



KAREN BASS
MAYOR

April 25, 2023

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

Subject: 49th Program Year (PY) of the Housing and Community Development Consolidated Plan (2023-2024)

The City of Los Angeles receives four entitlement grants from the U.S. Department of Housing and Urban Development: (1) Community Development Block Grant (CDBG); (2) HOME Investment Partnerships Program (HOME); (3) Emergency Solutions Grant (ESG); and (4) Housing Opportunities for Persons with AIDS (HOPWA). These entitlements comprise what is known as the City's Consolidated Plan (Con Plan), a comprehensive, integrated approach to planning and implementing the City's housing, community development and economic development needs and priorities.

This 49th program year Con Plan of approximately \$153 million departs from those of the past – the Mayoral Declaration of Local Emergency was the filter through which this Con Plan was developed. With 40,000 Angelenos living unhoused in every neighborhood in Los Angeles, the Con Plan must be fully committed to urgently moving people inside.

This Con Plan continues to invest HOME dollars in funding the creation of permanent, affordable housing. It continues to allocate HOPWA funds to provide housing assistance and supportive services to persons with HIV/AIDS. It also funds our work with LAHSA and service provider partners to use ESG dollars to directly assist unhoused Angelenos. We also continue to honor our commitment to fund citywide systems that are critical to providing a safety net that guards against homelessness – funding our FamilySource Centers, our Domestic Violence Centers and BusinessSource Centers, for example.

In addition, this Con Plan marshals remaining available resources, typically used for a variety of new and continuing capital projects, and invests them in acquiring buildings that we can quickly place in service to provide temporary housing to unhoused Angelenos. An

urgent increase in temporary housing is essential to our strategy to move people off the street and successfully set them on a path to permanent housing.

The PY 49 Consolidated Plan represents year one of the 5-Year Consolidated Plan that covers 2023-2027 and will enshrine and direct efforts to create and present a data-driven review and basis for how CDBG funds can be directed in a cohesive, geography-based approach. My team will focus on how to best direct CDBG funds to areas of the most need and highest transformative impact. A neighborhood improvement approach will elevate the need to invest all city-controlled funds with an equity lens and to be intentional about how to invest our vital CDBG funds. Alongside efforts to identify the best way to invest funds to make the most impact, I have directed City staff to develop a CDBG Project Development Lab. The Lab will take technical assistance to a new level, identifying project ideas and working with proponents to identify and solve capacity challenges, refine ideas and uses for CDBG funds that ensure federal compliance and, most importantly, queue up projects for a funding process that is seamless and that averts potential delays once funding is awarded. We are entrusted with vital federal funds that are expressly for our most vulnerable Angelenos, and it is incumbent on us to fund projects that will get done in a timely fashion.

Below is a summary of the proposed allocation of the Con Plan resources for the 49th Program Year. Attachment A is a comparison of the 49th program year proposed distribution of the Con Plan funds with the 48th program year. A detailed, CDBG line item budget and project descriptions are included as Attachments B and C, respectively.

Proposed Allocation of PY 49 Action Plan by Budget Category

Category	CDBG	ESG	HOME	HOPWA	Total
Public Services	\$ 9,907,000	\$ 2,989,650	\$ -	\$ -	\$ 12,896,650
Economic Development	\$ 11,320,315	\$ -	\$ -	\$ -	\$ 11,320,315
Housing & Related Programs	\$ 5,061,005	\$ -	\$ 42,643,736	\$ -	\$ 47,704,741
Neighborhood Improvements	\$ 42,580,859	\$ -	\$ -	\$ -	\$ 42,580,859
Administration / Planning	\$ 12,352,000	\$ 335,710	\$ 4,738,193	\$ 720,537	\$ 18,146,440
Total Budget	\$ 81,221,179	\$ 3,325,360	\$ 47,381,929	\$ 720,537	\$ 132,649,005

ESG, HOME and HOPWA are restrictive in their allowable uses. Therefore, this transmittal focuses on the CDBG program elements. The selection of contractors for ESG, HOME and HOPWA program components are solicited through separate procurement processes, which are administered by the Los Angeles Housing Department (LAHD) and the Los Angeles Homeless Services Authority (LAHSA).

RECOMMENDATIONS

We respectfully request and recommend that the City Council approve the investments listed below.

Relative to the approval of the City's Housing and Community Development Consolidated Plan Program Year 49 (2023-2024) Action Plan:

1. Find that the 2023-2027 Housing and Community Development Consolidated Plan and Program Year 49 (2023-24) Action Plan will not have a significant effect on the environment pursuant to the City's CEQA Guidelines, and in compliance with the California Environmental Quality Act of 1970; that the Notice of Exemption reflects the independent judgment of the lead agency of the City of Los Angeles; that the document constituting the record of proceedings in this matter is located in the custody of the City Clerk, and acknowledge the Notice of Exemption for the PY 49 Consolidated Plan, submitted by CIFD and attached to the Council File.

All new federally funded projects are subject to environmental review under the requirements of the National Environmental Policy Act (NEPA) and per the U.S. Department of Housing and Urban Development regulations, prior to any commitment of federal funds for expenditure, unless they are exempt from such review. The City has determined that some action is programmatically exempted per CFR 58.34 and categorically excluded per CFR 58.35(a)(b) from this annual environmental requirement.

Commitment of funding for new projects that could result in a direct or indirect physical change to the environment are also subject to environmental review under the California Environmental Quality Act, if implementation of the projects is authorized as part of the budgeting process. The City has determined that some action is programmatically exempt under CEQA Guidelines for General Exemptions, Article 18 Statutory Exemptions Section 15260 through 15285, and Article 19 Categorical Exemptions Section 15300 through 15333.

Those projects that are not exempted or not yet defined are approved, subject to: (1) confirmation that the project to be funded is categorically excluded under NEPA per 24 Code of Federal Regulations (CFR) Part 58 and exempt under CEQA per the Guidelines prior to project implementation; or (2) appropriate environmental review prior to project implementation.

All projects involving new construction and/or major rehabilitation will require the preparation of Mitigated Negative Declaration/Environmental Assessment + Finding of No Significant Impact Statement on a site-by-site basis.

2. Approve the Program Year 49 Consolidated Plan and the related budgets for the Community Development Block Grant, HOME Investment Partnerships Program,

Emergency Solutions Grant, and the Housing Opportunities for Persons with AIDS included as Attachment B to this report.

3. Authorize the General Manager of CIFI, or designee, to sign, on behalf of the City, the Application for Federal Assistance for the CDBG, HOME, HOPWA and ESG Programs and the associated Grantee Certifications, subject to review and approval of the City Attorney as to form.
4. Authorize the General Manager of CIFI, or designee, to submit the Program Year 49 (2023-2024) Housing and Community Development Action Plan to HUD after approval by Council and Mayor and the public comment period ends.
5. Instruct the General Manager of CIFI, or designee, to:
 - a. Provide written notifications to Program Year 49 Action Plan applicants as follows:
 - i. To unsuccessful applications informing them that they are not recommended for award and further advising them of current and forthcoming alternative competitive application processes; and
 - ii. To successful applicants advising them of final award recommendations and required contracting processes to facilitate program implementation.
 - b. Prepare Controller instructions and/or make technical adjustments that may be required and are consistent with the intent of the Program Year 49 Action Plan and instruct the Controller to implement these instructions;
 - c. Monitor public services and administrative services expenditures against the Program Year 49 statutory spending limitations and report back to the Mayor and City Council within 30 days with recommendations for necessary adjustments in the event it is anticipated that either cap will be exceeded;
 - d. Prepare, with assistance from the Economic and Workforce Development Department (EWDD), LAHD, or other departments as needed, quarterly reports for submission to the Mayor and City Council on program income receipts for all Consolidated Plan sources; and
6. Instruct CIFI and CAO (in consultation with CLA) to ensure that PY 49 projects recommended for funding are in compliance with the City's CDBG expenditure policy and guidelines (CF 01-2765-S2), to establish a multi-year future projects priority-funding list, and to review the current expenditure policy to comply with the aforementioned multi-year funding list for future program years.
7. Authorize the City Controller to process a Reserve Fund loan for up to \$10 million, to be available July 1, 2023 or soon thereafter for the period of July 1, 2023 to October 31, 2023 for cash flow purposes related to the Consolidated Plan grants (CDBG, ESG, HOME, HOPWA) with said loan to be fully reimbursed from grant receipts in FY 2023-24.

Relative to Reprogramming:

8. Approve the reprogramming of \$14,844,319 in CDBG prior year savings as a source of revenue for the PY 49 Action Plan budget.

Relative to Contract Authorities:

9. Authorize the General Managers or designees of program implementing departments to negotiate and execute contracts, contract amendments and/or interdepartmental agreements as needed with the grant recipients, subject to City Attorney review and approval as to form.
10. Instruct the General Manager of CIFI, or designee, with the assistance from the CAO to report within 30 days of the Council and Mayor's approval of the Program Year 49 Consolidated Plan with an analysis, recommendations and any necessary additional implementing language for related authorities and administrative allocations.

Sincerely,



KAREN BASS
Mayor

KB: hvr

Attachments

- A – Findings
- B – Revenues and Allocations
- C – Footnotes
- D – CDBG Future Priority Projects
- E – CDBG Resources and Spending Cap Detail
- F – CDBG Funding to be Reprogrammed
- G – Public Meetings Summary
- H – Five-Year Plan Overview
- I – CDBG Expenditure Policy

**2023-27 Five Year Consolidated Plan and
PY 49 Action Plan (2023-2024)
Findings**

BACKGROUND

The Consolidated Plan (Con Plan) is comprised of the following four federal entitlement grants received from the U.S. Department of Housing and Urban Development (HUD):

1. *Community Development Block Grant (CDBG)* - CDBG funds may be used by the City to perform a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services. More than 70% of the funding must be given to activities that benefit low and moderate-income persons. The City may also implement activities that aid in the prevention and elimination of slums and blight or other community development needs having a particular urgency related to health or community welfare, such as following an earthquake. CDBG funds may not be used for activities that do not meet these broad national objectives.
2. *HOME Investment Partnerships Program (HOME)* - HOME is the largest federal block grant to state and local governments designed exclusively to produce affordable housing for low-income families. This program is dedicated to the City's Affordable Housing Managed Pipeline and the Homeownership Assistance Program operated by the Los Angeles Housing Department (LAHD).
3. *Emergency Solutions Grant (ESG)* - The ESG program provides outreach, shelter, rapid rehousing, homelessness prevention and related services to persons who are experiencing homelessness or at risk of becoming homeless. This program is designed to be the first step in a continuum of assistance to enable individuals and families to quickly regain stability and to prevent homelessness. The ESG program is operated by LAHD in coordination with the Los Angeles Homeless Services Authority (LAHSA).
4. *Housing Opportunities for Persons with AIDS (HOPWA)* - The HOPWA program is operated by LAHD for the entire County of Los Angeles. HOPWA provides resources to develop and maintain affordable housing options, as well as supportive services for low-income individuals with HIV/AIDS and their families.

2023-27 5 YEAR CON PLAN AND PROGRAM YEAR (PY) 49 ACTION PLAN APPLICATION PROCESS AND PROPOSAL REVIEW METHODOLOGY

In February 2023, the Community Investment for Families Department (CIFD) convened two virtual public meetings to present information about the Con Plan, and in January-March 2023 invited the public to complete a survey, to solicit public input about housing and community development needs in neighborhoods. The two public meetings were hosted through Zoom virtual conferencing and included a Spanish simulcast. CIFD also held or participated in six focus groups to consult with community stakeholders.

In October 2022, the Mayor released a letter inviting applications for CDBG funding for the PY 49 Action Plan. New applications were expected to help the City further recover from the pandemic and get back on track by accelerating spending, particularly of CDBG. Applications were to be for a funding gap for an existing project or acquiring real estate for affordable multifamily housing, businesses to expand and create jobs for residents with low-income, or nonprofits that will provide eligible services for residents with low-income.

The City received 90 applications totaling \$153 million in CDBG funds. CIFD reviewed all applications for eligibility and project readiness. The proposed budget is based on the review of project eligibility and readiness, alignment with the Consolidated Plan goals, alignment with the Mayor's priorities, and community input.

PROGRAM YEAR 49 ACTION PLAN BUDGET SUMMARY AND PROGRAM HIGHLIGHTS

Based on federal entitlement, projected program income, and prior year savings, the anticipated total budget for the PY 49 Action Plan is approximately \$162.4 million. Table 1 details the changes in Action Plan resources per grant compared to the prior program year.

Table 1: Comparison of PY 48 and PY 49 Resources

Description	PY48 (2022-23)	PY49 (2023-24)	\$ Change	% Change
CDBG Entitlement	\$50,929,272	\$50,189,777	(\$739,495)	-1.5%
Program Income	\$7,454,600	\$9,479,900	\$2,025,300	27.2%
Program and Administrative Savings	\$3,965,568	\$21,322,200	\$17,356,632	437.7%
Total CDBG Budget	\$62,349,440	\$80,991,877	\$18,642,437	29.9%
ESG Entitlement	\$4,534,618	\$4,476,146	(\$58,472)	-1.3%
Total ESG Budget	\$4,534,618	\$4,476,146	(\$58,472)	-1.3%
HOME Entitlement	\$29,893,708	\$29,320,929	(\$572,779)	-1.9%
Program Income	\$37,310,270	\$18,061,000	(\$19,249,270)	-51.6%
Total HOME Budget	\$67,203,978	\$47,381,929	(\$19,822,049)	-29.5%
HOPWA Entitlement	\$21,794,278	\$24,017,909	\$2,223,631	10.2%
Program and Administrative Savings	\$2,669,067	\$2,669,067	\$0	0.0%
Total HOPWA Budget	\$24,463,345	\$26,686,976	\$2,223,631	9.1%
TOTAL RESOURCES	\$158,551,381	\$159,536,928	\$985,547	0.6%

Program Income

The economic impact of the COVID-19 pandemic has led to volatility in CDBG program income, as repayment of loans has varied widely year to year. The total program income estimated for CDBG and HOME, as identified by Los Angeles Housing Department, the Economic and Workforce Development Department, and CIFD, that is expected to be available to augment the PY 49 Action Plan Budget is \$27.5 million.

CDBG Public Services Cap

The CDBG program limits how much can be expended on social service type of activities called "public services." The City may expend no more than 15% of the total CDBG annual entitlement plus the prior year's program income on public services. The amount estimated to be available for public services in PY 49 is about \$9.9 million based on the calculation below.

Table 2: PY 49 CDBG Public Services Cap Calculation

PY 49 Entitlement Amount	\$50,189,177
PY 48 Total Estimated Program Income Receipts	\$15,860,189
Total Basis for Public Services Cap	\$66,049,966
Multiply by 15%	0.15
Maximum Amount Available for Public Services (rounded)	\$9,907,000

CDBG Future Priority Projects

Attachment D of this transmittal is a list of CDBG Future Priority Projects. It has been developed to reflect the City's multi-year priorities for funding. Projects that are anticipated to be shovel-ready can be placed on the list, however they cannot be funded until they are ready to begin. This list should be considered first when the City is reprogramming funds or when planning for future year entitlement.

