Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction
The 2013-2017 Consolidated Plan (ConPlan) is the City of Los Angeles’ strategic plan for leveraging the annual allocations of Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships Program (HOME), and Housing Opportunities for Persons with AIDS (HOPWA) grants to develop viable urban communities by:

- Providing decent housing and a suitable living environment; and
- Expanding economic opportunities, principally for low- and moderate-income persons.

It is the City’s intention that this ConPlan will serve as a foundation stone in a comprehensive set of policies that will respond to the City’s present fiscal and policy challenges, as well as unprecedented opportunities presented by way of transit investment. This ConPlan lays out a strategic framework that addresses the paradigm shift in how neighborhood development is funded, and why neighborhood development matters in a citywide approach to recovery from the ‘Great Recession.’

The Challenge
The City is at a critical point in its history and must respond to growing affordable housing and social service needs in the wake of a still-fragile economy. For example, the City continues to register an unemployment rate that is higher than the state and national average; the Los Angeles/Long Beach Metropolitan Statistical Area is currently registering a 10% unemployment rate, versus a state rate of 9.8%, and a national rate of 8.5%. The City continues to register foreclosures; foreclosures peaked in the City in 2008 and have remained consistent at approximately 3,000 housing units per quarter. As of January 2013, the median price of a single family home in Los Angeles County was $345,000, a 40% percent decrease from the $575,000 annual median price in 2007. Since 2008, the City has had to absorb a deep slashing of federal funding for ConPlan programs; with the decrease of 28%, the City is severely hampered in its ability to respond to its population’s needs.

![Consolidated Plan Program Funding Levels 2008-13](image-url)
Notwithstanding the demonstrated and continued need for economic and affordable housing development funding, there persists a palpable mismatch of needs and resources. Despite the stubborn need, traditional resources available to localities - resources at the municipal, county, state and federal level - have been severely diminished or altogether eliminated. For example, the City’s capacity to increase General Fund contributions is hindered by a $216 million budget deficit for the 2013-2014 fiscal year alone. State-level tools, namely the redevelopment agency system, have been eliminated in favor of a state-level response to structural budget deficits. Cities that had relied heavily on tax increment to fund affordable and mixed-income housing are now at a loss. In Los Angeles, the city lost anywhere between $23 and $50 million dollars in any given year for the financing of affordable housing. Cities are now left with a portfolio of assets the fate of which is still to be determined. Additionally, at the federal level, as mentioned above, traditional sources of funding for community development - HOME, CDBG – are constantly under threat.

The Opportunity
With fiscal challenges in mind, localities have had to respond to an emerging practice at the federal level where the federal funding that is made available is pivoting, with an emphasis on high leverage through a place-based, data-driven filter. In short, the federal government is focusing investment where leverage exists, where investments will be maximized, and where the data shows an existing and demonstrable need. In May 2012 the U.S. Department of Housing and Urban Development (HUD) launched the eCon Planning Suite, which includes a new mandatory web-based template for the City’s Consolidated Plan and CPD (Community Planning and Development) Maps, a public data mapping tool. The new template and online tools reemphasize the need for a collaborative, data-driven, and place-based planning process that bolsters opportunities for public participation and consultation.

Concurrently, the City of Los Angeles recognized the need and opportunity to implement a place-based approach to investment in Los Angeles, specifically along transit corridors that demonstrate the highest use and potential for maximizing leverage to provide and expand a suitable environment and economic opportunities to City residents, while capitalizing on federal investments.

In developing the City’s first transit-oriented ConPlan, the City plotted and discussed where geographic, fiscal, and policy assets and needs coexist in order to identify the optimum areas for investments. This is critical: the safety and health of a community rely heavily on how well the City plots information, assesses everyday needs, and uses a varied, unconventional and a broad cross-sectional set of tools to lift up a community. As an example, we can look at niche tools, like zoning changes, to look for ways to blunt everyday quality of life issues, such as crime. In a recent study of eight high-crime neighborhoods in Los Angeles published by the University of Pennsylvania Law Review, the authors offer empirical support for the argument that mixed-use zoning appears to cut down on crime. The notion is that people would feel a greater sense of ownership and care for neighborhoods where they live, relative to those neighborhoods where they simply shop or go to work. Mixed-use areas, where residential, service and amenities needs are planned for and met in the same physical environment, are safer communities. It is important to note that in Los Angeles transit corridors include both fixed rail lines and major bus lines, ensuring a reach into a diversity of neighborhoods.
Physical and policy intersections, like the one described above, where needs and assets are co-located, is where opportunities for transformative, neighborhood change will take place. In Los Angeles, the physical places of opportunity, where the intersections lay, are where transit investment is targeted. Literally, areas of opportunity, as we have defined above, are overwhelmingly found in areas that transit traverses. The map below depicts the citywide fixed rail system, Measure R transit investments, overlaid onto a color-gradation display of media income levels and concentrations.
City of Los Angeles Council Districts
2012 Median Income and Half Mile Radius along Fixed Rail and Measure R Stations

Legend
- Metro Station 1/2 Mile Buffer
- Measure R Station 1/2 Mile Buffer
- Metro Stations
- Measure R Stations
- Measure R Transit
- Metro Fixed Rail Line
- Rapid Bus Transit
- Freeway

Median Income 2012
- Extremely Low Income Below 35% AMI
- Very Low Income Below 50% AMI
- Low Income Below 80% AMI
- Moderate Income Below 120% AMI
- Above 120% AMI
- Council Districts

1 Inch = 5 Miles

Policy & Planning Unit (HC) 03.2013 Sources: LA City GIS Repository, LAHD Database, CDD Database, US Census
The Leverage

