (CPAS) to submit applications for PY 47 funding for existing projects. Existing projects are those that currently receive funding. If a City department submitted an application in prior years that did not receive funding, it will need to follow the instructions for new projects to be reconsidered for funding. The Los Angeles Housing + Community Investment Department (HCIDLA) administers the CPAS and application process. HCIDLA will provide training on how to use CPAS to reapply for Con Plan funds. To request training, additional technical assistance, or need access to the PY 47 CPAS, please email hcidla.grantsadmin@lacity.org.

II. Instructions for Applications for New Projects:

Due to high demand for finite funding and limitations on how funds can be used, the City will accept applications for new projects *only for CDBG funds to be used for Economic Development or Neighborhood Improvement projects not currently receiving CDBG funds.*

- A. Economic Development** projects are those that will benefit businesses and commercial and industrial developments. These projects may be funded in the form of loans and must meet specific CDBG-mandated public benefit requirements, as well as demonstrate sound underwriting principals. Due to the specific nature of these projects, interested parties should contact the Economic and Workforce Development Department (EWDD) for further information on how to apply. Please contact:

Daysi Hernandez, Chief Grants Administrator
Economic and Workforce Development Department
Daysi.hernandez@lacity.org, 213-744-9340

- B. Neighborhood Improvement** projects are *capital* projects such as acquisition, construction, rehabilitation, reconstruction, environmental remediation or installation of public facilities or improvements. These facilities or improvements must be permanent and owned by the City or by a private nonprofit organization. Eligible applicants are City departments or private nonprofit organizations. HCIDLA oversees applications for neighborhood improvement projects.

Applications are available at the webpage below:

hcidla2.lacity.org/community-resources/neighborhood-improvements

If you have questions, please email hcidla.grantsadmin@lacity.org or contact Karen Banks at Karen.banks@lacity.org.

Application Review Guidelines:

To be considered for CDBG funding for PY 47, new projects involving construction should be ready to start construction in December 2021. Prior to beginning construction, you will need to complete all environmental reviews, procure contractors, and execute City agreements. Other factors that will be evaluated when considering project readiness may include, but are not limited to, site control, environmental testing and review, if all funds needed to start and finish the project are committed, and the capacity of applicant to use federal funds in compliance with regulations.

If you do not think your project will meet all of these guidelines, the City is also interested in receiving applications to establish a *pipeline* of projects that will be ready for federal funding in future years. You may submit applications for new economic development and neighborhood improvement projects if you are contemplating needing funding in future years; the City will review and provide feedback on potential future funding.

Other Funding Opportunities:

The City has strategically allocated the large percentage of Consolidated Plan funding to projects or systems such as the Affordable Housing Managed Pipeline, the FamilySource System, BusinessSource Centers, the Los Angeles Homeless Services Authority, and other projects to target funding. Several different City departments oversee these projects. Some are implemented by City staff and others are carried out by nonprofit organizations, contractors or developers. Departments will issue notices of funding opportunities or requests for proposals to obtain service providers or developers to implement specific activities.

Non-City entities interested in funding should contact the appropriate implementing City department or access opportunities through the Los Angeles Business Assistance Virtual Network (LABAVN): <http://www.labavn.org>.

Program Year 47 (2021-22) Action Plan Timeline

Task	Target Date	Deliverables
Action Plan Development	Sep 17-30	HCIDLA meetings with departments, Council staff, and Mayor's Office re application ideas and prior year projects
	Oct 19–Nov 2	Public meetings to gather input in developing Action Plan
	Oct 29	CDBG Requirements Overview Session for Council staff
	Oct 26–Nov 25	Open period for accepting applications
	Nov 2	Training in the Con Plan Application System (CPAS) for City staff
	Nov 3	Orientation on application process for new neighborhood improvements
	Oct 15 – Nov 12	Focus groups to gather input in developing Action Plan
	Nov 25	Summary of public meetings & focus groups to Mayor's Office and Council staff
Proposed Action Plan	Jan 25	Eligibility and project readiness review completed by HCIDLA
	Mar 6	Mayor releases proposed Action Plan budget for public comment
	Mar 12–Apr 11	30-day public comment period to solicit community feedback on the plan
	Mar 24	Housing Committee hears Mayor's proposed budget and CLA with CAO begin their review of the proposed budget
	<i>Mar 30</i>	<i>HUD releases grant allocation amounts (estimated date)</i>
	Apr 26	Summary of public meetings and comments to Mayor's Office and Council staff
Action Plan Approval	April 14	Housing Committee reviews CAO-CLA report on Mayor's proposed Action Plan budget
	April 21	City Council hears Action Plan budget report
	May 1	Mayor reviews Council's final action
Plan Submission to HUD	May 15	HCIDLA submits the Action Plan to HUD, with new program year starting July 1