FISCAL IMPACT STATEMENT

The Mayor's proposed PY 49 Consolidated Annual Action Plan budget proposes a temporary impact on the General Fund in requesting a Reserve Fund Loan up to \$10 million for the period July 1, 2022 through October 31, 2022 for cash flow purposes if the City should not receive access to the federal grant funds immediately in the new program year.

The projected PY 48 (2022-23) and PY 49 (2023-24) program income amounts are subject to actual CDBG and HOME program income receipts during the year. Should the CDBG program income amount be less than what is projected, the General Fund may be affected by the loss of funding to support various departments that carry out Con Plan-funded programs. HUD regulations set a statutory limitation on expenditures for administration costs, as follows: CDBG-20%; HOME-10%; ESG-7.5%; HOPWA-3%. Based on the entitlement amounts and the projected CDBG and HOME program income amounts, funding for Con Plan grant administration is limited to approximately \$18.1 million for PY 49. While each impacted department was asked to identify capacity in other grants or revenue sources to absorb personnel costs, it is recommended that departments work with the Office of the City Administrative Officer to identify the potential impact and any alternate funding option.

49th Program Year 2023-24 Consolidated Plan Revenues and Allocations

Attachment B

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
				48th Program Year (PY 48) 2022-2023									49th Program Year (PY 49) 2023-24				
Row	Project	City Dept.	Council District	PY 48 CDBG	CDBG Reprog. Sep & Nov 2022 (CFs 20-1433-S3 & 21-2186-S2)	CDBG Reprog. Mar 2023 (CF 21-1186-S4)	CDBG Reprog. Apr 2023	PY48 CDBG Total	PY48 HOME Total	PY 48 ESG	PY 48 HOPWA	PY 48 Total	PY 49 CDBG	PY 49 HOME	PY 49 ESG	PY 49 HOPWA	PY 49 Total
REVENUE/RESOURCES																	
1	Entitlement			\$ 50,929,272				\$ 50,929,272	\$ 29,893,708	\$ 4,534,618	\$ 21,794,278	\$ 107,151,876	\$ 50,189,777	\$ 29,320,929	\$ 4,476,146	\$ 24,017,909	\$ 108,004,761
2	Program Income			13,065,200	(3,106,800)	(76,700)		\$ 9,881,700	\$ 37,310,270			\$ 47,191,970	9,479,900	18,061,000			\$ 27,540,900
3	Program and Administrative Savings			3,965,568				\$ 3,965,568			2,669,067	\$ 6,634,635	14,844,319			2,669,067	\$ 17,513,386
4	Midyear Reprogramming			2,650,125	11,900,285	2,005,685		\$ 16,556,095	\$ -			\$ 16,556,095					\$ -
5	TOTAL RESOURCES			\$ 67,960,040	\$ 2,650,125	\$ 8,793,485	\$ 1,928,985	\$ 81,332,635	\$ 67,203,978	\$ 4,534,618	\$ 24,463,345	\$ 177,534,576	\$ 74,513,996	\$ 47,381,929	\$ 4,476,146	\$ 26,686,976	\$ 153,059,047
PUBLIC SERVICES																	
6	Aging Services Delivery System	Aging	Citywide	\$ 600,000				\$ 600,000	\$ -			\$ 600,000	\$ 582,800				\$ 582,800
7	Domestic Violence & Human Trafficking Shelter Operations	CIFD	Citywide	2,738,432	(250,000)			\$ 2,488,432	\$ -			\$ 2,488,432	2,659,900				\$ 2,659,900
8	Domestic Violence Crisis to Shelter Program (formerly Crisis Housing Services)	CIFD	Citywide	520,280	(75,000)			\$ 445,280	\$ -			\$ 445,280					\$ -
9	Domestic Violence Housing & Restraining Order Clinic	CIFD	Citywide	200,000				\$ 200,000	\$ -			\$ 200,000					\$ -
10	Durable Medical Equipment (DME) for People with Disabilities Experiencing Homelessness	Disability	Citywide	57,782				\$ 57,782	\$ -			\$ 57,782					\$ -
11	FamilySource System	CIFD	Citywide	6,861,227	(483,619)			\$ 6,377,608	\$ -			\$ 6,377,608	6,664,300				\$ 6,664,300
12	LAHSA - Homeless Emergency Shelter & Services (as of PY47: includes Emergency Shelter, Oasis at San Julian, Winter Shelter)	LAHSA	Citywide	152,000				\$ 152,000	\$ -	2,802,888		\$ 2,954,888			2,751,726		\$ 2,751,726
13	LAHSA - Homeless Management System (HMIS)	LAHSA	Citywide					\$ -	\$ -	226,731		\$ 226,731			223,807		\$ 223,807
14	LAHSA - Rapid Rehousing Program (formerly Homeless Prevention and Rapid Re-Housing)	LAHSA	Citywide					\$ -	\$ -	1,164,902		\$ 1,164,902			1,164,902		\$ 1,164,902
15	RCDC Shower Trailer Program (formerly Mt Tabor Shower Trailer)	PW-Board	8	554,898				\$ 554,898	\$ -			\$ 554,898					\$ -
16	Subtotal—Public Services			\$ 11,626,837	\$ -	\$ (750,837)	\$ -	\$ 10,876,000	\$ -	\$ 4,194,521	\$ -	\$ 15,070,521	\$ 9,907,000	\$ -	\$ 4,140,435	\$ -	\$ 14,047,435
17	CDBG Public Services Cap			11,760,000	(884,000)			\$ 10,876,000	\$ -				9,907,000				
18	ESG Outreach & Shelter Subtotal							\$ -	\$ -	2,802,888					2,751,726		
19	ESG Outreach/Shelter Cap (Hold Harmless Need) (NOTE: this amount doesn't change unless 60% of annual amount is higher.)							\$ -	\$ -	2,989,650					2,989,650		
20	Balance between CDBG Cap and Allocation			133,163	(133,163)			\$ -	\$ -	186,762			-		237,924		
ECONOMIC DEVELOPMENT																	
21	Economic Development Program Delivery	EWDD	Citywide	\$ 780,668				\$ 780,668	\$ -			\$ 780,668	\$ 1,065,315				\$ 1,065,315
22	Accelerating Blue Future Incubator	EWDD	Citywide	210,000				\$ 210,000	\$ -			\$ 210,000					\$ -
23	Grid 110	EWDD	8, 9, 14	374,000				\$ 374,000	\$ -			\$ 374,000	374,000				\$ 374,000
24	Healthy Neighborhood Market Network Program	EWDD	Citywide	500,000				\$ 500,000	\$ -			\$ 500,000	500,000				\$ 500,000
25	LA BusinessSource Program	EWDD	Citywide	6,500,000				\$ 6,500,000	\$ -			\$ 6,500,000	6,996,000				\$ 6,996,000

49th Program Year 2023-24 Consolidated Plan Revenues and Allocations

Attachment B

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	
				48th Program Year (PY 48) 2022-2023									49th Program Year (PY 49) 2023-24					
Row	Project	City Dept.	Council District	PY 48 CDBG	CDBG Reprog. Sep & Nov 2022 (CFs 20-1433-S3 & 21-2186-S2)		CDBG Reprog. Mar 2023 (CF 21-1186-S4)	CDBG Reprog. Apr 2023	PY48 CDBG Total	PY48 HOME Total	PY 48 ESG	PY 48 HOPWA	PY 48 Total	PY 49 CDBG	PY 49 HOME	PY 49 ESG	PY 49 HOPWA	PY 49 Total
26	Los Angeles Cleantech Incubator	EWDD	Citywide	1,500,000					\$ 1,500,000	\$ -			\$ 1,500,000	1,500,000				\$ 1,500,000
27	Los Angeles Recovery Gap Financing Program	EWDD	Citywide			2,669,224			\$ 2,669,224	\$ -			\$ 2,669,224					\$ -
28	SEE-LA Food Business Incubator	EWDD	Citywide	114,400					\$ 114,400	\$ -			\$ 114,400	135,000				\$ 135,000
29	Subtotal—Economic Development			\$ 9,979,068	\$ -	\$ 2,669,224	\$ -		\$ 12,648,292	\$ -	\$ -	\$ -	\$ 12,648,292	\$ 10,570,315	\$ -	\$ -	\$ -	\$ 10,570,315
HOUSING AND RELATED PROGRAMS																		
30	Affordable Housing Managed Pipeline & Program Delivery	LAHD	Citywide	\$ 375,061					\$ 375,061	\$ 56,249,796			\$ 56,624,857	\$ 124,571	\$ 38,443,736			\$ 38,568,307
31	Homeownership Assistance	LAHD	Citywide	1,039,480					\$ 1,039,480	\$ 4,233,785			\$ 5,273,265	995,438	4,200,000			\$ 5,195,438
32	HOPWA LAHD Housing Information Services	LAHD	Citywide						\$ -	\$ -		254,135	\$ 254,135				410,800	\$ 410,800
33	HOPWA Service Provider Program Activities	LAHD	Citywide						\$ -	\$ -		23,555,382	\$ 23,555,382				24,555,382	\$ 24,555,382
34	Lead Hazard Remediation and Healthy Homes Program	LAHD	Citywide	649,286					\$ 649,286	\$ -			\$ 649,286	1,285,463				\$ 1,285,463
35	Single Family Rehabilitation—Handyworker	LAHD	Citywide	2,320,640					\$ 2,320,640	\$ -			\$ 2,320,640	2,455,533				\$ 2,455,533
36	Urgent Repair Program	LAHD	Citywide	125,000			50,000		\$ 175,000	\$ -			\$ 175,000	125,000				\$ 125,000
37	Subtotal—Housing & Related Programs			\$ 4,509,467	\$ -	\$ -	\$ 50,000		\$ 4,559,467	\$ 60,483,581	\$ -	\$ 23,809,517	\$ 88,852,565	\$ 4,986,005	\$ 42,643,736	\$ -	\$ 25,966,439	\$ 73,596,180
NEIGHBORHOOD IMPROVEMENTS (Includes Public Facilities)																		
38	BCA/Prevailing Wage Labor Compliance Services	PW-Contract Adm	Citywide	\$ 59,743					\$ 59,743	\$ -			\$ 59,743	\$ 38,879				\$ 38,879
39	City Attorney Residential Enforcement (CARE)	City Atty	Citywide	132,769					\$ 132,769	\$ -			\$ 132,769	132,769				\$ 132,769
40	City Attorney Task Force for Apartment and Rental Properties (TARP)	City Atty	Citywide	398,308					\$ 398,308	\$ -			\$ 398,308	398,308				\$ 398,308
41	Code Enforcement (Citywide PACE)	DBS	Citywide	3,034,884					\$ 3,034,884	\$ -			\$ 3,034,884	3,300,376				\$ 3,300,376
42	Neighborhood Facility Improvements Program Delivery	CIFD	Citywide	1,541,701					\$ 1,541,701	\$ -			\$ 1,541,701	1,394,345				\$ 1,394,345
43	ADA FSC Improvement Project—All Peoples Community Center (part of Building Improvement Fund)	CIFD	9	- 271,000					\$ 271,000	\$ -			\$ 271,000	-				\$ -
44	ADA FSC Improvement Project—New Economics For Women (part of Building Improvement Fund)	CIFD	3	- 50,000					\$ 50,000	\$ -			\$ 50,000	-				\$ -
45	ADA FSC Improvement Project—P.F. Bresee Foundation (part of Building Improvement Fund)	CIFD	13	- 989,000					\$ 989,000	\$ -			\$ 989,000	55,000				\$ 55,000
46	Algin Sutton Recreation Center & Park Improvements	RAP	8	1,000,000					\$ 1,000,000	\$ -			\$ 1,000,000					\$ -
47	Aliso Pico Multipurpose Center Roof Replacement	CIFD	14			150,000			\$ 150,000	\$ -			\$ 150,000					\$ -
48	Amar & Santa Cruz Street Lighting	PW-St Lighting	15	776,250					\$ 776,250	\$ -			\$ 776,250					\$ -
49	Augustus Hawkins Park Improvements	RAP	9	400,000					\$ 400,000	\$ -			\$ 400,000					\$ -
50	Beacon Street Lighting	PW-St Lighting	15	193,750					\$ 193,750	\$ -			\$ 193,750					\$ -

49th Program Year 2023-24 Consolidated Plan Revenues and Allocations

Attachment B

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52	Building Improvement Fund ADA (General Services, City-owned FSCs)	CIFD	1,7,8,10,14	500,000				\$ 500,000	\$ -			\$ 500,000					\$ -
54	Certified Access Specialists (CASP)	CIFD	1,10,14,7,8	-	250,000			\$ 250,000	\$ -			\$ 250,000					\$ -
55	DV Shelter ADA - CAST Hummingbird Haven (HT)	CIFD	5	500,000				\$ 500,000	\$ -			\$ 500,000					\$ -
56	DV Shelter ADA - Haven Hills	CIFD	3	263,000				\$ 263,000	\$ -			\$ 263,000					\$ -
57	DV Shelter ADA - The People Concern Adams House	CIFD	11	273,294				\$ 273,294	\$ -			\$ 273,294					\$ -
58	Elysian Valley Street Lighting	PW-St Lighting	13				122,000	\$ 122,000	\$ -			\$ 122,000					\$ -
59	Harbor Boulevard Linear Park	HACLA	15				255,000	\$ 255,000	\$ -			\$ 255,000					\$ -
60	Homeboy Industries - Feed Hope	CIFD	14	500,000		4,130,000		\$ 4,630,000	\$ -			\$ 4,630,000					\$ -
61	Homeboy Industries - Feed Hope Environmental Review	CIFD	14				20,000	\$ 20,000				\$ 20,000					
62	Homeboy Industries Parking Lot	CIFD	1	550,000		(150,000)		\$ 400,000	\$ -			\$ 400,000					\$ -
63	Hubert Humphrey Park Improvements	RAP	7	800,000				\$ 800,000	\$ -			\$ 800,000					\$ -
64	Huntington Drive Sidewalk Construction	PW-St Services	14					\$ -	\$ -			\$ -	172,000				\$ 172,000
65	Inell Woods Park (formerly Ways Park)	CIFD	9				50,000	\$ 50,000	\$ -			\$ 50,000					\$ -
66	Kittridge Street Park (formerly Tujunga-Kittridge Park)	RAP	2	2,500,000				\$ 2,500,000	\$ -			\$ 2,500,000					\$ -
67	Las Palmas Senior Center Renovation	RAP	13	1,300,000				\$ 1,300,000	\$ -			\$ 1,300,000					\$ -
68	Los Angeles Mission Facility Improvement—Skid Row	CIFD	14	1,052,583				\$ 1,052,583	\$ -			\$ 1,052,583					\$ -
69	MacArthur Park New Playground and Fitness Zone	RAP	1	500,000				\$ 500,000	\$ -			\$ 500,000					\$ -
70	Martin Luther King Jr. Blvd. Street Lighting	PW-St Lighting	9	1,202,005				\$ 1,202,005	\$ -			\$ 1,202,005					\$ -
71	Martin Luther King, Jr. Park Improvements	RAP	8	590,125				\$ 590,125	\$ -			\$ 590,125					\$ -
72	Mayfair Hotel Transitional Housing Acquisition	CIFD	1					\$ -	\$ -			\$ -	27,687,000				\$ 27,687,000
73	Mayfair Hotel Transitional Housing Acquisition Environmental and Historical Review	CIFD	1				20,320	\$ 20,320	\$ -			\$ 20,320					
74	Pacoima Community Center Rehabilitation (El Nido FSC)	CIFD	7			114,000	6,000	\$ 120,000	\$ -			\$ 120,000					\$ -
75	Pacoima Multipurpose and Senior Center Improvements (aka Alicia Broadous-Duncan Senior Center)	RAP	7	1,000,000				\$ 1,000,000	\$ -			\$ 1,000,000					\$ -
76	Panorama City CD 6 Street Lighting	PW-St Lighting	6					\$ -	\$ -			\$ -	150,000				\$ 150,000
77	Panorama Recreation Center	RAP	6	1,000,000				\$ 1,000,000	\$ -			\$ 1,000,000					\$ -
78	Pico Union Youth and Family Innovation Center	CIFD	1	500,000				\$ 500,000	\$ -			\$ 500,000					\$ -
79	Reach for the Top Women's Shelter Construction	CIFD	10				300,000	\$ 300,000	\$ -			\$ 300,000					\$ -