Change in Federal Entitlement Allocations from 2008 to 2013

<table>
<thead>
<tr>
<th>Grant</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG</td>
<td>$71,453,145</td>
<td>$72,177,668</td>
<td>$77,983,283</td>
<td>$65,155,585</td>
<td>$52,677,491</td>
<td>$53,304,104</td>
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<tr>
<td>ESG</td>
<td>3,170,579</td>
<td>3,156,754</td>
<td>3,147,488</td>
<td>4,902,709</td>
<td>5,592,274</td>
<td>3,842,980</td>
</tr>
<tr>
<td>HOME</td>
<td>38,825,250</td>
<td>43,437,607</td>
<td>43,235,443</td>
<td>38,166,719</td>
<td>21,384,467</td>
<td>18,926,430</td>
</tr>
<tr>
<td>HOPWA</td>
<td>10,437,000</td>
<td>10,764,091</td>
<td>12,384,800</td>
<td>12,627,562</td>
<td>15,305,260</td>
<td>13,304,984</td>
</tr>
<tr>
<td>Total</td>
<td>$123,885,974</td>
<td>$129,536,120</td>
<td>$136,751,014</td>
<td>$120,852,575</td>
<td>$94,959,492</td>
<td>$89,378,498</td>
</tr>
</tbody>
</table>

The uncertainty of federal funding and the launch of HUD’s eCon Planning Suite provided a platform for the City to develop a new five-year strategic plan that maximizes and best leverages the City’s annual block grants allocation. The passage of Measure R local transit funding and the expansion of the federal Transportation Infrastructure Finance and Innovation Act (TIFIA), which includes the “America Fast Forward” program, dramatically accelerate transportation projects in Los Angeles, create jobs, and provide significant opportunities to leverage our federal block grant resources to revitalize Los Angeles neighborhoods and build sustainable communities.

Approved by two-thirds super majority of the Los Angeles County voters in 2008, Measure R commits a projected $40 billion to traffic relief and transportation upgrades throughout the County over the next 30 years. Additionally, the City of Los Angeles successfully advocated for and secured vital, federal public infrastructure transit dollars to work in conjunction with locally-raised tax revenue. MAP-21, the Moving Ahead for Progress in the 21st Century Act (P.L. 112-141), was signed into law by President Obama on July 6, 2012. Funding surface transportation programs at over $105 billion for fiscal years (FY) 2013 and 2014, MAP-21 is the first long-term highway authorization enacted since 2005. MAP-21 created a new title called “America Fast Forward,” which strengthens the Transportation Infrastructure Finance and Innovation Program (TIFIA) program to leverage federal dollars further than they have been stretched before. MAP-21 includes, in part, an expansion of the TIFIA program which provides direct loans, loan guarantees, and lines of credit to surface transportation projects at favorable terms. TIFIA leverages private and other non-federal investment in transportation improvements. Included in the “America Fast Forward” title of MAP-21 are provisions that build upon the success of the TIFIA program.

By the end of 2012, the City alone had 71 operating light rail or rapid bus transit stations, with dozens more in nearby communities throughout the Los Angeles County. Planned Measure R investments will add another 42 stations to the City, for a total of 113 stations in the upcoming years. As the prior transit map indicated, there is a clear intersection of transit investment and where extremely-low to low-income median income households exist in the City.

Recognizing this once-in-a-lifetime opportunity for the City to not only connect once-geographically isolated neighborhoods and increase the mobility of residents by aligning and coordinating local resources and efforts, the City’s ConPlan puts forward a strategy that continues to align its resources to fund catalytic projects that truly transform low-income neighborhoods, build communities of
opportunity, and increase the economic opportunities of City residents. For example, since 2003, the City’s Affordable Housing Trust Fund (AHTF) has financed units along transit; and in 2008, the AHTF went into high gear by giving preference points to projects near Transit Oriented Development (TOD). To date, 44% of all METRO stations along the seven METRO lines in the City have AHTF projects located within a ½ mile. In total, the AHTF has funded 64 affordable housing projects totaling over 4,000 units along the City’s METRO rail lines and stations. Additionally, 78.5% of AHTF properties are within a ½ mile from a METRO Rapid Bus Transit (RBT) line. This includes 9,300 units in 154 properties with a total AHTF investment of $500 million and over $2 billion in leveraged funds.

A few examples of the aligning and coordinating of resources include:

1. The Affordable Housing Trust Fund (AHTF): As described above, the AHTF is one of the City’s core programs. This affordable housing gap-financing program provides funding to affordable housing developments that seek and secure capital, leveraged funding from other public and private sources.

2. The New Generation Fund: This $52 million dollar affordable housing acquisition and pre-development fund has enlisted and secured the investment of private lenders as well as community development financial institutions (CDFIs), alongside funding from the City that will be used to create a revolving loan fund for the fostering of a pipeline of development for the creation and preservation of affordable, multifamily housing.

3. The City’s Apportionment of Low Income Tax Credits (LIHTC): The City of Los Angeles has secured its own apportionment of LIHTC, representing up to $85 million in tax credit equity investment in 2013. This action eliminates city-located developments’ need to compete for tax credits with developments located outside of the City. Securing a City apportionment means securing predictability and certainty. The City can plan for and direct investment that is tailored to the specific needs of the City. In the immediate, for example, the LIHTCs can be used as a tool to determine the fates of CRA assets that the LAHD is poised to inherit.

