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CRA/LA Provides Relief in Valley Neighborhoods with High Foreclosures

\$2 million slated for first-time homebuyers in Council Districts 6, 7

Los Angeles — A recent foreclosure study showing a 237 percent increase in foreclosures in Valley neighborhoods prompted Los Angeles City Councilmembers Tony Cárdenas (CD 6) and Richard Alarcón (CD 7) to seek assistance from the Community Redevelopment Agency of the City of Los Angeles (CRA/LA).

In November 2008, the CRA/LA Board of Commissioners and the City Council authorized CRA/LA to implement a \$2 million pilot program in Valley neighborhoods that will provide up to \$75,000 in down payment assistance for first-time homebuyers located within Council District 6 and 7 boundaries.

“The foreclosure crisis and the credit crunch are disproportionately affecting many of the communities we serve in the Valley,” said CRA/LA Chief Executive Officer, Cecilia V. Estolano. “We’re introducing this first-time homebuyers program as one strategy to help low- and moderate-income families get their first home and help stabilize the communities in which we work.”

Families eligible for the first-time homebuyers program (HOP) earn 120 percent of the Area Median Income (AMI) in their council districts or a maximum of \$71,800 for a family of four. The CRA/LA funds are provided as gap financing between the purchase price and the first mortgage for a single family home, condominium or townhouse.

“We have to step up and make sure local government provides some solutions to this economic crisis,” said Councilman Tony Cárdenas. “This program helps families of all backgrounds afford to make that leap into home ownership while at the same time prevent them from falling victim to the predatory lending companies that contributed to the foreclosure crisis.”

Councilmembers Cárdenas and Alarcón with CRA/LA staff have planned six homebuyer education workshops. Workshops will be held at the Marvin Braude Center at 6262 Van Nuys Boulevard in Van Nuys, Pacoima Community Center at 11243 Glenoaks Boulevard in Pacoima, and Mission Community Police Station at 11121 North Sepulveda Boulevard in Mission Hills.

Workshops will be presented in English and Spanish.

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First-Time Homebuyers 2-2-2

Those planning to attend should register in advance by calling (877) 570-5276 or go to www.EastValleyHOP.org.

Location	Date	Day	Time	Language
Marvin Braude Center				
6262 Van Nuys Boulevard, Van Nuys	June 6	Saturday	9 am – 12 pm	English
	June 6	Saturday	1 pm – 4 pm	Spanish
Pacoima Community Center				
11243 Glenoaks Boulevard, Pacoima	June 13	Saturday	9 am – 12 pm	Spanish
	June 13	Saturday	1 pm – 4 pm	English
Marvin Braude Center				
6262 Van Nuys Boulevard, Van Nuys	June 20	Saturday	9 am – 12 pm	Spanish
Mission Community Police Station				
11121 North Sepulveda Boulevard, Mission Hills	June 27	Saturday	9 am – 12 pm	English

“The East Valley Region Homeownership Opportunity Program will reduce the impact of the foreclosure crisis in our communities and help working families realize the American Dream of homeownership,” said Councilmember Alarcón. “An important component to the program is that, in addition to the no-interest loans, we will also educate potential homebuyers about the financial ins and outs of homeownership, to ensure that our new neighbors have the information they need to maintain stability for their families and in their communities.”

CRA/LA’s East Valley Region has been negatively impacted by a high level of residential defaults and foreclosures, among the highest in the City of Los Angeles. Detailed below is a summary of current foreclosure activity compared to one year ago. In the Project Area there has been a 237% increase in foreclosures, with a total of 1,013 foreclosed properties occurring in the third quarter of 2008. A recent City study of foreclosure activity between January 2007 and June 2008 also indicates that CD 6 ranked fifth and CD 7 ranked second among the 15 Council Districts.

In addition to the East Valley, CRA/LA also provides a range of first time homebuyer programs in the West Valley, Eastside and Harbor regions.

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First-Time Homebuyers 3-3-3

About the Earthquake Disaster Assistance Area for Portions of Council District 7

The Earthquake Disaster Assistance Project for portions of Council District 7 is the official title of the CRA/LA Redevelopment Project Area, which also includes portions of Council Districts 2 and 6. The Project Area was adopted in 1994 to repair, restore, demolish or replace buildings and facilities damaged in the Northridge Earthquake, plus create affordable housing and revitalize commercial districts. It includes portions of the communities of Arleta, Lakeview Terrace, Mission Hills, North Hills, North Hollywood, Pacoima, Panorama City, Sun Valley, Sylmar and Van Nuys.

About CRA/LA:

CRA/LA (www.crala.org) is a public agency regulated by the State of California and operating within the City of Los Angeles. We make strategic investments to create economic opportunity and improve the quality of life for the people who live and work in our neighborhoods.

CRA/LA manages 32 redevelopment projects areas and three revitalization areas in seven regions: East Valley, West Valley, Hollywood & Central, Downtown, Eastside, South Los Angeles, and the Harbor

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