49th Program Year 2023-24 Consolidated Plan Revenues and Allocations

Attachment B

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
				48th Program Year (PY 48) 2022-2023								49th Program Year (PY 49) 2023-24					
Row	Project	City Dept.	Council District	PY 48 CDBG	CDBG Reprog. Sep & Nov 2022 (CFs 20-1433-S3 & 21-2186-S2)	CDBG Reprog. Mar 2023 (CF 21-1186-S4)	CDBG Reprog. Apr 2023	PY48 CDBG Total	PY48 HOME Total	PY 48 ESG	PY 48 HOPWA	PY 48 Total	PY 49 CDBG	PY 49 HOME	PY 49 ESG	PY 49 HOPWA	PY 49 Total
80	Runnymede Park Improvements	RAP	3	1,000,000				\$ 1,000,000	\$ -			\$ 1,000,000					\$ -
81	SEED LA School Construction	CIFD	8	1,000,000		915,000		\$ 1,915,000	\$ -			\$ 1,915,000					\$ -
82	Sidewalk Improvements and ADA Ramps in CD 6	PW-St Services	6	493,000				\$ 493,000	\$ -			\$ 493,000					\$ -
83	Slauson Connect	PW-Engineering	9	1,000,000				\$ 1,000,000	\$ -			\$ 1,000,000					\$ -
84	South Park Improvements	RAP	9	400,000				\$ 400,000	\$ -			\$ 400,000					\$ -
85	St. Francis Hunger Relief Services	CIFD	14			2,550,000		\$ 2,550,000	\$ -			\$ 2,550,000					\$ -
86	Summit View Sidewalk & Public Improvements Construction	CIFD	7	120,000		(120,000)		\$ -	\$ -			\$ -					\$ -
87	Sun Valley Street Lighting	PW-St Lighting	6			40,665		\$ 40,665	\$ -			\$ 40,665					\$ -
88	TUMO Foundation Building Acquisition & Rehabilitation	CIFD	2	1,000,000		2,000,000		\$ 3,000,000	\$ -			\$ 3,000,000					\$ -
89	Vision Theatre Renovation	Cultural Affairs	10	1,500,000				\$ 1,500,000	\$ -			\$ 1,500,000					\$ -
90	Watts Rising CNI: Cool Schools	HACLA	15					\$ -	\$ -			\$ -	500,000				\$ 500,000
91	Watts Rising CNI: Cultural Trail	HACLA	15					\$ -	\$ -			\$ -	500,000				\$ 500,000
92	Watts Rising CNI: Grape Street School Signage Project	HACLA	15					\$ -	\$ -			\$ -	200,000				\$ 200,000
93	Watts Rising CNI: Morning Star Sports Complex	HACLA	15	150,000				\$ 150,000	\$ -			\$ 150,000	170,000				\$ 170,000
94	Watts Rising CNI: Mudtown Farms Kitchen Incubator Program	HACLA	15	413,479				\$ 413,479	\$ -			\$ 413,479	300,000				\$ 300,000
95	Watts Rising CNI: Watts Empowerment Music & Film Studio	HACLA	15	200,000				\$ 200,000	\$ -			\$ 200,000	800,000				\$ 800,000
96	Watts Rising CNI: Watts Station Redevelopment	HACLA	15					\$ -	\$ -				900,000				\$ 900,000
97	Wilmington Multipurpose and Senior Center Improvement	CIFD	15	500,000				\$ 500,000	\$ -			\$ 500,000					\$ -
98	Ziegler Estate/Casita Verde/Mt. Washington Preschool	PW-Engineering	1	50,000				\$ 50,000	\$ -			\$ 50,000					\$ -
99	Subtotal—Neighborhood Improvements			\$ 28,347,668	\$ 2,650,125	\$ 7,481,098	\$ 1,878,985	\$ 40,357,876	\$ -	\$ -	\$ -	\$ 40,357,876	\$ 36,698,677	\$ -	\$ -	\$ -	\$ 36,698,677

49th Program Year 2023-24 Consolidated Plan Revenues and Allocations

Attachment B

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
				48th Program Year (PY 48) 2022-2023									49th Program Year (PY 49) 2023-24				
Row	Project	City Dept.	Council District	PY 48 CDBG CDBG Reprog. Sep & Nov 2022 (CFs 20-1433- S3 & 21-2186- S2)	CDBG Reprog. Mar 2023 (CF 21-1186-S4)	CDBG Reprog. Apr 2023	PY48 CDBG Total	PY48 HOME Total	PY 48 ESG	PY 48 HOPWA	PY 48 Total	PY 49 CDBG	PY 49 HOME	PY 49 ESG	PY 49 HOPWA	PY 49 Total	
ADMINISTRATION / PLANNING																	
100	Aging Department Administration	Aging	Citywide	\$ 317,347	\$ (15,116)		\$ 302,231	\$ -			\$ 302,231	\$ 149,806					\$ 149,806
101	Community Investment for Families Department (CIFD) Administration	CIFD	Citywide	8,206,057	(390,841)		\$ 7,815,216	\$ -			\$ 7,815,216	9,209,303					\$ 9,209,303
102	Economic and Workforce Development Department (EWDD) Administration	EWDD	Citywide	2,148,581	(102,333)		\$ 2,046,248	\$ -			\$ 2,046,248	955,272					\$ 955,272
103	Fair Housing	LAHD	Citywide	510,500			\$ 510,500	\$ -			\$ 510,500	510,500					\$ 510,500
104	Los Angeles Homeless Services Authority (LAHSA) Administration	LAHSA	Citywide	-			\$ -	\$ -	204,058		\$ 204,058			201,427			\$ 201,427
105	Los Angeles Housing Department (LAHD) Administration	LAHD	Citywide	2,051,515	(97,710)		\$ 1,953,805	\$ 6,720,397	136,039	653,828	\$ 9,464,069	1,527,118	4,738,193	134,284	720,537		\$ 7,120,132
106	Strategic Planning and Information Technology Consultants for the Con Plan	CIFD	Citywide	263,000			\$ 263,000	\$ -			\$ 263,000						\$ -
107	Subtotal—Administration / Planning			\$ 13,497,000	\$ -	\$ (606,000)	\$ -	\$ 12,891,000	\$ 6,720,397	\$ 340,096	\$ 653,828	\$ 20,605,321	\$ 12,351,999	\$ 4,738,193	\$ 335,711	\$ 720,537	\$ 18,146,440
108	Cap			13,497,000	(606,000)		\$ 12,891,000	\$ 6,720,398	340,096	653,828		12,352,000	4,738,193	335,711	720,537		
109	Balance between Cap and Allocation			-	-	-	\$ -	\$ -	-	-	-	1	(0)	(0)	0		
TOTAL FUNDING																	
110	TOTAL FUNDING AVAILABLE (PY)			\$ 67,960,040	\$ 2,650,125	\$ 8,793,485	\$ 1,928,985	\$ 81,332,635	\$ 67,203,978	\$ 4,534,618	\$ 24,463,345	\$ 177,534,576	\$ 74,513,996	\$ 47,381,929	\$ 4,476,146	\$ 26,686,976	\$ 153,059,047
111	TOTAL PROGRAM FUNDING ALLOCATIONS			\$ 67,960,040	\$ 2,650,125	\$ 8,793,485	\$ 1,928,985	\$ 81,332,635	\$ 67,203,978	\$ 4,534,617	\$ 24,463,345	\$ 177,534,575	\$ 74,513,996	\$ 47,381,929	\$ 4,476,146	\$ 26,686,976	\$ 153,059,047
112	BALANCE			\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 0	\$ 1	\$ (0)	\$ 1	\$ 0	\$ -	\$ -	\$ -	\$ 0

Row No. CONSOLIDATED PLAN REVENUE/RESOURCES		
1	Entitlement	The City's entitlement is comprised of federal funds administered by the Department of Housing and Urban Development (HUD). Funds are allocated based on the City's Census and American Community Survey data compared with other US cities/jurisdictions.
2	Program Income	Program income results from the payment of principal and interest on housing rehabilitation, housing construction, economic development, former Community Redevelopment Agency-issued loans, and float loans. Federal regulations require that the annual budget estimates include the amount of program income that the City expects to receive during the Program Year.
3	Program and Administrative Savings	Program and administrative savings are derived from unspent funds from prior year activities.
PUBLIC SERVICES		
6	Aging Services Delivery System	Delivery system consists of technical assistance for evidence-based programs, and the Emergency Alert Response System (EARS) program. These programs are designed to meet the individual needs of seniors that are of low-to-moderate income and have physical and/or health problems; or may be homebound and have a need for emergency medical services.
7	Domestic Violence & Human Trafficking Shelter Operations	Provision of safe and secure emergency and transitional shelter, case management and related supportive services to domestic violence survivors and their children. Services include assisting persons in crisis situations by providing services such as individual and family counseling, job skill development, job search activities, income management, opportunities for education, and improved literacy to ensure clients and their families are emotionally and economically self-sufficient.
11	FamilySource System	The FamilySource Centers will provide a continuum of core services including, but not limited to, multi-benefit screening, employment support, financial literacy, adult education, parenting classes, computer literacy, child care, and legal services designed to assist low-income families in increasing their family income and economic opportunities, as well as various youth services designed to improve academic achievement.
12	LAHSA - Homeless Emergency Shelter & Services (as of PY47: includes Emergency Shelter, Oasis at San Julian, Winter Shelter)	The Oasis at San Julian will provide shelter and recuperative services for homeless persons who will benefit from clinical health services but do not require hospitalization. CDBG funds will be used for building operations and security and funds from County Department of Health Services will provide clinical care. This will be rolled into LAHSA - Homeless Emergency Shelter and Services (below).
13	LAHSA - Homeless Management Information System (HMIS)	The Homeless Management Information System (HMIS) is mandated by HUD to provide information about the demographics, needs, and program outcomes of a jurisdiction's homeless population. Data on all ESG-funded clients must entered into the system. Under HEARTH Act regulations, expenditures for HMIS are allowable.
14	LAHSA - Rapid Rehousing Program (formerly Homeless Prevention and Rapid Rehousing)	This ESG budget category will fund Homelessness Prevention and Rapid Re-Housing Program (HPRP) activities required by the HEARTH Act service element titled 'housing relocation and stabilization.' These activities may include the following assistance: homelessness prevention and rapid re-housing financial aid, housing relocation, and stabilization services.
ECONOMIC DEVELOPMENT		
21	Economic Development Program Delivery	Funds Economic Development project implementation and staffing costs for direct assistance to businesses engaged in economic development in accordance with 24 CFR 570.203. Work includes, but is not limited to, providing businesses with grants, loans, tax incentives and technical assistance.
23	GRID 110	Funding will be used for operating costs for GRID 110 (a 501(c)3), a technology incubator. The incubator provides services to microenterprises including: 1) office space, mentors, and resources for microenterprise incubation, 2) Community Programs--entrepreneur/investor boot camps, hackathons to develop technology and panel/networking events, 3) Community partnerships--partner with the key stakeholders to grow microenterprises.
24	Healthy Neighborhood Market Network Program	The Healthy Neighborhood Market Network Program (HNMNP) will work with 5-10 stores to receive direct and intensive "financial resources, technical assistance and community-based marketing." The purpose of the HNMNP is to enable neighborhood markets in low-income neighborhoods with limited healthy food retail to offer a wider selection of fresh, nutritious foods.
25	LA BusinessSource Program	The Los Angeles BusinessSource Center system (LABSC) is operated by community-based organizations with expertise and experience in providing technical assistance to businesses. The training components target the microenterprise owner, small business and entrepreneur populations. The microenterprise businesses must meet the CDBG definition of microenterprise. The entrepreneurial component is available to CDBG eligible individuals; both programs can be accessed at any time in the year.