4. The Transit Corridors Cabinet (TCC): In November 2012, the Mayor issued an Executive Directive that created the TCC to serve as a central clearinghouse for policy, operations and funding expertise, across City departments, as well as the County’s transportation authority (Metro) in order to re-orient the City to take full advantage of historic transit investment and funding. The City is looking to find intersections in policy, program and financing of transit itself, as well as services and amenities along expanded transit. To this end, the Executive Directive also mandates collaboration across City departments, encourages partnership with Metro, and institutionalizes the nation’s first equitable, transit-oriented development definition for a municipality. The Los Angeles Housing Department (LAHD) is an active member of the TCC.

Efforts by the TCC are guided by the following:

**Values:**

- **Environment:** Foster a safe, healthy, and environmentally sustainable region.
- **Equity:** Foster equal access to opportunity and equitable treatment for all.
- **Engagement:** Foster social interaction and community vitality.
• **Economy:** Foster an economically prosperous and resilient region.

**Goals:**

• **Jobs:** Foster attractive and diverse employment opportunities in highly accessible locations.

• **Housing:** In highly accessible locations, foster housing options that meet diverse housing needs.

• **Quality of Life:** In highly accessible locations, foster the provision of basic services and additional community benefits.

• **Connectivity:** Foster diverse transportation options that reduce overall travel time and out of pocket transportation costs

5. **Community Redevelopment Agency (CRA) Assets:** The City will have the opportunity to utilize former-CRA assets in a more strategic manner, considering individual assets’ best and highest use as it relates to economic and affordable housing development. Moreover, in the context of transit investment, parcels are being analyzed for their viability and proximity to transit. Among other assets and responsibilities, the LAHD is awaiting the state’s final determination on the disposition of up to 67 parcels of real estate.

6. **Neighborhood Stabilization Program (NSP):** The NSP has embodied an important example of intra- and interdepartmental leverage of assets and staff knowledge and expertise. For example, LAHD has leveraged existing staff knowledge in order to create a programmatic and administrative infrastructure for the acquisition, rehabilitation and selling/leasing of foreclosed properties. A total of $142.8 million dollars in NSP funds have been awarded to the City. The NSP investments will generate $33 million of program income and has leveraged an additional $157 million of other investments, including tax credits/equity, state grants, and mortgage financing. This will result of a combined NSP investment of $332.6 million, which represents 2.4 times the original grants.

Resources from the NSP have allowed the Los Angeles County Department of Health Services to partner with the City to pay for supportive health-related and property management services to 53 units of permanent supportive housing currently being developed for chronically homeless persons with serious health problems and high utilization of the County Health system. The new housing sites are multi-family rental properties purchased and rehabilitated with NSP funds by LAHD’s subrecipient, Restore Neighborhoods LA Inc. (RNLA).

Additionally, the City’s Department of Recreation and Parks (RAP) partnership with LAHD to create opportunities for the establishment of neighborhood parks where the rehabilitation of a foreclosed property is not reasonable or otherwise cost-prohibitive is an example on the City’s innovate efforts to maximize the impact of the NSP grant.

7. **Systematic Code Enforcement Program (SCEP):** The SCEP provides code inspection for all multifamily, rental units in the City. This intradepartmental proficiency in inspecting and the collection of data regarding the structural soundness and habitability of multifamily rental units
can be leveraged with other City data that may inform and direct future investment. For example, SCEP data can help paint a picture of a transit corridor’s housing profile; multifamily developments’ inspection findings can provide an insight on housing/rehabilitation investment needs.

8. **Home for Good Plan**: In December 2010, the Business Leaders Task Force on Homelessness (a joint initiative of United Way of Greater Los Angeles and the Los Angeles Area Chamber of Commerce) launched the **Home for Good Plan**. The **Home for Good Plan** represents the blueprint to end chronic homelessness in Los Angeles County by 2016. Since then, over 100 stakeholders, including the City of Los Angeles, have signed on and committed to participating in an effort to house the 12,000 chronically homeless individuals and 6,000 homeless veterans who existed at that time in the Los Angeles County Region. As part of the **Home for Good Plan** implementation, “The Funders Collaborative” was launched in 2011. The Funders Collaborative is an effort between 24 public and private funders to create a single application process for multiple funding streams, align funding priorities, and work together to award funds for permanent supportive housing projects.

The **Home for Good Plan** set a goal to provide capital funds to help fund 500 new construction and rehab units per year County-wide. Based on the larger County-wide goal, the LAHD decided to commit half of the unit count as the City’s obligation. To date, the Funders Collaborative has aligned $105 million in resources from public and private funders. The following represents some of the contributions made to the Funders Collaborative:

- LAHD - $21.9 million in capital funds
- Private Funders - $4 million in match funds
- LA County Departments of Mental Health, Services, and Public Health - $3.25 million in LA County Services
- Conrad N. Hilton Foundation - $1 million challenge grant
- Housing Authority of the City of Los Angeles (HACLA) – 300 tenant-based and 218 project-based vouchers
- Housing Authority of the County of Los Angeles (HACoLA) – 50 tenant-based vouchers
- City of Pasadena - 19 project-based vouchers

9. **Partnerships with Los Angeles County**: In addition to the City’s partnership with the examples mentioned earlier, the City continues to collaborate with the County of Los Angeles to develop new program delivery models that leverages City and County resources. For example, through the City the FamilySource System, the City has partnered with the Department of Public Social Services (DPSS) to conduct multi-benefit screening to ensure that low-income families gain access to for which they are eligible, such as CalFresh (formerly food stamp benefit). LAHSA’s new Family Solutions Centers, which builds upon the success of the Homeless Prevention and Rapid Re-Housing Program (HPRP), was designed jointly by the LAHSA, the City and the County of Community Development Commission
A Place-Based Neighborhood Development Approach

Despite critical cuts to funding, it is projected that the City of Los Angeles can conservatively receive approximately $475 million over the next five years. Given CDBG and HOME historic leveraged funds, the City can boost that investment by approximately $1.8 billion over the next five years, excluding the investment in transit. The significant investment in the region’s public transit infrastructure—rail and rapid buses—presents an unprecedented asset that touches communities and provides a strategic opportunity to plan and place future dollars near existing and planned transit.

