

July 11, 2005:

COUNTY REQUESTS PROPOSALS FOR \$10 MILLION IN AFFORDABLE HOUSING FUNDS

Award-winning "City of Industry Funds" program is one of the County's largest sources for new housing

LOS ANGELES, CALIFORNIA. On Monday, July 11th, the Los Angeles County Community Development Commission (CDC) – which functions as the County's Housing Authority – released a request for proposals (RFP) for an ninth round "City of Industry Funds" program allocation of approximately \$10 million. The Industry Funds program is one of the County's largest funding sources for new affordable housing. Housing developers are encouraged to submit proposals and apply for these funds.

The RFP allocates \$5 million for special needs rental housing and \$5 million for affordable multi-family rental and senior rental developments. Special needs populations include individuals who are developmentally disabled, mentally ill, domestic violence victims, emancipated foster youth, and HIV/AIDS afflicted. A separate and open-year-round RFP for the development of affordable for-sale housing is also currently available, with approximately \$2 million dollars reserved each fiscal year for this RFP.

The RFPs are part of the CDC's ongoing efforts to increase the supply of affordable housing and thereby build better lives and better neighborhoods for County residents. The City of Industry Funds program originates from "tax increment revenue" generated from that city's redevelopment areas and which can be used within a 15-mile radius of the City of Industry. Revitalization leads to an increase in property tax revenue because land within the redevelopment areas incrementally increase in assessed value from a base-year assessed value. The incremental increase in assessed value produces an incremental increase in property tax revenue (tax increment revenue), a portion of which is allocated for the City of Industry Funds.

An agreement to distribute the revenue outside the City of Industry was reached because the overwhelmingly industrial city is home to few residents, which made increasing the affordable housing stock within its boundaries less beneficial than expanding the target area for affordable housing projects out to 15 miles (see the attached map).

The County Board of Supervisors adopted the Industry Funds distribution plan seven years ago in June of 1998, with the County CDC – which serves as the County's affordable housing and economic and community development agency -- administering the program. The Industry Funds program is scheduled to extend out through the year 2017. Eight funding rounds have allocated over \$125 million in Industry Funds, which will result in a cumulative 145 projects, over \$806 million in external funds, and over \$931 million in total investment, which will add 6,453 units to the County's affordable housing stock.

For its effective management of the Industry Funds Program, the County CDC has received several notable awards, including recognition from the National Association of Housing and Redevelopment Officials (NAHRO), the California State Association of Counties (CSAC), and the Los Angeles County Quality and Productivity Commission. In addition, specific developments funded in part with Industry Funds have received awards for their excellence.

Carlos Jackson, Executive Director of the County CDC, said, "We seek a large and diverse pool of bidders – both for-profit and non-profit -- who are interested in becoming part of a team committed to creating vital affordable housing in the County. Our fair and accessible

staff are available to answer questions about this special program. Developers are encouraged to submit proposals for the rental and for-sale affordable housing funds.”

The RFP is posted on the County CDC’s Web site (www.lacdc.org). The CDC must receive proposals by 3:00 p.m. on Monday, August 29th. Proposals should be addressed to the following:

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Los Angeles County Community Development Commission
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[Download the Industry Funds Map](#)