Row No. CONSOLIDATED PLAN REVENUE/RESOURCES		
26	Los Angeles Cleantech Incubator	The Los Angeles Cleantech Incubator (LACI) is the City's clean-tech focused incubator, located at the La Kretz Innovation Campus, a city facility developed with philanthropic, local, state, and federal funds. LACI receives CDBG funding to nurture early stage clean technology businesses, create green living-wage jobs in Los Angeles and create a more sustainable and livable City. Funds will be used to continue the City's core incubation program, and broaden and support efforts to increase underserved communities of color, veterans and women into the clean technology sector.
28	SEE-LA Food Business Incubator	See-LA will offer an array of entrepreneurial training and services to 5 successful and promising food vendors. Four of these businesses will be selected from their current network of farmers' markets, based upon the quality of their product and determination and they will create at least one full-time equivalent job. The fifth participating business will be drawn from the low income street vendor clients of LURN, a vendor ready to make the leap into selling at a weekly market. CDBG funds will be used to contract with expert partners to develop programs and give technical assistance to 5 businesses to position each business owner to create at least one job. In addition, partners will provide a month long business plan development course administered by business entrepreneurial stewardship training focused on job creation, immersive one on one marketing coaching by Barrio.LA and one-on-one kitchen management coaching by LA Prep.
HOUSING AND RELATED PROGRAMS		
30	Affordable Housing Managed Pipeline And Program Delivery	The Affordable Housing Managed Pipeline (formerly AHTF) and Program Delivery provides capital for preservation and production of affordable rental housing by providing loans for predevelopment, acquisition, refinancing, construction and rehabilitation. Funding priorities include transit-oriented and workforce housing, and permanent supportive housing. Funds will also pay for staff-related program delivery costs of the AHMP.
31	Homeownership Assistance	LAHD provides purchase assistance loans, and/or mortgage credit certificates, combined with first-lien mortgages from participating lenders, to low-and-moderate-income first-time homebuyers to assist in the purchase of a home in the city. The program seeks to increase the city's homeownership rate, foster partnerships with public and private organizations, leverage funds and prevent foreclosed properties from destabilizing neighborhoods.
32	HOPWA LAHD Housing Information Services	Information technology to collect, track and report on client services.
33	HOPWA Service Provider Program Activities	Funding for the following HOPWA programs: Facility-Based Housing Subsidy Assistance: Multiple units are leased and maintained for households that benefit from supportive services ; includes the services of the Regional Offices and the Central Coordinating Agency. HOPWA Service Provider Administration: Management, monitoring, and coordination of the HOPWA grant-funded programs and activities, up to maximum of 7% per federal regulations. HOPWA Short Term Rent, Mortgage and Utility Payment: This program provides for temporary rental, mortgage and/or utility assistance for HIV positive and income-qualified clients countywide. HOPWA Supportive Services: An array of supportive services, including residential service coordination, legal services, training, animal support, and advocacy. HOPWA Tenant-Based Rental Assistance (TBRA): Local housing authorities offer 12 months of HOPWA rental assistance that then converts, on a per-client basis, to a Housing Choice Voucher (i.e., Section 8).
34	Lead Hazard Remediation and Healthy Homes Program	The program provides grants to multifamily units and single family homes, where low-income families reside, to remediate lead-based paint (LBP) hazards. Each property will receive a lead inspection/risk assessment to determine the presence of LBP. If LBP hazards are detected, the hazard will be remediated by a lead-certified contractor and cleared as per State and Federal regulations. Education and relocation assistance is also provided, if needed.
35	Single Family Rehabilitation - Handyworker	Minor home repair services, not requiring City permits, are provided via City-approved contractors to low-income elderly and disabled homeowners. Grants of up to \$5,725 per client can be used for repairs to address safety and accessibility. Installation of safety and security devices are provided to low-income elderly and disabled homeowners and renters. Grants of up to \$400 per client can be used for the installation of safety and security devices that help to prevent accidents and crime in the home.
36	Urgent Repair Program	The Urgent Repair Program quickly responds to life-threatening conditions in multifamily rental units. When LAHD's Systematic Code Enforcement Program issues a 48-hour Notice to Correct, but the owner does not comply, LAHD's contractor makes the repairs. This prevents homelessness, preserves the tenancy of the occupants by preventing their evacuation, and preserves affordable housing. Projects must meet Slum and Blight Spot criteria.
NEIGHBORHOOD IMPROVEMENTS		
38	BCA Prevailing Wage Labor Compliance Services	CDBG will pay 20% of one Senior Management Analyst I salary including GASP and related costs who will provide prevailing wage labor compliance monitoring of Neighborhood Improvement projects implemented by Nonprofits. Staff costs will be charged to work order numbers associated with the eligible CDBG funded neighborhood improvement projects. Program delivery activities associated with the work order numbers will be established to charge staff and related costs based on time spent on the activity.

Row No. CONSOLIDATED PLAN REVENUE/RESOURCES		
39	City Attorney Residential Enforcement (CARE)	This is a multi-agency approach among the City Attorney's office, Dept. of Building and Safety, and LA County Dept. of Public Health to revitalize neighborhoods and resolve code violations, thereby increasing habitability and safety in impacted low/mod income, primarily residential areas. Prosecutors review cases for violations including trash and debris, graffiti or illegal construction and substandard single-family residences.
40	City Attorney Task Force For Apartment and Rental Properties (TARP)	The TARP team has the ability to use resources from the LA Housing Dept., LA Fire Dept., and LA County Dept. of Public Health to prosecute cases involving a wide-range of code violations thereby increasing habitability and safety in multi-family properties located in primarily low/mod residential areas.
41	Code Enforcement (Citywide PACE)	PACE is an intervention program designed to proactively seek out code violations within 9 designated service areas that meet the CDBG low and moderate income benefit. Inspectors identify graffiti, trash, illegal constructions and substandard dwellings. The program helps residents gain compliance, revitalize communities, increase public safety, reduce crime, and enhance economic growth and stability. CDBG funds will pay for salaries, expenses and other related costs.
42	Neighborhood Facility Improvements Program Delivery	Funding will pay salaries, including GASP, and related costs for CDBG capital development specialists who screen and implement CDBG-funded, City or nonprofit agency-owned acquisition, construction, and/or renovation projects located citywide, from which CDBG-eligible services are provided.
45	ADA FSC Improvement Project—P.F. Bresee Foundation (part of Building Improvement Fund)	The ADA Equitable Upgrade Project at the P.F. Bresee Foundation will allow all people to be able to move freely within Bresee's space while seeking services. The current plan is to start construction in June, 2023, with completion expected in December, 2023. Contractor procurement is on the timeline for April, 2023, and the new upgrades are anticipated to be ready for use in January, 2024.
64	Huntington Drive Sidewalk Construction	The scope of the project is reconstruction of existing sidewalks consisting of over 2,300 linear feet of sidewalk (1,600 of it is new sidewalk) along Huntington Drive between Turquoise Street and Monterey Road. Additionally, it will remove existing fences on the south side of Huntington Drive between Turquoise St and Topaz St.
72	Mayfair Hotel Transitional Housing Acquisition	Purchase building near Downtown LA to provide 294 units of transitional housing for unhoused persons.
76	Panorama City CD 6 Street Lighting	This project will construct 78 new street lights in a residential area of Panorama City. Grant funds will pay for design and construction costs, while maintenance will be assessed to property owners. The benefiting neighborhoods will have a modern LED lighting system that provides uniform lighting levels on the street and sidewalk. Property owners, low and moderate income residents, pedestrians and motorists will benefit from this project by the improved livability of their neighborhood.
90	WATTS RISING CNI: COOL SCHOOLS	Remove 5,000 square foot of asphalt on two - three school campuses and replace with native trees and plants, outdoor garden area, pathways, table and informational signage to be used for classroom and enrichment opportunities.
91	WATTS RISING CNI: CULTURAL TRAIL	The Watts Cultural Trail is one of 13 major infrastructure projects proposed by the Watts Rising Collaborative, a partnership of more than 40 organizations. The Cultural Trail (TCC Workplan #6) is part of a larger, 10-mile walk/bike path to be constructed to improve pedestrian safety, encourage walking, and provide environmental benefits. This proposed project for CDBG funds includes both design and construction processes. The design portion will include surveying and developing a scope of work to identify necessary concrete cut outs for sidewalks, installation of sidewalks as needed along the trail, locations or public art, drainage concerns and water meter locations, and designing landscaping components along the trail. Streets LA will be responsible for completing necessary repairs to sidewalks as identified in Phase 1 as well as installing public art, way finding signage and landscaping.
92	WATTS RISING CNI: GRAPE STREET SCHOOL SIGNAGE PROJECT	This project will construct 6 new street lights in a residential area of Watts. Grant funds will pay for the design and construction costs, while maintenance will be assessed to property owners. The benefiting neighborhoods will have a modern LED lighting system that provides uniform lighting levels on the street and sidewalk. Property owners, low and moderate income residents, pedestrians and motorist will benefit from this project by the improving the livability of their neighborhood.
93	Watts Rising CNI Morning Star Sports Complex	Upgrading the community accessible playground and basketball court and well-lit recreational space. After-school program with homework assistance, daily meals and snacks for youth. Other organizations will support activities and offer other supportive services including case management.
94	Watts Rising CNI: Mudtown Farms Kitchen Incubator Program	Pre-development and construction of a 8,000 square-foot commercial kitchen facility with equipment and prep stations, storage space (refrigerated, frozen, dry), office/ meeting space, and other programmable space. Will serve as a training facility and home for food-based business incubator program.

Row No. CONSOLIDATED PLAN REVENUE/RESOURCES		
95	Watts Rising Watts Empowerment Music & Film Studio	Elevate Hope, Inc. will engage an architect and engineer to develop plans for a 2,000 square foot modular sound room and studio space with state-of-the-art equipment to provide a STEAM experience for youth in the Watts area and technical credentialed training for youth and adults in sound production, editing, online content creation, film production - all creative and growing fields of work.
96	WATTS RISING CNI: WATTS STATION REDEVELOPMENT	Historical tourism site connecting Watts Historical Train Station and Watts Towers (Cultural Crescent) displaying their history, connection to the community, and the culture via a gallery/museum, vending district, farmers market, trails walk, art murals, Red Car Cafe, and BusinessSource Center.
ADMINISTRATION/PLANNING		
100	Aging Department Administration	The funding provided will support the Los Angeles Department of Aging's (LADOA) administration of the Aging Services Delivery System, including the evidence based program, and the Emergency Alert Response System (EARS) program. These programs are administered by the LADOA through contractual monitoring, budgetary assistance, technical assistance, and outreach support.
101	Community Investment for Families Department (CIFD) Administration	Administration and oversight of federal grants, programs, and services. Includes the support of other departments for CDBG: City Administrative Officer, City Attorney, Controller and Personnel Dept.
102	Economic and Workforce Development Department (EWDD) Administration	Funding is for staff salaries, fringe benefits, rent and some costs related for administration of CDBG activities, including program planning; project coordination; monitoring of subrecipients; and review of applications. Staff work in the following divisions within the Dept.: administrative services, economic development, financial management, human resources, information technology and workforce development.
103	Fair Housing	This is a HUD-mandated program to affirmatively further fair housing, handle housing discrimination cases, outreach and referrals. Provides services to residents including investigations of alleged housing discrimination complaints based on violations of federal, state and local laws; remedies for valid complaints; multilingual outreach and education to residents and housing providers; multilingual property management training; and training for City staff.
104	Los Angeles Homeless Services Authority (LAHSA) Administration	Funding for administrative costs related to the implementation of ESG-funded homeless programs. LAHSA administers, through a network of nonprofit agencies, programs designed to assist homeless persons to transition from homelessness to independent living.
105	Los Angeles Housing Department (LAHD) Administration	Administration and oversight of federal grants, programs, and services.

**49th Program Year Action Plan
CDBG Future Priority Projects**

Attachment D

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
	Project	CD	Vested*	Legacy or Timeliness	Total CDBG Needed	Program Year Applied	PY 44 awarded	PY 45 awarded	PY 46 Awarded	PY 47 Awarded	PY 48 Awarded & Recommended	Balance needed	PY 49 projected	PY 50 projected	PY 51 projected	Comments
1	Algin Sutton Recreation Center and Park Improvements	8	V	Legacy	\$ 1,500,000	48					1,000,000	\$ 500,000				
2	Arminta Street Lighting Project	2		Legacy	221,884	46			-			\$ 221,884				
3	Arminta Street Pedestrian Improvements	2		Legacy	2,531,000	46	\$ -	\$ -	\$ -			\$ 2,531,000				
4	Blue LA Electric Vehicle Carshare	6,7,8,9,10,15	V	Time	2,157,902	47				\$ 1,200,000		\$ 957,902		\$ 957,902		
5	Building Creative Workforce	1, 3, 6, 10, 13, 15		Time	270,492	47				\$ 270,492	\$ (270,492)	\$ 270,492	\$ 270,492			
6	Catholic Charities Youth Shelter	13		Legacy	3,000,000	46	-	-	-	-		\$ 3,000,000				This a multi-phased project.
7	Clinica Romero Transformation Project	14	V	Legacy	820,000	45		400,000	400,000			\$ 20,000				
8	Dulan's Soul Food Restaurant Improvements (Presidio Foods)	8		Legacy	840,000	44						\$ 840,000		840,000		
9	El Sereno 710 Property Acquisition / Rehabilitation	14	V	Leg&Time	2,000,000	47				500,000	(500,000)	\$ 2,000,000		2,000,000		Has \$2M in local funds.
10	Las Palmas Senior Center	13	V	Legacy	1,000,000	47					1,300,000	\$ -				
11	Mount Carmel Recreation Center & Park Improvements	8	V	Legacy	2,250,000	47				750,000		\$ 1,500,000				
12	Pendleton & Rialto Street Lighting (formerly known as North Hollywood Sun Valley CD 6 Area 3)	6		Legacy	1,142,500	47						\$ 1,142,500				
13	Panorama City Willis Ave/Community Street Lighting (formerly known as Pan. City CD 6 Area	6	V	Legacy	283,751	47				283,751		\$ -				
14	Ramon Garcia Recreation Center	14	V	Time	3,100,069	44	300,000		1,300,069	1,500,000	(3,100,069)	\$ 3,100,069		3,100,069		Construction could start 2024. Recommend fund PY50 2024-25.
15	Robert M. Wilkinson Multipurpose and Senior Center Building Improvements	12	V	Leg&Time	1,871,078	46			1,201,078	670,000	(1,871,078)	\$ 1,871,078		1,871,078		Construction could start 2024. Recommend fund PY50 2024-25.
16	Roger Jessup Park Improvements	7	V	Leg&Time	1,400,000	44	-	-	150,000	-	(150,000)	\$ 1,400,000			1,400,000	
17	Rose Hills Park Playground	14		Legacy	600,000	48						\$ 600,000				Note: Different from Rose Hills Recreation Center
18	Sepulveda Recreation Center and Park Ball Field Improvement	6	V	Legacy	1,500,000	46			1,000,556		(1,000,556)	\$ 1,500,000			1,500,000	
19	Self-Help Graphics and Art Park	14		Legacy	\$500,000	48						\$ 500,000				
20	Sun Valley Street Lighting Phase 7	6	V	Time	1,040,706	45		1,040,706			(989,045)	\$ 989,045		989,045		
21	Watts Rising Choice Neighborhood Initiative Grant Match	15	V	Legacy	\$5,433,479	46						\$ 3,067,440				
21a	Watts Rising CNI: Grape Street School Signage	15		Legacy												
21b	Watts Rising CNI: Greening Watts: Fruit, Street, and Shade Trees	15		Legacy												
21c	Watts Rising CNI: Morning Star Sports Complex	15	V	Legacy						100,000	150,000					On Tier 2 list recommended for additional funding (CF #21-1186-S4)
21d	Watts Rising CNI: Mudtown Farms Kitchen Incubator	15		Legacy							\$413,479					On Tier 2 list recommended for additional funding (CF #21-1186-S4)
21e	Watts Rising CNI: WalkBikeWatts	15	V	Legacy					1,000,030							
21f	Watts Rising CNI: Watts Empowerment Music & Film Studio	15	V	Legacy						502,530	\$200,000					On Tier 2 list recommended for additional funding (CF #21-1186-S4)
22	William Mead Choice Neighborhood Planning Grant Match	15		Legacy	200,000	49						\$ 200,000	200,000			CF 21-0709
23	Ziegler Estate/ La Casita Verde/ Mt. Washington Preschool	1	V	Legacy	3,454,427	46			1,194,345	2,300,000	50,000	\$ -	-			This is a multi-phased project.
Totals					\$ 37,117,288		\$ 300,000	\$ 1,440,706	\$ 6,246,078	\$ 8,076,773	\$ (4,767,761)	\$ 26,211,410	\$ 470,492	\$ 9,758,094	\$ 2,900,000	

* **Vested Projects:** If future CDBG funding is not identified, there is a risk that projects that already spent CDBG funds will not be completed. Therefore, the City would have to pay back the funds already expended or would delay spending funds already allocated.