Transportation policy and assets are aligning to provide an opportunity that is inclusive of all people. In developing the 2013-2017 Consolidated Plan, the City recognizes that the funds for community investments are an important link between a modern transit system—Los Angeles of the future—and the future opportunities for all Angelenos regardless of circumstance.

Community investments and transit investments are all assets and must be woven together. In alignment with President Barack Obama’s policy guidance, the City of Los Angeles for the first time looked at the ConPlan through a place-based lens with community input. In short, this ConPlan is a bona fide, transit-oriented ConPlan.

To identify the transit corridors with the most potential for catalytic investments, the City for the first time expanded its analysis beyond HUD-funded projects and mapped the City’s transit, housing, public services, community amenities, and need indicators. This mapping exercise laid out, visually, not only where there were coincident benefits, services and assets, but where there might be further opportunities for the integration of funding, services and processes. These maps were then presented to elected offices, community organizations, stakeholders, and community residents as part of the consultation and citizen participation process. This needs assessment and market analysis required a broad cross-agency effort that included staff representing the Mayor’s Office, Community Development Department (CDD), Los Angeles Housing Department (LAHD), Los Angeles Homeless Services Authority (LAHSA), Housing Authority of the City of Los Angeles (HACLA), Commission on Community and Family Services (CCFS), Affordable Housing Commission, LAHSA Commission, HACLA Commission, Planning Department, Department of Transportation (DOT), Building and Safety, Bureau of Engineering, and the Office of City Administrative Officer (CAO).

Below are two examples of thematic maps that were used to foment discussion in the consultation and citizen participation process. Immediately below, as an illustration, the map shows city services provided by CDD, so-called Family Economic Stabilization services in the South Los Angeles planning area. Services include, but are not limited to BusinessSource, FamilySource, WorkSource centers. The cross symbology represents where, in the geography, CDD service sites exist. The lines with strings of white dots are transit stops/stations. This map shows the reader where and in what relative proximity services are provided alongside transit.
In furthering the work initiated by the interdepartmental collaboration above, the City has engaged the following entities in expanding and informing this transit-oriented ConPlan.

The map immediately below shows, within the same South Los Angeles geography, the locations in which various types of affordable housing exist. The dot symbology is mapped against transit lines, discernible by the same string of white dots discussed above. The red dot formations indicate affordable housing developments which are at risk of loss in the next five years. The blue dots show where there are affordable housing developments that were financed, in part, by the City’s Affordable Housing Trust Fund.
1. OneCPD: The HUD-affiliated technical assistance entity has provided valuable planning expertise in order to develop a ConPlan that is workable yet fluid. Technical assistance experts have and will continue to work alongside City staff to continue to develop a ConPlan that is deliberate, yet able to respond to dynamic city needs and assets.

10. Local Initiatives Support Corporation (LISC): The partnership between LISC is specifically attuned to identifying specific transit corridors where ConPlan investment shall be trained for maximum benefit. With transit corridor, market analyses as the main deliverable for the City, LISC will provide an invaluable set of information that will fortify and provide a quantitative foundation upon which critical investment decisions will be made.

11. Enterprise Community Partners (Enterprise): Enterprise continues to serve as one of the City’s core partners on key initiatives and programs, including the New Generation Fund, development of community trainings regarding the City’s ConPlan and implementation of the City’s place-based approach.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment

Overview

Strategic Framework for the City’s 2013-2017 Consolidated Plan
The City’s 2013-2017 Consolidated Plan represents the nation’s first transit-oriented Consolidated Plan that integrates transit, community, economic, and housing development investments.

Strategic Directions
Build communities of opportunity by aligning community, economic and housing development investments with transit opportunities to increase their positive impact - improving access and livability - on neighborhoods.

1. Maximize community and economic impact through place-based strategies focused on opportunities around transit corridors that provide access to jobs.
2. Support programs that create jobs, increase family economic stabilization, and mobility, create and preserve affordable and workforce housing, and reduce and end homelessness.
3. Link and leverage limited Consolidated Plan resources with other resources/investments to sustain and expand community benefit.
4. Increase the operating efficiency and effectiveness of the City and our partners through continued consolidation, integration, and standardization of public services and community development activities.
## Goals and Outcomes

Goals that can be linked to a **holistic approach investment** include but are not limited to:

