



San Gabriel Valley Council of Governments

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Housing Committee

AGENDA

Thursday, May 1st, 2008
1:00 p.m.

San Gabriel Valley Council of Governments Office
3452 E. Foothill Blvd, Suite 810
Pasadena, CA 91107

1.0 Preliminary Business

- 1.1 Call to Order
- 1.2 Self-Introductions

2.0 Public Communications

3.0 Consent Items

- 3.1 Correspondence
- 3.2 Minutes from April 3rd Meeting

4.0 Discussion Items

4.1 Foreclosures in the San Gabriel Valley

The Executive Director gave a brief report on this item. He stated that there 8,100 housing units in the San Gabriel Valley that are in some stage of foreclosure. The Valley has 14% of the foreclosure in Los Angeles County.

J. Parker gave a report on this item as it relates to legislation. He stated that last month the Housing Committee discussed the possibility of pursuing legislation that would allow cities in the San Gabriel Valley to purchase foreclosed homes in their respective jurisdictions and count them towards their Regional Housing Needs Assessment (RHNA). One such piece of legislation is AB 2954 (Mullins), which authorizes redevelopment agencies to expend money from the Low and Moderate Income Housing Fund to purchase homes within its jurisdiction that have been foreclosed and are vacant, and convert them to affordable housing units. This legislation passed unanimously through committee and Assemblymember Anthony Adams has signed on as a coauthor of this bill. He also stated that the CRA, League of California Cities, and the Realtors Association have all taken a position of support on this item.

This bill addresses many of the issues that were discussed by the housing committee last month. However, he recommended working with the author to address two specific issues. First, this legislation specifies that cities may use redevelopment funds to purchase foreclosed homes. The committee discussed this and agreed that the COG recommend that this legislation be amended to allow cities without redevelopment agencies to participate in this program and utilize other funding sources. Second, this bill does not specifically state that the units that are purchased will be counted towards cities' RHNA allocations. J. Parker stated that he has been in contact with the author's office and staff has indicated that he would be willing to include amendments to address these two issues.

After discussion, the Housing Committee recommended position of “support and work with author” on this legislation to the Governing Board. Additionally, committee members recommended that staff work with the City Managers’ TAC to encourage cities to adopt a support position.

B. Huang stated that there are a number of other State and Federal bills that may be of interest to the Committee, including the omnibus housing bill that is currently in the House of Representatives. This would enable bond financing to refinance mortgages.

4.2 City of Industry Set Aside Funds: The “Welcome Home Campaign”

P. Novak gave a presentation on this item. He stated that while this bill appeared dead, there may be an attempt by Senator Romero’s office to bring the legislation back. The County is working on a 5-signature Board of Supervisor letter opposing the legislation, as the extension of Industry’s redevelopment area would represent a future loss of \$600 million to the County. Additionally, he stated that if the City were required to go through the traditional process required for qualifying redevelopment areas, they may not be able to meet the blight removal test.

If the Redevelopment Agency is not renewed, this would mean that the funding for the City of Industry Housing program would go away. LACDC is working with the Board of Supervisors’ offices to secure a portion of the funding to be set aside for affordable housing programs, similar to the current program.

The Committee discussed how this represents the larger issue of how coordination and agreement on cities’ redevelopment project areas between the cities and County has been problematic. P. Philips suggested that this issue be discussed with the new CEO of the County and that a small working group be formed to formulate an issue list and possible suggestions for improvement. He requested that staff send out an email to the City Managers to invite them to participate on this working group.

4.3 LA County Community Development Commission Request for Proposals/ Notice of Funding Available Update

B. Huang gave a presentation on the historical trends related to the San Gabriel Valley cities’ applications for City of Industry funds. Over the past 10 years, they have submitted 19% of the applications and received 21% of the awarded funding. The SGV cities have a 67% success rate.

In Round 11, in which \$20 million was available, there was only one application from the San Gabriel Valley, which was from the City of Pasadena. After review, only 4 projects passed final evaluation. Because of this low application/success rate, there is another round of funding currently open, which will provide \$10.5 million in funding.

There was a discussion about the types of projects that are most successfully funded. In particular, home ownership projects require more subsidies, as rental units have more leveraging resources. The Committee also discussed the difficulty of developing projects in cities that do not have inclusionary zoning. The Executive Director stated that as much of the job growth is projected to occur in the East San Gabriel Valley, it is important that the COG develop strategies for facilitating the development of affordable housing projects in that area. Committee members also asked if it would be possible to use the City of Industry funds to purchase foreclosed homes.

B. Huang also gave an update on two other RFPs. The Homeless Services Capital/Rental funding program was allocated per Service Planning Area (SPA) and the SGV did relatively well. The 5th District also competed well, as staff actively encouraged providers to apply. The Revolving Loan Fund is another program that provides a total of \$20 million to acquire land and complete pre-planning activities. Non-profit lenders are applying to LACDC, and then cities and developers can lend funding from these agencies. It is expected that the funding will be available in the summer. Additionally, LACDC is working on secure consultants for technical assistance for cities to develop affordable housing projects.

4.4 Survey of Cities' Technical Assistance Needs

The Executive Director recommended that this item be discussed with the City Managers' TAC to gather feedback and develop recommendations.

5.0 Items for Future Meetings

The Executive Director suggested that the following items be discussed at future meetings:

- SGV RHNA Allocations
- SCAG's RTP Growth Forecast
- Update on the Homeless Services Needs Assessment
- Results of LACDC's Homeless Services RFP

6.0 Set next meeting date - June 5th, 2008

7.0 Adjournment