Legacy (Leg): Project was on the list as of the start of PY 48.

49th Program Year Action Plan (2023-24)
CDBG Resources and Expenditure Limitation (Spending Caps) Detail

Attachment E

A	PROGRAM YEAR SOURCES	B				F	
		PY 48 (July 2022 to June 2023)				PY 49 (July 2023 to June 2024)	
		Projections	Sep (CF 20-1433-S3) & Nov 2022 (CF 21-1186-S3) Reprogramming	Updated Projections & Mar 2023 Reprog (21-1186-S4)	Updated Projections & April Reprogramming	Projections	
1	ENTITLEMENT	50,929,272	50,929,272	50,929,272	50,929,272	50,189,777	
2	PROGRAM INCOME (PI)						
3	LAHD Monitored Loans	12,779,600	12,779,600	9,747,800	9,747,800	9,374,000	
4	Commercial and Industrial Earthquake Recovery Loan Program (CIERLP) payments	152,000	152,000	77,000	15,400	13,000	
5	EWDD Loans	48,700	48,700	48,700	33,600	33,600	
6	Neighborhood Facilities	40,600	40,600	40,600	40,600	-	
7	Misc. Program Income	44,300	44,300	44,300	44,300	59,300	
8	Program Income Subtotal	\$ 13,065,200	\$ 13,065,200	\$ 9,958,400	\$ 9,881,700	\$ 9,479,900	
9	Available Funds						
10	Prior Year's Surplus (Deficit)	\$ 1,503,800	\$ 1,503,800	(0)	(0)	(0)	
11	Applicable Credits	170,600	170,600	170,600	170,600	229,300	
12	District Square #C-122004 Repayment Agreement thru Dec. 2023 2020	1,000,000	1,000,000	-	-	-	
13	CDBG Savings	1,291,168	1,291,168	1,291,168	1,291,168	14,615,020	
14	Funding for Fall 2022 Reprogramming	-	2,650,125	2,650,125	2,650,125	-	
15	Funding for March 2023 Reprogramming			14,404,085	14,404,085	-	
16	Funding for April 2023 Reprogramming				2,005,685	-	
17	Available Funds Subtotal	\$ 3,965,568	\$ 6,615,693	\$ 18,515,978	\$ 20,521,663	\$ 14,844,319	
18	AVAILABLE RESOURCES FOR PROGRAM YEAR	\$ 67,960,040	\$ 70,610,165	\$ 79,403,650	\$ 81,332,635	\$ 74,513,996	
19	Amount allocated for Action Plan	\$ 67,960,040	\$ 67,960,040	\$ 67,960,040	\$ 67,960,040	\$ 74,513,996	
20	Amount allocated for Fall 2022 Reprogramming		\$ 2,650,125	\$ 2,650,125	\$ 2,650,125		
21	Amount allocated for March 2023 Reprogramming			\$ 8,793,485	\$ 8,793,485		
22	Amount allocated for April 2023 Reprogramming				\$ 1,928,985		
23	Revised Action Plan Total		\$ 70,610,165	\$ 79,403,650	\$ 81,332,636	\$ 74,513,996	
24	Surplus/Deficit and CDBG Savings	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ 0	
25	CAP COMPUTATIONS						
26						Public Service	Administrative
27						Rev Proj PY 48 Program Income	Proj PY 49 Program Income
28	Program Income Subtotal (above)				9,881,700	9,479,900	
29	Section 108 loans				5,978,500	2,094,100	
30	TOTAL PROJECTED PROGRAM INCOME RECEIPTS				\$ 15,860,200	\$ 11,574,000	
31	ENTITLEMENT				50,189,777	50,189,777	
32	TOTAL ANTICIPATED RESOURCES FOR CAP COMPUTATIONS				\$ 66,049,977	\$ 61,763,777	
33	Multiply by Cap Rate				15%	20%	
34	TOTAL CAP AVAILABLE—PUBLIC SERVICE				\$ 9,907,000		
35	TOTAL CAP AVAILABLE—ADMINISTRATIVE					\$ 12,352,000	
36	PY 48 Caps				\$ 10,876,000	\$ 12,891,000	
37	Difference				\$ (969,000)	\$ (539,000)	

CDBG Funding to be Reprogrammed for Program Year 49

Future Funding Recommendation	Dept	Council	Project Name	PY	FMS	Status	Comments	Reprogramming Amount
1—Potentially restore funds depending on resolution of certain key issues								\$ 2,800,000.00
	CIFD-ND	1	Pico Union Youth and Family Innovation Center	48	21W531	PEP submitted and in review	CDBG application was for \$2 million and only \$500,000 awarded. Project needs additional \$1.5 million. Contractor procurement not scheduled until Jan 2024 with construction start date of June 2024. All funding not expected to be secured until March 2024. Nonprofit has not responded on impact of not having all the funding. At time of application, project total was \$13 million, with only \$4 million secured. PEP submitted 2/28/23.	\$ 500,000.00
CIFD-ND Total								\$ 500,000.00
	PW-Engineering	1	Ziegler Estate/Casita Verde/Mt. Washington Preschool	47	21W970	No spending; 1+ year old	Project continues with PY 46 & PY 48 funding of \$1.2M. As of March 2023, no project manager assigned to the project since prior staff promoted.	\$ 1,300,000.00
PW-Engineering Total								\$ 1,300,000.00
	PW-St. Services	9	CD 9 Alley Improvements	47	21V812	No PEP; 1+ year old	No project manager yet. Recommend waiting for Public Works to have more staff capacity before funding.	\$ 500,000.00
		9	CD 9 Sidewalk Improvements	47	21V693	No PEP; 1+ year old	No project manager yet. Recommend waiting for Public Works to have more staff capacity before funding.	\$ 500,000.00
PW-St. Services Total								\$ 1,000,000.00
2—Other funds available for use or project not ready for funding								\$ 11,815,019.76
	CIFD-ND	11	DV Shelter ADA - The People Concern Adams House	48	21W578	Other funds available	Agency will use another source of funds for the project.	\$ 273,294.00
CIFD-ND Total								\$ 273,294.00
	EWDD	9	Slason Wall Affordable Housing & Econ Dev & Green Space	42	43N467	No PEP submitted; funds are 6 years old	Funds awarded 6 years ago and not likely to be spent in the next 6 months. The planned scope for the funds has changed repeatedly. Many staffing changes in management of the funds. PEP is still outstanding and funds are not committed. Funding of \$3.1 million in PY 46 would remain and be available for the project.	\$ 150,000.00
	Citywide		JEDI Zone Facade Improvement	45	43S284	No PEP submitted yet; funds >1 year old	JEDI Zone program approved by Council Sept. 2021. Funding awarded in PYs 45, 46, and 47, totaling \$2.3 million; no expenditures for program year. Funds are over 2 years old and not likely to be spent in next 6 months. Funding of \$500,000 from PY 47 would remain and be available to the program.	\$ 354,846.76
	Citywide		JEDI Zone Facade Improvement	46	43T284	PEP submitted and in review; funds >1 year old	JEDI Zone program approved by Council Sept. 2021. Funding awarded in PYs 45, 46, and 47, totaling \$2.3 million; no expenditures for program year. Funds are 2 years old and not likely to be spent in next 6 months. Funding of \$500,000 from PY 47 would remain and be available to the program.	\$ 1,327,695.00
	Citywide		Section 108 Payment-Small Business Loan Program	46	43T649	No PEP submitted; funds >1 year old	Funds were awarded to be applied to payment of a Section 108 loan to help with timeliness standard in PY 46. Funds have not been spent.	\$ 491,920.00
EWDD Total								\$ 2,324,461.76
	PW-Engineering	9	Slason Connect	47	21V827	No PEP submitted; >1 year old	No progress yet. Engineering has not started a PEP yet and has been unresponsive to repeated requests from CIFD.	\$ 1,265,000.00
		9	Slason Connect	48	21W827	No PEP submitted, nor for prior year of funding	No progress yet. Engineering has not started a PEP yet and has been unresponsive to repeated requests from CIFD.	\$ 1,000,000.00
		10	Pio Pico Library Pocket Park	44,45,46	43R716435	1 PEP needed (Partial PEPs approved); no spending; 1+ year old	Funds were awarded 2 to 4 years and remain unspent and are not likely to be spend in the next 6 months. Project was awarded under prior Councilmember. BOE has CRA Bond Proceeds and Quimby funds secured and large unsecured gap. BOE has said cost of project has significantly increased and they have an anticipated shortfall of \$6.4 million for base bid and an additional \$2.5 million for additive alternates, totaling \$8.95 million.	\$ 4,951,708.00
PW-Engineering Total								\$ 7,216,708.00

Future Funding Recomm endation	Dept	Council	Project Name	PY	FMS	Status	Comments	Reprogramming Amount
2—Other	PW-St. Services	1	CD 1 Streetscape Beautification	46	43TA41	No PEP; 1+ year old	Funds unspent and >2 years old and not likely to spend for 6+ months. Required project information not provided by Public Works.	\$ 500,000.00
	PW-St. Services Total							\$ 500,000.00
	Rec & Parks	6	Sepulveda Recreation Center and Park Ballfield Improvements	46	43T967	No PEP; 1+ year old	Funds unspent and >2 years old and not likely to spend for 6+ months. Community outreach pending to determine what improvements to be done. PEP not completed due to no scope of work.	\$ 1,000,556.00
		15	Wilmington Multipurpose Senior Center	48	21WB26	Unable to proceed as approved	Original plan was for Rec & Parks to do the work. However, lease says that tenant must do the work. Tenant will need to get new estimate and start over.	\$ 500,000.00
	Rec & Parks Total							\$ 1,500,556.00
Grand Total								\$ 14,615,019.76



2023-27 FIVE-YEAR CONSOLIDATED PLAN COMMUNITY PARTICIPATION SUMMARY

The Consolidated Planning unit staff (ConPlanning Team) have worked with a consultant — the National Development Council (NDC) – to develop and complete the HUD-required community engagement component of the Consolidated Plan. Community engagement has consisted of two public hearings (i.e., community meetings) and several consultations (i.e., stakeholder focus groups) that included discussion on needs from various perspectives, and a community needs survey. The NDC and ConPlanning Teams answered questions and compiled feedback provided by attendees that spoke to needs, proposed investment focus for the formula grants as well as Con Plan priorities.

Consultations/Focus Groups

Name: Affordable Housing Commission (Virtual Meeting)

Date: November 16, 2022

Number of Attendees: 12

Description: The Affordable Housing Commission consists of 7 members appointed by the Mayor who advise the City's leadership on affordable housing issues. Specifically, the Commission makes policy recommendations to address the city's housing needs, including preserving and creating housing opportunities; reviews government's plans and budgets to ensure they conform with City housing policy; and encourages cross-sector partnerships to promote the production and preservation of housing.

Attendees were provided a presentation on what the Con Plan is; the Con Plan goals; examples of the programs and projects that have been funded; the additional CARES Act grant funding and uses to assist Angelenos impacted by the COVID-19 pandemic; estimated grant funding for the next 5 years; and potential priorities for the next 5 years.

The ConPlanning team answered questions and compiled feedback provided by attendees that spoke to needs and priorities.

Name: Family Source Centers Executive Directors (Virtual Meeting)

Date: January 26, 2023

Number of Attendees: 49

Description: Family Source Centers are located in 16 high-need neighborhoods throughout the City and deliver a variety of services to support family income stability and self-sufficiency. Attendees were provided a high-level presentation of the Consolidated Plan, with interstitial discussion prompts that were designed to prompt discussion among attendees. The NDC and ConPlanning Teams were on-hand to answer questions and compiled feedback provided by attendees that spoke to needs, proposed investment focus for the formula grants as well as Con Plan priorities.

Name: Commission on Community and Family Services (CCFS) (Virtual Meeting)

Date: February 6, 2023

Number of Attendees: 19

Description: The CCFS is a 15-member public body that advises City leadership on issues of poverty, the needs of families, children, and youth in order to build stronger and more resilient communities. Attendees were provided a high-level presentation of the Consolidated Plan, with interstitial discussion prompts that were designed to prompt discussion among attendees. The NDC and ConPlanning Teams were on-hand to answer questions and compiled feedback provided by attendees that spoke to needs, proposed investment focus for the formula grants as well as Con Plan priorities.

Name: BusinessSource Centers and Business Incubators Directors (Virtual Meeting)

Date: February 16, 2023

Number of Attendees: 16

Description: BusinessSource Centers provide startup ventures and current small business owners with various free and cost-effective tools to make their business a success. The incubator and accelerator programs contribute to the City's innovation landscape by supporting the creation and growth of start-ups. Attendees were provided a high-level presentation of the Consolidated Plan, with interstitial discussion prompts that were designed to prompt discussion among attendees. The NDC and ConPlanning Teams were on-hand to answer questions and compiled feedback provided by attendees that spoke to needs, proposed investment focus for the formula grants as well as Con Plan priorities.

Name: LA Fair Housing Study Stakeholder Meeting - Housing Development & Finance (Virtual Meeting)

Date: March 7, 2023

Number of Attendees: 23

Description: Meeting was hosted by the Los Angeles Housing Dept (LAHD) and the Housing Authority of the City of Los Angeles (HACLA). Attendees were provided a high-level presentation of the City's Assessment of Fair Housing, with prompts for discussion among attendees. The NDC and ConPlanning Teams were on-hand to listen, answer questions, and compiled feedback provided by attendees that spoke to needs, proposed investment focus for the formula grants as well as Con Plan priorities.

Name: LA Fair Housing Study Stakeholder Meeting - Homeless & Social Service Needs (Virtual Meeting)

Date: March 9, 2023

Number of Attendees: 42

Description: Meeting was hosted by LAHD and HACLA. Attendees were provided a high-level presentation of the City's Assessment of Fair Housing, with prompts for discussion among attendees. The NDC and ConPlanning Teams were on-hand to listen, answer questions, and compiled feedback provided by attendees that spoke to needs, proposed investment focus for the formula grants as well as Con Plan priorities.