<table>
<thead>
<tr>
<th>No.</th>
<th>Goal</th>
<th>Estimated Five-Year Funding</th>
<th>Projected Five-Year Goal Outcomes</th>
</tr>
</thead>
</table>
| 1   | Create housing opportunities for low/mod residents                   | CDBG: $16,626,000  
      |                                                                      | HOPWA: $2,523,000  
      |                                                                      | HOME: $56,976,000   | Rental units constructed:  
      |                                                                      | 570 Household Housing Unit  
      |                                                                      | Direct Financial Assistance to Homebuyers:  
      |                                                                      | 340 Households Assisted  
      |                                                                      | Housing for People with HIV/AIDS added:  
      |                                                                      | 25 Household Housing Unit |
| 2   | Preserve and maintain existing affordable housing                    | CDBG: $26,409,000  
      |                                                                      | HOME: $56,976,000   | Rental units rehabilitated:  
      |                                                                      | 570 Household Housing Unit  
      |                                                                      | Homeowner Housing Rehabilitated:  
      |                                                                      | 2540 Household Housing Unit |
| 3   | Family economic stabilization                                       | CDBG: $69,565,000   | Public service activities other than Low/Moderate Income Housing Benefit:  
      |                                                                      |                                      | 382300 Persons Assisted  
      |                                                                      |                                      | Businesses assisted:  
      |                                                                      |                                      | 10 Businesses Assisted |
| 4   | Improve educational and job readiness                                | CDBG: $40,608,000   | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit:  
      |                                                                      |                                      | 2260 Persons Assisted  
      |                                                                      |                                      | Public service activities other than Low/Moderate Income Housing Benefit:  
      |                                                                      |                                      | 43940 Persons Assisted |
| 5   | Job creation                                                         | CDBG: $57,481,000   | Jobs created/retained:  
<pre><code>  |                                                                      |                                      | 3950 Jobs |
</code></pre>
<table>
<thead>
<tr>
<th>No.</th>
<th>Goal</th>
<th>Estimated Five-Year Funding</th>
<th>Projected Five-Year Goal Outcomes</th>
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</thead>
<tbody>
<tr>
<td>6</td>
<td>Reducing and ending homelessness</td>
<td>CDBG: $14,702,000 ESG: $7,470,000</td>
<td>Public service activities other than Low/Moderate income Housing Benefit: 60300 Persons Assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Homeless Person Overnight Shelter: 1000 Persons Assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Overnight/Emergency Shelter/Transitional Housing Beds added: 100 Beds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Homelessness Prevention: 10210 Persons Assisted</td>
</tr>
<tr>
<td>7</td>
<td>Stabilize and revitalize diverse neighborhoods</td>
<td>CDBG: $61,018,000</td>
<td>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 365200 Persons Assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 2500 Households Assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Public service activities other than Low/Moderate Income Housing Benefit: 929460 Persons Assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Facade treatment/business building rehabilitation: 50 Business</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Businesses assisted: 20 Businesses Assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other: 70 Other</td>
</tr>
</tbody>
</table>

City of Los Angeles
Program Year 39 (PY 2013-14) Annual Action Plan-Revised
### Goals that build institutional capacity include, but are not limited to:

- Integrate and align efforts in planning and managing goals, projects, and activities in the ConPlan. Includes alignment with assets outside of the ConPlan, such as transit efforts funded by other sources, and resources from housing finance entities including public-private partnerships such as the New Generation Fund, the City’s apportionment of Low Income Housing Tax Credits, and the City’s grant award from the MacArthur Foundation grant for efforts in preservation of at-risk affordable housing, for example.

- Foster integration of efforts and cooperation by developing and utilizing cross-agency working groups to effectively and efficiently design and deliver initiatives that:
  - Leverage resources,
  - Engage the private sector,
  - Enhance civic engagement,
  - Take full advantage of aligning assets, such as transit; and,
Use performance measurement and evaluation to inform future program design and implementation.

The Annual Action Plan articulates the specific objectives, actions, responsibilities and results for a year. It sets the framework for the submission of applications that, when funded, become the actions/projects and results for the year. As the City aligns projects with the strategic plan, a robust and inclusive community investment strategy integrating transit, community, economic, and housing development will be achieved.

3. Evaluation of past performance

Much has occurred in Los Angeles since late 2007, when the City last produced a Five-Year Consolidated Plan. The biggest impact on our City came from the ‘Great Recession’ that started in late 2007, triggered by the financial meltdown of Wall Street investments, and its ripple effects throughout the nation. As demonstrated in an impressive collection of Los Angeles Times articles about this topic at an LA Times article on the Great Recession (http://articles.latimes.com/keyword/great-recession), the economy of Los Angeles took a very hard hit; its longstanding economic reliance on a healthy real estate market and construction activity contributed greatly to unemployment rates that continue to be higher than the national average. According to the Bureau of Labor Statistics’ Unemployment Rates for Metropolitan Areas (link to Bureau website at http://www.bls.gov/web/metro/laummtrk.htm) the national unemployment rates for metropolitan areas is 8.5%, while the Los Angeles/Long Beach Metropolitan unemployment rate is 10%.

This economic crisis affected the City’s implementation of the 2008-2013 Five Year Consolidated Plan. In part, the City benefitted from a number of HUD programs, starting in 2008, designed to address the national financial crisis, including the series of three Neighborhood Stabilization Program (NSP) grants. The enactment of the American Recovery and Reinvestment Act of 2009 (ARRA) provided a variety of new program funds for Los Angeles and other jurisdictions hit hard by the recession. Many of these grant programs gave Los Angeles the rare opportunity to innovate, to create new program ‘infrastructure’, and to build new -- and enhance existing -- partnerships among City and County departments, private sector partners and stakeholders, local philanthropies, community development financial institutions, and advocates for housing, public transit, environmental sustainability, public services and many other local constituencies. The City’s housing, homeless and community development agencies participated in these efforts.

The City’s Annual Action Plans and CAPERs (Consolidated Annual Performance and Evaluation Report) have for the past five years provided many details about these innovations and special funds, in addition to other efforts started before the recession. All of those initiatives have contributed to the ideas discussed in this plan, including the path-breaking innovative proposal to leverage Consolidated Plan resources with funds with public transit investment.

