



PRESS RELEASE

COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES
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FEDERAL DOLLARS HELP LOW-INCOME AND DISPLACED SENIORS FIND THEIR WAY “HOME” IN LOS ANGELES COUNTY

HOME Funds are a Vital Resource for Low-income Housing Development in the County but are at Risk of Continued Drastic Reductions

Los Angeles, February 27, 2012 – The HOME Investment Partnerships Program is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households. Each year it allocates approximately \$2 billion among the States and hundreds of localities nationwide.

On February 15, 2012, the Community Development Commission of the County of Los Angeles (CDC) joined in the Open House celebration for Canyon Creek, a \$22 million affordable housing community in Calabasas built specifically for seniors, 62 years of age or older who are low-income or have been displaced by foreclosure. The CDC provided \$2.5 million in HOME funds for site acquisition and construction costs to build a new affordable housing development that promotes independent living for seniors. With this base funding, the developer, Thomas Safran and Associates, was able to leverage approximately \$20 million in additional funds to make this project feasible. It took six years to build the 74-unit development, not uncommon for a project that incorporates multiple sources and uses of funding.

Developments like Canyon Creek exemplify the benefits of the HOME Program. It is a prime example of Federal dollars being used, and multiplied, to provide low-income seniors, and those who may otherwise be displaced as a result of the nationwide economic crisis, with a place to call home.

Since the inception of the CDC's HOME Program in 1992, Los Angeles County has assisted in financing over 2,690 units of affordable and special needs housing using these funds. The CDC's goal to increase and preserve the supply of affordable housing for seniors, families, and persons with special needs in Los Angeles County is becoming more challenging, but its efforts are steadfast. Despite the valuable contributions of the local program, and numerous similar success stories across the nation, the HOME Program continues to be criticized as ineffective and targeted for Federal funding reductions.

In the last year alone, the HOME Program was reduced by 44%. This Federal cut coupled with the dissolution of the State's redevelopment agencies (RDAs) as of February 1, 2012, which eliminated the 20% Low and Moderate Income Housing funds generated annually from RDAs tax increment, leaves local affordable housing financing in a dire situation. The cuts translate into fewer resources for the construction of affordable housing, rehabilitation of existing housing, and down payment assistance for eligible first-time homebuyers.

For more information on the CDC's HOME Program, please call (323) 890-7235. All media should contact the CDC's Public Information Officer, Elisa Vásquez, at (323) 890-7415.

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