Name: Con Plan Consultation on the Mayor's Inside Safe Initiative (Virtual Meeting)

Date: March 16, 2023

Number of Attendees: 16

Description: Co-hosted with the Mayor's office. Attendees were provided a high-level presentation of the Consolidated Plan and the Mayor's Declaration of Emergency on Homelessness, with interstitial discussion prompts that were designed to prompt discussion among attendees. The NDC and ConPlanning Teams were on-hand to answer questions and compiled feedback provided by attendees that spoke to needs, proposed investment focus for the formula grants as well as Con Plan priorities.

Public Hearings/Community Meetings

CIFD emailed flyers announcing the meetings to a mailing list of about 25,000 subscribers as well as to the offices of elected officials, commissioners and dozens of City program managers, public information officers and partner agencies, and asked them to share with their respective networks of constituents, customers and colleagues.

February 13 and February 15, 2023: This virtual meeting provided a high-level overview of the Consolidated Plan – what it is, current uses, process – NDC staff presented and ConPlanning staff provided responses to questions posed by the public.

Sample of Questions & Answers from the Community Meetings:

Question/Comment: The biggest issue we have here in South LA is homelessness, just like everywhere else in LA. How do we measure what is being allocated where? Are there any measurements towards these goals? Like for affordable housing, what is affordable housing in LA: who can afford \$2,000 for rent? How do we keep track where these funds are going? Where can we find the numbers?

Answer: It is incredibly difficult to track so many different funding sources that contribute to lots of related initiatives. The Los Angeles Housing Department does have a [tracker online](#) on their use of HHH funds. We are also required to report to HUD annually on planned use of these funds and our outcomes. You can find these reports on [our website](#).

Question/Comment: I live in Highland Park and work in El Sereno. There has been a shift in housing instability for some. Are there certain areas where housing instability is becoming more of an issue?

Answer: The information that we shared on average median income could be overlaid with housing cost data to show cost burden. We will be looking at housing affordability and cost burden data when drafting the Con Plan. The maps we have shared were pulled from [PolicyMap](#), which is a publicly available data mapping site if you'd like to explore things more closely in your neighborhood.

Question/Comment: Parking is an issue for people in dense neighborhoods who can't park near their homes because so many people live in each unit. And there are also people living in their cars. People end up having to walk 4 blocks on the street and there are also homeless encampments on the sidewalk.

Answer: It's a very complicated and layered issue. For example, new developments near transit stops can provide less parking spaces in order to build more units, but there is a tradeoff for the neighborhoods that already have parking problems. We also want to address the needs of the people that are forced to live in their cars and in encampments which speaks to the Mayor's declaration to get people inside. These are the connections between issues we need to be hearing about.

Question/Comment: I work for an organization that developed the Accessory Dwelling Unit (ADU) Accelerator program which houses extremely low-income seniors. How are we going to develop more housing if there's not any more land to develop housing? When the voucher waiting list was recently opened there was a huge demand.

Answer: Thank you for highlighting that there's still an extreme demand for affordable housing. ADUs are definitely in the news a lot lately and it's one strategy to increase units.

Question/Comment: I work for a homeless service organization. Even if people have vouchers, they can't use them because the rent is too expensive, and they can't find a unit in time. They face barriers like low credit scores or have evictions on their records. Emergency vouchers only provide time-limited subsidy and then people need to pay for housing on their own. This funding doesn't end up being used. Wages are too low to sustain any rent in Los Angeles, not with one job.

Answer: Great points. We've learned some lessons from the emergency vouchers that provide incentives for landlord to accept the vouchers and something we can look into expanding.

Community Needs Survey

The community needs survey was deployed starting on January 20, 2023, was closed on March 17, 2023. The survey was translated into Spanish. CIFD advertised the English and Spanish versions on its website, during community meetings and focus groups, as well as through its electronic mailing list of about 25,000 subscribers. Persons who live, work, own businesses, and go to school in the City were invited to provide insight and feedback regarding housing, neighborhood facilities, social services, and economic development needs.

The City has received approximately 250 responses to date. The following is a summary of the results so far; results will be finalized and reported in the Consolidated Plan when submitted to HUD.

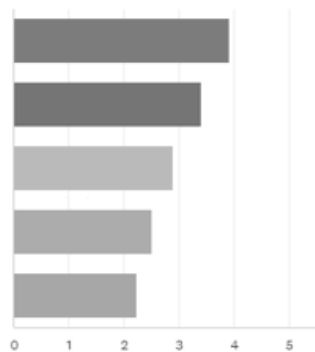
Demographics

- 70% of respondents identified as female, and 25% identified as male. The largest age group of respondents was those between the ages of 35 and 44 (24%), while 22% are over 62.
- 47% identified as Hispanic or Latino, 33% identified as White, 12% as Black or African American, and 8% as Asian.
- 13% reported being unemployed, while 8% are retired.
- 21% of respondents identified as a person with a disability, more than 19% identified as a first-generation immigrant or refugee, 19% identified as a LGBTQIA person, and 8% identified as a homeless or formerly homeless person, and 4% identified as a formerly incarcerated person.

Overall Priorities

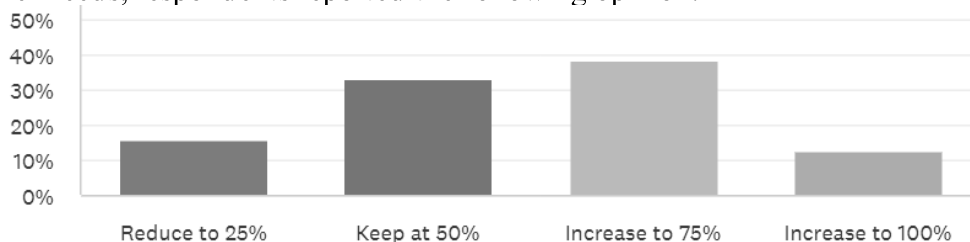
When asked to rank overall investment priorities for their communities, the following rankings emerged:

- **3.92 – Housing:** new affordable rental units, home repair, down payment assistance, prevention of discrimination, eviction prevention
- **3.42 – Community Services:** health and mental health care, homeless services, services for children, services for the elderly
- **2.90 – Public Improvements:** street and sidewalk improvements, water and sewer improvements
- **2.51 – Public Facilities:** libraries, parks, senior centers, youth centers
- **2.24 – Business and Job Opportunities:** training for people who need jobs, small business loans, coaching for small business owners



Housing

- 59% of respondents are renters, 30% are homeowners, 7% reported living with family of friends, 2% are staying at a shelter, and .5% reported being homeless with no fixed shelter.
- 65% reported being housing-cost burdened (spending more than 30% of their monthly income on housing expenses), 47% identified as a low/moderate-income person, and 14% reported living with 5 or more people in their household.
- When asked whether the City should maintain spending about 50% percent of these federal grants to address homelessness, including developing affordable housing and other needs, respondents reported the following opinion:



2023-27 Five-Year Plan Overview

The City of Los Angeles (City) is once again putting forward a Five-Year Housing and Community Development Consolidated Plan (Con Plan) that establishes our local priorities as it relates to the administration of federal entitlement programs from the U.S. Department of Housing and Urban Development (HUD). The development of this plan affords the City of Los Angeles an opportunity to revisit its housing and community development values and goals and align resources around the Mayor's priorities of addressing the homeless and affordable housing crises.

The Con Plan directs federal affordable housing and community development grant dollars to investments that provide decent housing, a suitable living environment, and expanded economic opportunities for low- and moderate-income residents of Los Angeles. The grant dollars are from four key federal programs: 1) the Community Development Block Grant (CDBG), 2) the Emergency Solutions Grant (ESG), 3) the HOME Investment Partnerships Program (HOME), and 4) the Housing Opportunities for Persons with AIDS (HOPWA).

When last we undertook this planning effort five years ago in 2018, Los Angeles faced severe housing-related challenges:

- A dramatic rise in home prices and rental costs, increasingly leading to displacement of long-time residents as older, lower-cost neighborhoods became popular with middle income home buyers, particularly near new public transit stations. Newly built market-rate housing was being rented at prices far beyond the reach of low- and moderate-income residents.
- The beginnings of a significant rise in the number of our unhoused neighbors. From 2015 to 2017, the City saw a 33% increase in homelessness, from approximately 25,000 persons living on the streets to more than 34,000 homeless individuals in 2017.
- Reversal of the progress made in earlier decades by lower-income Angelenos in achieving the American dream of homeownership, due to the rise in home prices, and stagnant wage levels

In 2023, these challenges remain and are coupled with:

- The COVID-19 pandemic has introduced extraordinary challenges into the lives of Angelenos and impacted the overall health of our families, communities, and businesses. While vaccines have brought us to a posture of recovery, broader inequality and inequity has meant that the winds of recovery aren't being felt equally by all Angelenos. Ongoing recovery efforts from the COVID-19 pandemic, which had a higher negative impact on low-income and communities of color. In neighborhoods with 40 percent overcrowding (those found in the City's dense urban core) as compared to a national average of 3 percent, residents are 11 times more likely to die because of COVID-19. This highlights the connection between housing conditions and public health and reinforces the need to consider equity in recovery efforts.
- A continued rise in homelessness, as captured by annual homeless counts, from approximately 31,285 persons living on the streets in 2018 to an estimated 41,980 homeless individuals in 2022 (an increase of 17,000 in four years).

- A dramatic rise in construction costs and delays, both of materials and labor, contributing to the continued high cost of building housing and infrastructure in the City.
- With greater-than-average inflation rates, more of a family's income is spent on necessities such as food, utilities, and gasoline, leaving few ways to reduce spending. This makes it even more challenging for families with low-income to maintain stable housing. High inflation, in short, tends to worsen inequality or poverty because it hits income and savings harder for poorer households.

Persistent Challenges

The City still faces many of the challenges identified in the last Five-Year Con Plan, as well as subsequent Action Plans.

Although the City has begun its recovery from the ongoing COVID pandemic, available funding continues to fall short of the dramatic need for affordable housing and essential human services, while housing affordability continues to elude renters and homeowners alike. Cost-burdened residents struggle to meet basic obligations, including paying for housing, food, transportation, education and health care – all integral components of healthy living.

The majority of city residents are renters, and 59% of renters - over 497,000 households – pay more than 30% of their gross monthly income for housing costs. This burden is also shared by homeowners, 46% of which also pay more than 30% of their income on housing. The longstanding mismatch of incomes and housing costs continues, as rents and home prices rise faster than incomes. For example, while the median income in the city is \$69,778, a household would need to earn over \$132,000 to rent a two-bedroom apartment without paying over 30% of their income. ([Income Needed to Pay Rent in the Largest U.S. Cities - 2022 Edition - SmartAsset](#))

The City has a long way to go to create job opportunities that meet the needs of its businesses and unemployed and underemployed workforce. In December 2022, the city had a 4.4% unemployment rate, slightly higher than the state (4.1%), and significantly higher than the nation (3.5%). As the economy continues to recover from the COVID-19 pandemic, it is important to also support the growth of small businesses as companies under 500 employees provide jobs to 51% (2.8 million) of the city's workforce and account for 46% of its payroll (\$157 billion).

- The rapid and continued rise of homelessness led to the Mayor declaring a state of emergency on homelessness on her first business day in office in December 2022. The gravity of the crisis and its outsized impact on communities of color is outlined in the declaration: homelessness has nearly doubled in the past decade, with the number of unhoused families increasing by 238 percent since 2007; and Black and Brown Angelenos comprise 75 percent of people experiencing homelessness. In addition, the City's winter storms in December 2022-March 2023 are yet another test of the extremely limited shelter bed inventory. In December 2022, it was projected that fewer than half the number of shelter sites would be available compared to the winter of 2021-2022, with nearly two-thirds fewer shelter beds. The Mayor's declaration carries the power to lift rules and regulations that slow or prevent the building of permanent and temporary housing for the unhoused; to expedite contracts that prioritize bringing unhoused Angelenos inside; and that allow the city to acquire rooms, properties and land for housing for Angelenos in need.

Addressing Challenges and Capitalizing on Opportunities

This new five-year plan prioritizes the Mayor's focus on reducing homelessness together with other priority needs:

- Reduce and prevent homelessness, displacement, and housing crisis experiences by investing in increased access to safe, affordable, permanent housing as well as interim and transitional housing.
- Provide opportunities for residents with low-income to prosper, by investing in the creation of living wage jobs, improvements for livable neighborhoods, and services that support self-sufficiency by increasing income, improving educational attainment, and improving health.

These needs drive the funding of programs and projects that align with the following Con Plan goals:

- Prevent and reduce homelessness (includes: Inside Safe, rent subsidies, eviction prevention)
- Develop and preserve affordable housing for unhoused & low income residents
- Significantly reduce poverty
- Improve local economy for low-income residents
- Stabilize and revitalize neighborhoods

New City policies and programs described below will influence and guide the Con Plan's investments and programs in addition to other guidance:

- The City's Housing Element approved by the State of California in June 2022 presents several key goals, including to develop an additional 486,379 housing units by 2029, 230,964 of which will be accomplished by a combination of targeted approaches such as the city acquiring equity in more buildings that can then be converted to housing through additional sources of federal state and local funding resulting in 500 units produced per year, converting existing under-utilized city-owned property to housing, subdividing small lots for 890 units per year, and adding resources to existing homes that enable people with accessibility and mobility needs, particularly affecting the elderly population to reside there. HACLA will acquire 5,000 units in lower resource areas.
- The other 255,415 of needed housing units of which a minimum of 130,543 must be planned for lower income, will require changes to the zoning allowances to, for example, re-zone an industrial area into a mixed-use area so it is permitted to have floors above commercial storefronts, office buildings, and possibly industrial use. Rezoning is a process several years long and must be complete before remediation, if necessary, and then construction can be funded, making the occupancy timeline for more than half of the new housing susceptible to significant delays that may extend into 2029 and beyond. Health is an important factor throughout the new housing plan including the health disparities that tend to disproportionately affect black and latinx persons and persons with lower income.

- Measure ULA, also known as the “Homelessness and Housing Solutions Tax,” is a new local resource adopted by Los Angeles voters in 2022 to address the challenges listed above. It is expected to generate \$600 million to \$1.1 billion per year. This fund is intended to be used for acquisition, preservation, lease, rehabilitation, or operation of affordable housing. The types of housing will include renting, rent-to-own, multi-family units, and mixing diverse economic strata. Transactions up to \$50 million are to be authorized by Los Angeles Housing Dept. without requiring budget approval from City Council, which greatly speeds up the use of funds. It also provides support for persons on the brink of eviction and homelessness, such as eviction defense counsel.