Briefly, in the past six years, the following local initiatives involving the ConPlan and other resources -- all of which were the result of governmental and non-governmental partnerships -- were established or substantially enhanced:
- Los Angeles Permanent Supportive Housing Program
- The Los Angeles Supportive Housing Loan Fund and The New Generation Fund to support affordable housing production
- FamilySource Centers
- Neighborhood Stabilization Program (NSP 1, 2 & 3)
- Homelessness Prevention and Rapid Re-Housing Program (HPRP)
- CDBG-Recovery Program (ARRA)
- Community Services Block Grant (ARRA)
- Jordan Downs Public Housing Redevelopment
- *Home For Good* partnership to end chronic and veteran homelessness
- Energy Efficiency and Conservation Block Grant –EECBG (ARRA Department of Energy)
- MacArthur Foundation Grant for the Affordable Housing Preservation Program
- BusinessSource Centers
- Collaborative policy development and grant seeking with local and nation partners on sustainable and equitable transit-oriented housing and community development
- Lead hazard remediation and healthy homes production programs
- Regional catastrophic preparedness grant program (RCPGP) disaster housing planning (FEMA)
- Transit Corridors Cabinet (TCC); the TCC was formed by the Mayor, via Executive Directive, in November of 2012. The TCC is the central entity for all City efforts, initiatives, and procedures with the express goal of focusing City resources on transit corridors and promoting transit orientation. The TCC will establish and oversee an ongoing transit orientation strategy, including a prioritized schedule of City efforts, and will act as a consolidated point of contact for information on the City’s Transit Orientation strategy.
- And, most recently in January 2013, the creation of a City of Los Angeles Geographic Region for the purpose of allocating competitive, both federal and state, 9% Low Income Housing Tax Credits (LIHTC).

As mentioned, most of these efforts have involved partnerships between governmental and non-governmental entities, which have grown stronger towards building a programmatic infrastructure in Los Angeles that will help support this new Five-Year strategic plan. Some of these programs became national models (e.g. partnership with legal services providers for homelessness prevention, collaboration with the Veterans Administration on VA Supportive Housing (VASH) Vouchers for rental assistance to homeless veterans). Additionally, receipt of the ARRA grants led to the development of comprehensive review, reporting and evaluation policies and procedures within the City which are likely to continue, as have the heightened focus on transparency and reporting started by ARRA which are now applicable to most federal grant programs (e.g., Federal Funding Accountability and Transparency Act). The City, in modeling and institutionalizing the tenets of review, reporting, evaluation and transparency, scored in the top five in the pool of applicants for the competitive NSP 2 grant program, securing an award of $100 million dollars. Similarly, the City successfully expended 100 percent of its NSP 1 and 2 awards, meeting the strict expenditure deadlines set out by Congress.
Going forward, the City recognized that evaluation of past performance is critical to ensuring that the City and its contractors are implementing activities effectively and that they align with the City’s overall strategies and goals. In addition to required HUD reporting, such as the CAPER, the City’s ConPlan administering agencies have their own methods of program evaluation and outcome reporting.

With the intent to build institutional capacity, the City will work with LAHD and CDD as well as other administering agencies to integrate evaluation measures into their program designs and use this information to inform funding decisions over the next five years. To this end, a working group is currently designing the expansion of a performance measurement framework that would apply to all CDBG-funded activities on the onset of this Consolidated Plan. In addition to reporting the public benefits of the activities, this evaluation framework will also enable performance to be used in decisions regarding the awarding of contracts to providers. Once developed, it will be further refined and adapted for the other ConPlan grants, as appropriate.

CDD Evaluation Methods: Since Year 35, the Community Development Department (CDD) has tracked the performance of its CDBG-funded activities on a monthly Scorecard.

Currently, the performance of the following programs and systems are evaluated every month:

- The FamilySource System, Domestic Violence Shelter Operations, Day Labor Program, and other Public Services programs
- The BusinessSource System and other Economic Development programs

The Scorecard is distributed to management and staff, whereby not only underperforming programs are identified but also programs that are performing very well.

Along with the use of the Scorecard that evaluates overall program performance, the CDD also implements a Certification Policy that evaluates the performance of individual subrecipients.

Both the Certification Policy and the Scorecard are derived from the Malcolm Baldrige criteria for performance excellence which include a focus on Products and Services, Customer Satisfaction, Financial and Market Outcomes, and Process Effectiveness.

The design and intent of both the Certification Policy and the Scorecard are to:

- Focus on recognizing outstanding rather than average performance
- Use simple and transparent measures that are broadly understood and recognized as equitable
- Make performance information public to create accountability
- Make performance a requirement for continued funding

In Program Year 38, the CDD started reporting quarterly to the Commission on Community and Family Services (CCFS) regarding the performance of Public Services, Economic Development, and Neighborhood Improvement programs. This evaluation of past performance has helped the City to choose its goals and projects; has provided a context for the current plan; and serves as a basis for current objectives and outcomes.

HOPWA Evaluation Methods: The Los Angeles County HOPWA Advisory Committee (LACHAC) advises the City on matters relating to the planning and administration of the HOPWA program, assesses the
existing supply and need for housing and supportive services for persons living with HIV, identifies ways in which HOPWA can coordinate with the HIV/AIDS programs administered by the LA County Department of Public Health, including Ryan White and other funding sources, advocates for homeless and low-income persons with HIV/AIDS and their families, and so forth. The LACHAC is comprised of representatives from City and County government, non-profit agencies which provide a variety of housing and supportive services for persons with HIV/AIDS, the County of Los Angeles HIV Commission, public housing authorities, and persons living with HIV/AIDS. The full LACHAC meets every two months and the executive committee meets alternate months from the full committee.

The HOPWA program also contracts with Shelter Partnership (SP) for technical services and advice. Shelter Partnership is a non-profit agency with expertise in HOPWA programs, affordable housing, and preventing and ending homelessness in Los Angeles County. Shelter Partnership provides a variety of services to the HOPWA program including on-going assessments of HOPWA programs, which include participation in a joint city-county strategic planning group that is analyzing how housing and medical funding for persons with HIV/AIDS can be most efficiently used; assistance with on-going training needs of HOPWA providers; advice on changes to federal regulations for federal homeless and other programs related to HOPWA; best practices research, assistance with the bid process for HOPWA service providers, research on unmet needs, and other matters as may arise.

