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Non-Profit Housing Developers Receive Funds from CRA/LA to stay afloat in recession:

Many Non-profit Housers are struggling during down economy

Los Angeles—Non-profit housing organizations operating in redevelopment project areas received financial assistance for the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) to help them stay in business during the current economic decline.

"The CRA/LA grant is critical in our City's efforts to make housing affordable and to create jobs for hard working families," Mayor Villaraigosa said. "In these trying times, we must continue to aid these non-profit organizations that are serving communities and residents in need across our City."

The CRA/LA Board of Commissioners today approved a \$500,000 grant allocation for 10 non-profit housing development organizations currently working within redevelopment project areas. Each of the organizations will receive a one-time, one year \$50,000 to help build capacity and maintain their long term stability to produce low and moderate income housing.

"In this economy, low and moderate-income housing development is the only construction activity that is continuing. It is vital for us to support these non-profit organizations that are providing both desperately needed affordable housing and well-paying jobs for local residents," said Bruce D. Ackerman, CRA/LA Board Chairman.

In 2009, in a response to the economic crisis and the impact on affordable housing projects, CRA/LA staff recommended increased funding for the Non-Profit Operating Support Grant Program (NOSP) which was created in 1992.

"In this period of extremely tight resources, we are privileged in the City of Los Angeles to have a redevelopment agency that has made an obvious commitment to the continuing growth and sustainability of the nonprofit housing sector," said Paul Zimmerman, Executive Director of the Southern California Association of Nonprofit Housing (SCANPH).

The 10 organizations receiving the NOSP grant are:

- A Community of Friends
- Abode Communities
- Coalition for Responsible CD
- East LA Community Corporation
- Hollywood Community Housing Corporation
- Los Angeles Family Housing
- Los Angeles Housing Partnership
- LTSC Community Development Corporation
- Mercy Housing
- New Economics for Women

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Housing Grants 2-2-2

“CRA/LA again leads the way in ensuring that the non-profit sector can continue providing affordable housing for poor working families. We are extremely grateful for this support at such a critical time,” said grant recipient, Maggie Cervantis, Executive Director of New Economics for Women.

On October 15, 2009, CRA/LA issued applications for funding under the NOSP. Eligibility for the funds is limited to community based nonprofits which are involved (at the time of application) in planning, construction, or development and/or operation of extremely low, very low, and moderate income housing projects within redevelopment project areas.

California redevelopment law requires that 20 percent of all redevelopment funds (tax increment) be set aside for low-and moderate income housing. CRA/LA has assisted with the development or rehabilitation of 25,000 homes, 90 percent of which are for low- and moderate-income individuals and families.

“I applaud the CRA/LA for putting forth creative solutions to assist non-profit affordable housing developers during these challenging economic times,” said Dean Matsubayshi, Executive Director of the Little Tokyo Service Center, who also received an award.

About Community Redevelopment Agency of the City of Los Angeles

CRA/LA (www.crala.org) is a public agency regulated by the State of California and operating within the City of Los Angeles. CRA/LA makes 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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