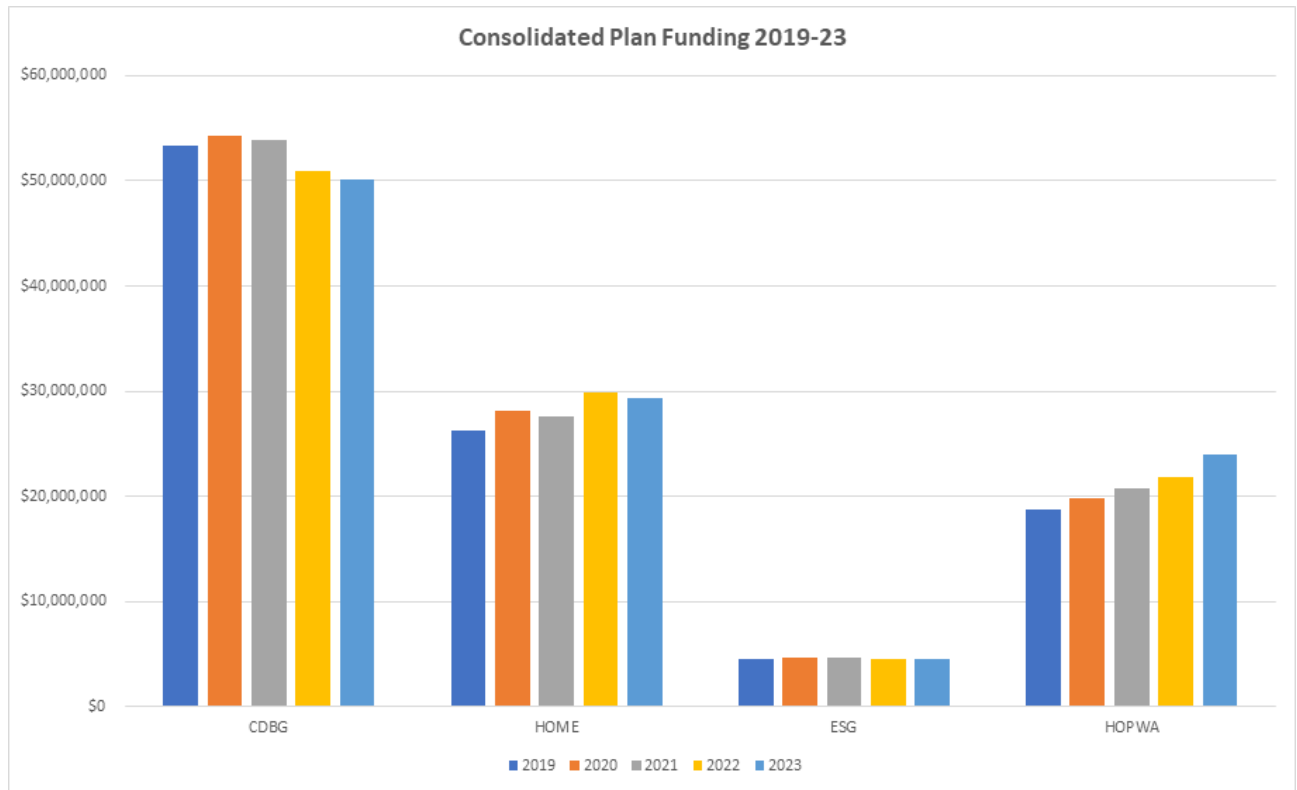
The Principles of Affirmatively Furthering Fair Housing as Applied to the Consolidated Plan

To ensure all Angelenos have equity and access to opportunity for housing, the United States Department of Housing and Urban Development (HUD) requires an Assessment of Fair Housing (AFH). This assessment will help identify the primary conditions that limit fair housing access in Los Angeles and recommend and prioritize actions to address these limiting conditions. Remediating these conditions would help lead to reducing segregation, eliminate racially and ethnically concentrated areas of poverty, reduce disparities in access to community assets, and reduce disproportionate levels of housing need for families with children, people with disabilities, and people of different races, ethnicities, and national origins.

The City of Los Angeles hosted seven community meetings to discuss the AFH in December 2022. Topics discussed included homeless and social service needs, racial inequity and housing access, and disability, mental health and housing. The assessment will help outline the goals, milestones, and metrics for implementing actions to address fair housing issues that will be addressed through the City’s Consolidated Plan. The AFH and resulting implementing actions will show the City’s commitment to expand fair housing for all residents and stop future housing discrimination.

Financial and Other Resources

The chart below shows the Federal entitlement amounts from 2019 to 2023. CDBG has decreased in this time period, ESG has remained level, and HOME and HOPWA have seen increases.



As evident from the above mentioned policies, programmatic guidance and new leveraging resources, the City of Los Angeles will move into a more energized and accelerated phase to address homelessness, while making use of the Con Plan grants as a critical component of this work.



City of Los Angeles Community Development Block Grant (CDBG) Expenditure Policy and Guidelines

Introduction

In the past, in response to the City's challenges in meeting Community Development Block Grant (CDBG) timeliness requirements, a CDBG expenditure policy was developed in 2002 and previously revised in 2003 (Council File No. 01-2765-S2).

The policy is being updated to reflect lessons learned from recent years in managing the CDBG funds, include process improvements; revise sections that were no longer relevant, and reflect grant management changes at the federal level. The revisions should clarify and describe how CDBG funds will be allocated within the annual Consolidated Planning (Con Plan) process and how CDBG savings will be recaptured and reinvested (reprogrammed) in a program year. The policy updates the *Readiness Standard* or guidelines by which projects should be measured before CDBG funds are allocated.

The City is required to use its CDBG funds in a timely manner; however, a backlog of funding has developed when subrecipients of CDBG are unable to draw down funds either on schedule or at all. Untimely spending and backlogs of CDBG dollars have put the City's CDBG program at risk with the timeliness standard established by the U.S. Department of Housing and Urban Development (HUD) (see definition on page 9).

Additionally, HUD introduced accounting changes in 2014 because of audits by the Office of the Inspector General (OIG) that require grant-specific accounting. This requires the City to fund activities from specific grant years and disburse only from those grant years, rather than the previous first-in-first-out method, where funding and disbursements were made from the oldest grant with available funds. This means that grantees must assume more responsibility for ensuring that grant funds are expended within the required timeframes, where the CDBG grantee has until the end of the ***eighth*** federal fiscal year to expend its annual allocation.¹ CDBG funds not disbursed from the grantee's line of credit after eight years will be recaptured by the U.S. Treasury at the end of that federal fiscal year. For example, the Treasury would recapture unexpended funds in the grantee's line of credit for the 2018 allocation at the end of the Federal fiscal year 2025. Note that the City receives its federal funds after the start of the federal fiscal year, so has **7½** years to spend the grant. This means that CDBG funds have a life span and

¹ National Defense Authorization Act of 1991



gives increased urgency to update the City's CDBG expenditure policy and the City spending funds in a timely manner.

The prior policy established that capital projects should be funded incrementally, with funding provided for only the portion of the project that could be reasonably expended within one program year. This is no longer recommended in the revised policy. Nonprofits, contractors, and City departments frequently have been unable to proceed without all of the funds needed for the projects, so funds allocated to partially fund projects may sit unused until the balance of the funds is awarded through CDBG or received elsewhere. Additionally, costs for projects have increased because of funds being awarded over multiple years due to increasing construction estimates and costs. As an example, \$800,000 in CDBG was requested to fund the construction of a community center with a construction estimate of \$725,000 to pay for all costs estimated to be associated with the project. Initially, the City awarded the nonprofit \$400,000 in CDBG in 2009 and the nonprofit worked to find additional funding elsewhere. The nonprofit was able to raise some funds from a private foundation over several years. The project ended up taking six years to complete and cost \$1,200,000 in total because of delays and increased construction costs. CDBG paid for \$750,000 of the \$1,200,000, paying for nearly all of the initially requested funding, but taking six years to complete the relatively simple construction project.

Policy Guidelines

I. General

- A. Funds will be allocated according to Con Plan needs and goals, Mayor and Council priorities, project readiness, and availability of funds. The City will prepare plans for funding CDBG capital projects for multiple years to allow departments and awardees more advance notice to allow greater preparation for projects to start on time and complete more quickly.
- B. All funds allocated for noncapital projects must be expended within one program or contract year. All unspent savings will be reprogrammed.
- C. The City will undergo a midyear reprogramming process every year. All projects will be reviewed, subject to the policies and guidelines contained herein.
- D. Request the Council President refer all Council Motions or reprogramming requests to the appropriate Council Committee overseeing the Consolidated Plan. Continue these motions in that Committee until a reprogramming process is conducted. Additional reprogramming may be conducted as deemed necessary by Mayor and Council.
- E. Each department allocated CDBG funds must submit an environmental checklist and Project Expenditure Plan (PEP) to the Community Investment for Families Department (CIFD) for each project funded.
- F. Borrowing of CDBG funds will not be allowed unless deemed necessary to meet federal timeliness requirements, or in other instances deemed appropriate by the Mayor and Council.

II. Project Selection

A. Application Process

- 1. **Projects need to go through the application process to receive funding:** Unless there is a natural disaster or some other event that requires the City to fund projects based on an urgent need, the City should only fund projects that have submitted



applications. Based on City's challenges in spending CDBG funds and past City audit findings that the staff is still working to resolve with HUD, CDBG projects need to be well vetted before the City funds them. Projects that have received approval for funding before they have been determined eligible, or determined ready, or have been underwritten are projects that have been found to be ineligible, have taken longer to start, or have taken longer to spend the CDBG funds. All of these have been detrimental to the City's meeting CDBG timeliness standards and some of which have created audit finding by HUD.

2. The City, through CIFD, will announce and accept applications for CDBG funding for the upcoming and subsequent program years.
3. CIFD will hold orientation sessions for prospective applicants and City staff to discuss the contract and CDBG program requirements, such as payment of prevailing wages and compliance with the Davis-Bacon Act, insurance, procurement of subcontractors or construction contractors, and liens on property titles.
4. The operating department in charge of project administration will provide an application that includes, but is not limited to, lead agency, project description, project budget including identification of all funding sources and uses, a project performance schedule, and status and proof of site control (see definition of site control on page 10).
5. If a nonprofit is requesting CDBG funds for construction and a City department would be managing the project after construction, the nonprofit must submit a letter from the City department indicating they are approved to construct the project on behalf of the City department or to act as its agent. For example, a nonprofit requesting funding to develop a park that the Department of Recreation and Parks (RAP) later would maintain would need to submit a letter from RAP. The letter would indicate that RAP authorizes the nonprofit to act as its agent and agrees to maintain the park and meet the CDBG national objective after construction is complete.
6. **Budget and Cost Estimates**
 - a) *Capital Projects:* Both for-profits and nonprofit applicants must have **three** Class C estimates (see definition on page 9) from construction contractors for capital projects before applications are submitted. The procurement of a construction contractor should not have occurred yet. Class C estimates shall be included as part of the applications.
 - b) *City departments:* City departments shall conduct estimates in advance of applying for CDBG funds. Estimates shall be included as part of the applications.
 - c) *Contingency fees:* Reasonable contingency fees should be added to the cost of the capital project estimates and be included in the application. An explanation of the contingency estimates should be provided.
 - d) *Other:* Other costs, such as relocation, Davis/Bacon wages, and construction bond, need to be added to the budget if compliance is triggered.
7. CIFD staff will review HUD guidance on selecting and managing subrecipients, including applications, and update the City application process, as needed, to strengthen the review of applicant's capabilities, in alignment with HUD recommendations.
8. In the event that the City department that would be managing the contract or post-construction is not the entity submitting the application, CIFD will forward the application to the department to review and evaluate its capacity to manage the



project during the proposed timeline or post-construction. The department may propose the project be moved to an alternate year for funding due to capacity or may not recommend the project for funding if the project cannot be maintained after completion.

9. **Funding the Whole Project or Phases of Project:**

- a) Applications should explain the cost of the entire project and, if there are phases to it, break down the costs and time of each phase. The explanation should include how much funding is needed for bidding for each phase so that the City can best weigh issues including CDBG timeliness, demands for CDBG funding, the timing of the project, and other needs and goals identified in the Con Plan and by the Mayor and Council.
- b) HUD recommends phasing large projects over several years. For example, in the first year, fund only the feasibility and/or design portion(s) of the project. If property acquisition is one of the first steps in a construction project, fund only the acquisition phase first, leaving the construction costs for the following year(s). However frequently lenders require that all funding sources be secured before they would loan funds, so there may be an issue if the project is phased out over several years without a CDBG approval guarantee for the subsequent years. In Program Year 42 (2016-17), the Mayor and City Council began approving a list of projects, the *CDBG Future Priority Project* list, identified for funding in future years, based on priority projects and those already vested with CDBG funds. In order to meet the requirements of lenders, the City will consider the future funding fixed and issue an approval guaranty, subject to receipt of the federal grant unless the Mayor and Council approve changes to the CDBG Future Priority Project list.
- c) For many HUD grantees, large public works projects become obstacles to timely performance because capital improvement projects inherently take a long time to conclude. Sometimes, public works departments do not carry out CDBG-funded public improvements in a timely manner, in part because they give priority to projects that are funded locally. Some grantees have decided not to use CDBG funds for extensive public works, preferring to use CDBG funds for short-term activities. Others have avoided giving the funds to their public works departments and have found other agencies that can do the work faster.
- d) **Fully Funding Nonprofit Projects:** Because a nonprofit has a smaller budget than the City of Los Angeles when awarding funding for nonprofit projects, the City should provide full funding requested to allow the project to proceed, rather than partially funding the project and forcing the funds to sit idle while the nonprofit awaits additional funding, thereby affecting the City's CDBG timeliness progress. If a nonprofit's project cannot be fully funded in a program year, it should be postponed to a future program year, or alternate funds should be sought for the project.
- e) **Environmental and Historical Review:** Projects should not wait to conduct the needed environmental reviews. Even for projects with funding staged over more than one grant year, the environmental review and the release of funds request can cover the entire project, not just the portion to be funded for the year at hand. The environmental assessment and request for environmental release of funds can be done before the grant award. Departments and



nonprofits planning to request funding should allow sufficient time in the schedule for those projects that involve historic preservation. Doing such work upfront can take a lot of time and effort and is a factor that needs to be considered in evaluating the readiness of a project for funds.