LAHSA Evaluation Methods: The Los Angeles Homeless Services Authority (LAHSA) is a Joint Powers Authority established in 1993 as an independent agency by the City and County of Los Angeles. LAHSA is the lead agency in the Los Angeles Continuum of Care (LACoC), and coordinates and manages over $70 million dollars annually in Federal, State, County and City funds for programs providing shelter, housing and services to homeless persons in Los Angeles City and County.

To help improve program outcomes, LAHSA convened a continuum-wide Program Evaluation Advisory Committee consisting of two representatives from agencies in each of the eight County Service Planning Areas (SPAs). The Committee developed a set of criteria to evaluate all continuing LACoC-funded projects including all projects funded by HUD’s Supportive Housing Program (SHP) and Shelter Plus Care grants. Using the finalized criteria, LAHSA staff compiled performance data from all renewing applicants, and worked with its technical assistance provider, Abt Associates, to calculate a set of performance scores.

The scores were reviewed and approved by the LAHSA Commission. An appeals process was established by the Performance Evaluation Advisory Committee. After completing an appeals process, a final set of scores were presented to the LAHSA Commission and the public for final approval.

The scores being calculated for the 2012-2013 year will set the baseline for agencies and will not be used to make funding decisions. However, once the process and scoring methodology has been finalized and approved by the Continuum, it will be used to identify high, moderate, and low performers. Those receiving less than high scores will be targeted for technical assistance and their progress tracked. Agencies failing to improve over time will have their funding reevaluated. The overall goal is to use this process to systematically improve the LA CoC performance per the HEARTH Act and the new ESG and LACoC Program Rules.
4. Summary of citizen participation process and consultation process

As part of the development of the Five-Year (2013-17) Housing and Community Development Consolidated Plan and the 39th Program Year (2013-14) Annual Action Plan, the Community Development Department, in coordination with the Commission for Community and Family Services, the Affordable Housing and LAHSA Commissions, the Los Angeles Housing Department, the Housing Authority of the City of Los Angeles, and the Los Angeles Homeless Services Authority, conducted community meetings to gather input in drafting the plan as well as community meetings to hear responses to the draft Five-Year and Annual Plans.

In August 2012, the City, with assistance from Enterprise Community Partners, Reconnecting America and technical assistance provider, OneCPD, hosted a commissioner-g geared training session where commissioners from various city commissions were presented with primer-level information on the ConPlan development process, transit-orientation, and the eCon Planning Suite. Commissioners from the Commission for Community and Family Services, the Affordable Housing and LAHSA Commissions, as well as staff from the Los Angeles Housing Department, the Housing Authority of the City of Los Angeles, and the Los Angeles Homeless Services Authority, all numbering over 100, were trained on how to embark on the new ConPlan process.

In October 2012, nine community meetings were held in different regions to obtain broad input from the City’s diverse communities. Meetings were conducted in a new format, allowing greater opportunity for public engagement. Senior staff from the City’s Human Relations Commission facilitated the meetings and staff from CDD, LAHD, LAHSA and HACLA guided small group discussions on the various topics and their priorities, with ‘report backs’ to the larger group. Outreach was conducted by each agency reaching out to the respective constituencies and neighborhood councils, which are comprised of diverse organizations and groups. Bilingual outreach materials were distributed and language interpretation was offered at all meetings allowing for greater participation by non- and limited-English speaking persons. A summary of the meetings and maps and materials presented at the meetings can be found at the Citizen Participation and Planning Process link at http://cdd.lacity.org/home_reports.html.

After the release of the Mayor’s draft Consolidated Plan, six community meetings were held between January 29 and February 7, 2013 to obtain comments and suggestions from the public on the draft Consolidated Plan priorities, programs, and projects. The City prepared an Overview of the ConPlan to make it more accessible to the public, as well as having copies of the full plan available at the community meetings and online. The format of the meetings included an open house, where attendees were able to walk around the room and review stations set up focused on the following subjects: Homelessness, Housing, Jobs/businesses, Neighborhood improvements, and Social services. At the stations, staff, with the help of visual displays, explained the goals identified in the Consolidated Plan around each subject, and presented the projects in the draft plan that were recommended for funding that supported each goal. After the open house, a presentation was given to the attendees providing an overview of the planning process and the draft plan, and then questions and comments from attendees were entertained.

In addition to the community meetings, consultation meetings were conducted with agencies serving HUD-eligible populations, as well as through the distribution and receipt of questionnaires. (See full list
of organizations consulted at PR-10 Consultation.) Participating City agencies included the Department of Recreation and Parks, the Department on Disability and the City’s HIV/AIDS Coordinator, the Domestic Violence Task Force and the Policy Roundtable for Child Care, which provided information about the needs of their constituencies and their provision of programs and services. Most noteworthy, several organizations that are not homeless service providers listed homelessness as a major concern.

5. **Summary of public comments**

Public meetings were held throughout the City in diverse communities, where participants were asked to prioritize the needs in their neighborhoods. The top priorities identified were:

**Affordable Housing and Homeless Services**

More affordable housing continued to be identified as the greatest need within the topic of housing and homeless services. Issues were raised regarding the lack of affordable housing and what the City was doing to preserve existing affordable housing. Specific concerns also were raised about the need to build new housing, the lack of new openings for Section 8/Housing Choice Voucher rental assistance, and the need to improve existing housing developments. Related to housing, or the lack thereof, concern was raised regarding homeless individuals in communities, and the need to reduce homelessness. Particular concern was raised concerning treatment needed for mentally ill homeless individuals and persons living in campers and cars on the street. In addition, requests were made for the development and implementation of ordinances that would allow for greater affordable housing construction and preservation, housing inspection and code enforcement.