- B. **Eligibility:** All projects proposed for funding during the annual Con Planning application process or during a reprogramming process must meet a CIFD determination that the project is CDBG-eligible and is able to fulfill all environmental requirements. For construction projects, if construction has already started, all construction works need to stop as soon as the application is submitted or as soon as an applicant begins to consider using CDBG funding until the CDBG allocation is approved and NEPA clearance is received.
- C. **Project Selection:** When considering which projects to fund, the City shall take into consideration:
 - 1. National objective of the project and its potential impact on the City's ability to meet the CDBG public benefit standard for the year, given the other ongoing projects that are already funded
 - 2. The type of eligibility the project will fall under and its impact on the City's ability to meet the overall benefit to low- and moderate-income persons (see III.G.6 below).
- D. **Project Readiness for Capital Projects**
 - 1. One of HUD's recommended strategies to meet CDBG timeliness includes screening and selecting subrecipients and activities that will meet timeliness standards. In alignment with this, CIFD will review submitted material, research project status, and make a readiness determination for each project/application
 - 2. CIFD will submit the results of the readiness findings to the offices of the Mayor, Chief Legislative Analyst (CLA), and City Administrative Officer (CAO), identifying things such as what are the potential delays; will environmental reviews, relocation requirements, or necessary permits delay start and completion of the project; and whether the applicant has site control.
- E. **Minimum Initial Contract Levels**
 - 1. Funding of initial contract amounts for CDBG should not go below certain levels due to costs to administer CDBG at the City level such as preparing, negotiating, and executing contracts, managing and monitoring contracts, and processing invoices, plus requirements of CDBG such as payment of prevailing wages on construction projects and procurement or bidding requirements. Amendments to contracts are not held to the same standard given the different needs for amendments and their already being part of a larger contract.
 - 2. *Service contracts:* initial contract awards must be greater than or equal to **\$100,000** per year
 - 3. *Neighborhood Improvement Capital contracts:* initial contract amount must be greater than or equal to **\$500,000**, exceptions will be reviewed on a project basis
 - 4. *Economic Development contracts:* initial contract amount must be greater than or equal to **\$100,000**

III. Reprogramming Process

- A. Subrecipients (City departments and agencies) should refrain from spending or programming their CDBG savings. All savings identified will be appropriated during reprogramming or as directed by the Council and Mayor.



- B. CLA will monitor and maintain a log of Council Motions involving CDBG allocations and will make it available to Committee and Council during the annual reprogramming process.
- C. CIFD will submit to the Offices of the Mayor, Council Committee Chair overseeing the Con Plan, CAO, and CLA a report on CDBG account balances prior to the reprogramming process. The report will include original and current allocations, amounts invoiced and expended, amounts encumbered (i.e., signed contracts), amounts unencumbered, and remaining balances.
- D. CIFD staff currently maintains and generates a report on overall CDBG drawdowns from all projects receiving and pending CDBG funds and make this available to CAO, CLA and departments involved to alert of potential timeliness issues, this report is referred to as the *CDBG Balances Report*. CIFD will identify another staff responsible for CDBG drawdowns that would coordinate expenditures with grantees to ensure timely spending and compare spending with milestone schedules. The City will further develop tools for tracking the progress of projects against timelines and milestone plans to report to the Mayor and Council on impediments to meeting CDBG timeliness.

E. Program Income Projections

- 1. Because of the change in HUD's accounting methodology from first-in-first-out to grant-based accounting, the City needs to change how it handles the budgeting of program income projections compared to the actual amounts received. This should be addressed both when the City is developing its annual action plan budget and after the year has been completed.
- 2. During the development of the proposed Con Plan budget and the Council's analysis of the budget, through the work of the CLA and the CAO, CIFD provides updated program income forecasts for the current and subsequent program year. If the receipt of program income is behind what was projected in the annual budget, and a deficit were expected to be carried into the next year, the City needs to defund capital projects that do not yet have executed contracts and reprogram them in the next program year. The City needs to do this because otherwise when it is time to draw down funding for the projects, some projects would be funded with funds received in the next year, and this is not allowable under grant-based accounting.
- 3. At the end of each program year, CIFD will determine the actual amount of program income received during that program year and compare it to the amount of program income that had been projected in the budget for that year. If the actual program income received exceeds the amount projected, then the amount in excess of the projected amount will be treated as resources available for reprogramming in the following program year. Should the actual amount of program income be less than the projection, then a project(s) from the year ending June 30 will be unfunded by the amount of the difference, and then re-awarded the funds in the following program year.

F. Project Progress

- 1. CIFD will hold joint meetings regarding CDBG projects with City departments, and the offices of the Council, Mayor, Chief Legislator, and City Administrator to go over progress and identify CDBG savings available or additional funding needed. Based on how the City is doing with regard to CDBG timeliness and the amount of CDBG savings identified, the process should either 1) trigger midyear reprogramming to



move funds from stalled or slow-starting projects into other activities that will spend funds more quickly or 2) allocate the savings for the next year's plan.

2. In alignment with HUD's recommendations for meeting timeliness, the City will reallocate funds from untimely subrecipients to activities that are ready to move (reprogramming).
3. CDBG regulations and HUD guidelines require contract provisions to include a schedule of work that should include a timetable of project milestones and a schedule for planned expenditures tied to completing each milestone. The regulations and guidelines also require a suspension and termination clause that would authorize a jurisdiction to terminate a contract for lack of progress with an untimely recipient.

G. Priorities for Project Selection

1. To reduce the City's risk of not meeting national objectives for CDBG, projects that have already received CDBG funding and need additional funds to complete construction shall be prioritized first. The City shall conduct a risk analysis of each project and consider the cost of the project, the age of the CDBG funds, urgency or safety considerations, time constraints, impediments, progress, amount of CDBG already invested, etc. to determine which projects to recommend for additional funding.
2. Prior to each reprogramming, CIFI and the offices of the Mayor, CAO, and CLA will review priorities identified in the Con Plan or established by the Mayor and Council. The *CDBG Future Priority Project* list approved for the Program Year will be reviewed to evaluate if any projects are ready to go, can they be funded earlier than scheduled through the reprogramming process, and identify any projects to use to replace other projects.
3. Working with the offices of the Mayor, CAO, and CLA, CIFI will submit funding recommendations to the Council.
4. Recommendations may be made to increase funding for public services or planning and administration, if there is additional room in the expenditure caps.
5. The City will identify and include backup projects that it can substituted if any budgeted projects run into delays, are cancelled, or turn out to be ineligible.
6. HUD requires that ≥ 70 percent of CDBG spent during a three-year program period be expended on projects that meet CDBG standards for principally benefiting low- and moderate-income persons (LMI) (24 CFR 570.208(a)). When the City considers projects for reprogramming, it needs to run the report to review expenditure progress and consider national objectives and the year funds will be spent (not budgeted) to determine the total percentage of CDBG and Section 108 funding anticipated to be spent during the year on projects that do not have LMI national objectives. For example, if there were a large number of planned expenditures for projects to eliminate slum and blight that might cause the City not to meet the CDBG standard, the City needs to stagger the funding of those projects so expenditures meet the minimum 70 percent standard. The current program period is 2020-22; the next period will be 2023-25.

IV. Timeline or Deadlines

- A. Each department allocated CDBG funds must submit an environmental checklist and Project Expenditure Plan (PEP) for the year to CIFI for each project funded. These



documents are to be submitted no later than the deadline identified in the notice of funding award letter for projects funded through the annual Consolidated Plan, and during the application process for reprogramming.

B. Expending Funds

1. For public service and administrative activities approved in the annual Con Plan process, funds must be expended by the end of the program year in which the funds are provided; notwithstanding the project's closeout phase.
2. Funds must be spent in accordance with the eight-year deadline on the federal funds. As the City reprograms funds, the age of the funds and the expected length of time to complete a project should be considered. The age of funds relates to when the funds were awarded to the City, not when they were awarded to the project. For example, a Program Year 44 project could be awarded funding that the City received in Program Year 42 and only has six years remaining to spend the funds, not eight.

C. Submitting Invoices and Final Closeout

1. Each City department receiving CDBG funds must submit monthly or bimonthly invoices to CIFI to enable CIFI to draw down on the City's CDBG line of credit and reimburse the General Fund in a timely manner, as well as to track the City's progress toward meeting HUD's CDBG spending deadlines.
2. Each contractor or subrecipient receiving CDBG funds from the City must submit invoices to the contracting department in alignment with its City contract.
3. City departments, contractors, and subrecipients have to submit complete closeout documentation within 90 days of contract completion, certificate of occupancy, or final inspection.

D. Instituting and implementing sanctions for untimely subrecipients

1. On a capital construction project, if construction and CDBG expenditures have not started within two years of the award of funds, CIFI will issue a notice to the awardee indicating that they are overdue and the City is considering moving the funds from the project, with notification to the appropriate Council office. CIFI staff will work with the awardee and Council staff to try to resolve issues and problems.
2. If problems cannot be resolved, funds will be recommended to be moved to a project on the *CDBG Future Priority Project* list that is ready and that the available funds could fully cover.
3. Based upon the current delays in Congress with releasing the federal appropriations on time, when the City receives the grant agreements, and the work needed at the beginning of each program year, experience has shown that capital projects cannot start within the first nine months of the program year. If these conditions change as well as the City has decreased its challenges in meeting CDBG timeliness, this section should be reevaluated to consider a shorter time span to expect construction and expenditures to begin.

Attachments:

Glossary

Sample of Construction Estimates

Sample of Capital Project Application Rating System



CDBG Timeliness: Federal regulations require a jurisdiction have no more than 1.5 times its annual grant remaining in the line of credit 60 days prior to the end of the program year to meet the test of CDBG timeliness.

HUD considers an entitlement recipient (the City) to be failing to carry out CDBG activities in a timely manner if 60 days (May 1) prior to the end of the grantee's program year (June 30), the amount of entitlement grant funds available to the recipient under grant agreements but undisbursed by the U.S. Treasury is more than 1.5 times the entitlement grant amount for its current program year (24 CFR §570.902[a]). The penalty for not correcting timeliness by the following year, after HUD notifies a jurisdiction of its not meeting timeliness, would be HUD taking the amount of money that exceeds the 1.5 times the grant. In 2015, the City exceeded the timeliness standard by \$1.3 million.

When a jurisdiction that receives CDBG does not meet HUD's timeliness standard, HUD places it on one-year probation and requests a workout or corrective action plan and quarterly reports. The plan is to identify the main causes of the excess CDBG backlog, identification of activities to be modified or terminated, reprogramming available funds, planned actions, long-range plans, milestone schedule, drawdown projection, progress reports, and the jurisdiction's commitment to execute the workout plan.

If a jurisdiction fails to meet the 1.5 standard the next year, HUD would reduce its grant by 100% of the amount in excess of 1.5 times the jurisdiction's annual grant. In the above example, if the City again had exceeded the timeliness standard by \$1.3 million, HUD would have reduced our subsequent annual grant by \$1.3 million.

During the Mayor's Safer at Home order issued during the coronavirus pandemic, they have missed the timeliness standard for three years—2020, 2021, and 2022. HUD suspended its regular response to missing timeliness, but indicated in an October 21, 2021 memo that it was restarting the corrective action process for untimely expenditures.

Class-C Estimate: Ballpark estimate used only in preliminary discussion of feasibility. Sufficient for selecting correct investment decisions but not used for making commitments. Includes completion of all work necessary to undertake preliminary design, knowledge of site conditions adequate to enable identification of site-related risks, and development of corresponding contingency costs. Expected precision variance -15% to +25% or more.²

Sometimes referred to as an "Opinion of Probable Cost." A Class C estimate is intended for screening alternative design solutions when the project is not yet clearly defined and has a lower level of precision than Class A and B. The estimates provided to the owners during the early design stage are based on conceptual scopes of work and fall into this category. This is a top-down type of estimate, which analyzes the historical costs of similar projects elsewhere. Capital appropriation requests and commitments should not be made on these estimates.³

Community Development Block Grant (CDBG): Authorized under the 1974 Housing and Community Development Act, the primary purpose of the Act was the development of viable urban communities. Flexible program to address a wide range of unique community development needs. One of the longest-running HUD programs, funds local community development activities such as affordable housing, anti-poverty programs, and infrastructure development. As a block grant, CDBG differs

² "Project Management Issues and Considerations." Maxwideman.com. AEW Services, January 2002. Sept. 2017 Accessed.

³ "Insight, foresight and oversight of assets." Assetinsights.net. 2000. Sept. 2017 Accessed.



from categorical grants, made for specific purposes, in that they are subject to less federal oversight and are largely used at the discretion of the state and local governments.

Contingency: A contingency may be included in an estimate to provide for unknown costs that are indicated as likely to occur by experience, but are not identifiable. When using an estimate which has no contingency to set a budget or to set aside funding, a contingency is often added to improve the probability that the budget or funding will be adequate to complete the project. Generally, more contingency is needed for earlier estimates due to the higher uncertainty of estimate accuracy. Depending on the class of estimate and the complexity of the project, variances can range from 5% to 30%.⁴

Consolidated Plan (Con Plan): Housing and Community Development Plan that the City submits to the federal Department of Housing and Urban Development (HUD) every 5 years, with updates annually via Action Plans. Describes the plan for spending CDBG funds and three additional grants.

Readiness Standard: A determination by CDF that:

- ✓ Project is CDBG-eligible and is able to fulfill all environmental requirements
- ✓ Funds can be expended prior to the end of the Con Plan year in which the funds are provided (July-June)
- ✓ *Project has all the funding needed to complete the work and meet a national objective*

Section 108: Section 108 of the Housing and Community Development Act of 1974 provides for a loan guarantee component of the CDBG program, by providing communities with a source of financing for economic development, housing rehabilitation, public facilities, and other physical development projects, including improvements to increase resilience against natural disasters. Funds can be used by a designated public entity to undertake eligible projects or can be loaned to a third-party party developer to undertake the projects.

The program allows local governments to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects capable of renewing entire neighborhoods. Such public investment is often needed to inspire private economic activity, providing the initial resources or simply the confidence that private firms and individuals may need to invest in distressed areas. While local governments borrowing funds guaranteed by HUD through the Section 108 program must pledge their current and future CDBG allocations as security for the loan, the goal is for the proposed project to have sufficient cash flow to repay the loan without any need for current or future CDBG dollars used for the repayment.

Site Control: Site control means you have obtained an enforceable right to use a parcel of land. This right must be formally (or legally) given in writing.

Subrecipient: Per CDBG regulations (24 CFR §570.500(c)), a public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under §570.201(o), receiving CDBG funds from the recipient or another subrecipient to undertake eligible activities. However, procured contractors are not subrecipients and beneficiaries of assistance are not subrecipients.⁵

⁴ “Guide to Cost Predictability in Construction: An Analysis of Issues Affecting the Accuracy of Construction Cost Estimates.” Joint Federal Government / Industry Cost Predictability Taskforce. November 2012. Sept. 2017 Accessed.

⁵ Basically CDBG: https://www.hudexchange.info/resources/documents/BasicallyCDBG_Slides.pdf



1.	Sample of Cost Estimates	
2.	Average cost per square foot for City construction currently (union wages, prevailing wages, high construction costs)	\$1000-\$1500
3.	Soft costs portion of projects	~25%
4.	Architectural fees	~13%
5.	Construction management	3-4%
6.	Staff costs	3-4%
7.	Dept. of Building and Safety costs (permits, inspections)	4%
8.	For funding projects, use construction estimates (nonprofits get 3 estimates from contractors), plus 30% for soft costs.	130%
9.	For contingencies for rehabilitation projects Have to consider whether bldg. built before 1973, will there be lead paint to deal with (encapsulate, special removal/disposal), asbestos, state of plumbing, etc.	15-20%
10.	Time Estimates (\$3M for building a community center example)	
11.	Architect design	1 year
12.	Bidding process and including contract execution (for Rec & Parks)	3-4 mos.
13.	Time for construction	6-18 mos.