**Social Services**

Within social services, there was more focused discussion regarding project and funding proposed for the 39th Year of the Plan. Concern was raised about the Day Labor program funding being almost equal to the Clean and Green program. Domestic violence continues to be a problem, yet the funding has declined or remained at current funding level and with a perceived relationship between an increase in domestic violence and unemployment, more funds should be focused on this, including domestic violence among the youth. There were a number of comments raised about the benefit of the FamilySource System, and concern with more funding priority not being given to them, especially with cuts occurring in other grants that fund the FamilySource System. Issues were raised about wanting funding to focus on education and combating illiteracy to raise the potential for low-income individuals for the future. Related to this was the concern raised regarding funding for summer youth being needed, art programs for youth, youth needing more supervision within the Gang Reduction Youth Development (GRYD) Summer Night Lights Program, and more programs for keeping youth out of gangs. Legal services were also identified as a need to help low-income individuals navigate housing challenges and available benefits.

**Jobs and Businesses**

Jobs continued to be raised as a concern—the need for more jobs and the training to be ready for them. Particular emphasis was placed on the need for more computer education, jobs for youth,
employment for ex-offenders re-entering the community, the need for retraining, and wanting funding for the North Valley Occupational Center. Also raised by attendees was that it should be a priority for projects funded through the Consolidated Plan to hire locally, specifically in South Los Angeles, with an emphasis on hiring African-American, Latino, and female workers on public works jobs. Regarding businesses, a question was raised as to what large companies and corporations invest in the community. There was support expressed for training and resources for small businesses and for community gardens to provide entrepreneurial opportunities for homeless individuals to grow and sell produce. Support for more information and coordination among businesses, so small businesses can outreach to other small businesses, was also provided, specifically calling out South Los Angeles as in need of this, especially along the Crenshaw Corridor.

**Neighborhood Improvements**

In the area of neighborhood improvements, the need for them to be focused in Boyle Heights was specifically called out. The need for street repair and training for youth in this field was also expressed, along with more green areas, such as wildlife corridors and pocket parks. The dumping of trash in public areas was also identified as a problem, with it being reported but not addressed.

**Transit-Oriented Development**

There were comments raised about the plan for Consolidated Plan efforts to coordinate with transit-oriented strategies. Support was given for leveraging transportation dollars to create and preserve affordable housing along transit corridors as well as hope for future light rail on Van Nuys Boulevard. There was also a request to have access to information regarding Metro/Expo projects that will affect job creation and retention opportunities. There were some comments that raised concerns regarding existing transit such as areas in need of greater maintenance of adjacent landscaping and transit-oriented strategies that emphasized on rental housing and moving close to transit centers instead of promoting homeownership and neighborhood improvements. It was expressed that sustainability and the built environment should be considered in transit-oriented strategies to encourage mixed-use and pedestrian-friendly neighborhoods.

6. **Summary of comments or views not accepted and the reasons for not accepting them**

The City received and noted public comments requesting the City address the issues raised below. Many important issues were raised that are components of building communities of opportunity; through coordination with other programs, they may be addressed through other leveraged programs now or in the future. As the Five-Year ConPlan is implemented, integration with these other areas to build communities of opportunity will increase. Comments include:

- Improved operation of public transportation including longer hours, more routes, lines, connector lines and increased frequency connecting to transit stations, bus shelters and benches. **Response:** Transportation activities are planned to be funded out of transportation funds. ConPlan funds for the first year are too limited in the City to use for transit activities when there is a larger source available for them.
• Improved public safety and crime prevention, including emergency preparedness planning. **Response:** ConPlan funding for the first year targets improving public safety primarily in the area of keeping youth out of gangs. With CDBG public services being limited through regulation, there is little funding to add new service projects and programs. The City relies on its public safety funds and the City’s general fund to fund the majority of public safety and crime prevention services.

• Improved educational opportunities for children, youth and adults. **Response:** The majority of educational funding in the City is with the Los Angeles Unified School District and the Community College District. The ConPlan does fund some after school services for youth and young adults, including programs that leverage the City’s Workforce Investment Act programs. The limitation on providing sufficient services with the cap on public services reduces the opportunity to expand needed services. The City will continue to look at opportunities to leverage other sources of funding to address these needs in developing communities of opportunity.

• Better traffic flow measures such as light synchronization. **Response:** This comment will be shared with the City’s Department of Transportation, which coordinates the traffic light synchronization.

This ConPlan will model how a data-driven, place-based approach to the development of the ConPlan is not only imperative, but ideal. This ConPlan will demonstrate how the City of Los Angeles is well on its way to taking full advantage of its in-house skills, talent, and assets that will address changing needs. Any number of localities can assess, map and find the intersections where needs and assets meet. However, this requires innovation and the willingness to delve into the challenging circumstances that a local, political and bureaucratic system present when a ConPlan process is approached through a novel set of tools. Nevertheless, the City’s approach is replicable. With HUD’s granting of access to web-based tools, in effect, democratizing the data and tools, any locality can create a place-based, data-driven ConPlan.

7. **Summary**

It is the City’s intention that this ConPlan will serve as the foundation for a comprehensive set of policies that will respond to the City’s present fiscal and policy challenges, as well as unprecedented opportunities presented by way of transit investment. This ConPlan lays out a strategic framework that addresses the paradigm shift in how neighborhood development is funded, and why neighborhood development matters in a citywide approach to recovery from the Great Recession.