



**ERIC GARCETTI**  
**MAYOR**

February 16, 2016

The Honorable Julian Castro, Secretary  
U.S. Department of Housing and Urban Development  
451 – 7<sup>th</sup> Street, SW  
Washington, DC 20410

Dear Secretary Castro:

On behalf of the City of Los Angeles, I write in strong support of the South Los Angeles Transit Empowerment Zone (SLATE-Z) application, as proposed by the partnership led by Los Angeles Trade Tech College. This proposal for a second Promise Zone designation in Los Angeles represents an unprecedented effort by diverse area institutions and non-profits committed to measurably reducing the rates of poverty for several of the most economically depressed communities within the city.

The SLATE-Z plan is rooted in strategies for ensuring physical and economic mobility for geographically and economically isolated communities. It will succeed by building strong public and private pathways between educational and job training agencies so more students receive a high quality education that leads to long term educational and career success. This investment in education will attract high growth sectors that create living wage jobs and align education, career, and job-training initiatives along South L.A.'s transit corridors. It also aims to build neighborhood economies, safer communities, and healthy families and individuals.

I submit this letter to convey Los Angeles' interest and significant commitment to the proposed SLATE-Z designation. The SLATE-Z designated area is located completely within the boundaries of the City of Los Angeles and does not include any other jurisdictions. With an aggregated poverty rate of almost 46% and almost 12% of the local labor force unemployed, the neighborhoods within the SLATE-Z boundaries are some of the neediest in California. Los Angeles is ready and able to support a second federal Promise Zone community for the duration of each zone's designation. The full complement of strategies offered in this proposal holds the most promise for measurable improvement in the lives of almost 365,000 vulnerable Angelenos.

This letter also serves to demonstrate the strength and extent of the local government commitment to target local funds and locally controlled funds from other sources toward the SLATE-Z goals and activities in support of economic and community revitalization. These specific commitments are detailed below:

#### Goal 1. Pathways to Living Wage Jobs - \$9,800,480 annual

Los Angeles' Economic and Workforce Development Department (EWDD) will work with SLATE-Z partners to provide almost 9,000 eligible residents annually with access to comprehensive social and employment-related services at three WorkSource Centers located within SLATE-Z. This represents an annual investment of \$3,225,000. The South Los Angeles Regional BusinessSource Center, funded annually at \$500,000, supports economic development in SLATE-Z through small business financing, employee hiring/workforce development, one-on-one counseling, business plan development, tax incentives and credits and business courses.

Three YouthSource Centers in SLATE-Z will serve 1,800 young people annually, providing critical comprehensive educational and career readiness services. The YouthSource Centers, recently enhanced with on-site academic counselors through a partnership with the Los Angeles Unified School District, and Los Angeles Reconnections Career Academy, a re-entry program, together represent an annual investment of \$3,075,480 in youth development services within SLATE-Z. The city's "Hire L.A. Youth" summer employment program provides soft skills training and work readiness certification sessions for youth ages 14-24, and places them in subsidized jobs for six weeks during the summer with local partners that include nonprofits and businesses. A total of 1,500 young people will benefit each year, representing another \$3,000,000 investment in local human capital.

#### Goal 2. Increase Economic Activity – \$47,494,102 capital investment – \$2,400,000 annual

The SLATE-Z framework, which harnesses Los Angeles' transportation infrastructure investments to benefit residents, is completely aligned with the city's Transit-Oriented Consolidated Plan. Through the Los Angeles' Housing and Community Investment Department (HCIDLA), the city is committed to preserving and expanding high quality affordable housing in SLATE-Z, using the city's rent stabilization ordinance to preserve housing affordability for existing residents, and creating new housing units along transit corridors to support the projected population and job growth. Currently, 248 new units of affordable housing are slated for development in SLATE-Z, representing an \$11,840,360 investment from the city's Affordable Housing Trust Fund.

HCIDLA also funds the FamilySource Center located in SLATE-Z which provides an array of services including case management, financial counseling, tax preparation, ESL classes, academic tutoring, cultural arts, and computer classes, among other services. More than 7,500 residents are served through this center each year, representing a \$2,400,000 annual investment in local human capital. HCIDLA also manages the city's CDBG program, which currently is funding 6 public facility and local infrastructure projects with \$8,653,742 in SLATE-Z.

The University of Southern California (USC) is a critical institutional partner in SLATE-Z. In addition to its role within the educational realm, USC is a key driver of economic development in the region. Its recently approved campus master plan will allow it to grow responsibly over the next decade. Working with the City of Los Angeles and many of the SLATE-Z partner organizations, USC has developed a record-breaking community benefits agreement, which will target approximately \$27,000,000 in strategic investments and programs within surrounding neighborhoods during the life of the SLATE-Z federal designation.

#### Goal 4. Reduce Violent Crime -- \$7,275,000 annual

Gangs and gang violence are often cited as the number one problem facing underserved areas of the city by its residents. The office of Gang Reduction and Youth Development (GRYD) provides intervention, prevention and re-entry services throughout the proposed SLATE-Z region. The City of Los Angeles currently invests an estimated \$6,675,000 annually in programs that work with gang-involved youth and which work to prevent youth from joining gangs. In addition to the prevention and intervention programs, each year the City of Los Angeles spends an estimated \$600,000 at 3 parks to support the Summer Night Lights program.

**Goal 5. Improve Community Infrastructure- \$4,500,000 capital investment**

As part of the Great Streets Initiative, Central Avenue in SLATE-Z has been identified as one of the top corridors for investment given the high safety and economic needs of the area. Thus far, the city has programmed approximately \$4,500,000 from Washington Blvd. to Slauson Ave. to tackle much needed infrastructure improvements that will reclaim streets for pedestrian and economic activity. The Great Streets Studio is in the midst of an outreach process that will define project scope elements based on community driven design.

**SLATE-Z Administration -- \$150,000 annual**

The City of Los Angeles is committed to coordinating work and investments with public and private sector implementation partners that have signed the SLATE-Z Memorandum of Understanding. This includes the city's investments, services, and programs that have been described above which are aligned with the SLATE-Z strategies. The talent and experience in Los Angeles' existing Promise Zone Office will be leveraged in support of SLATE-Z, creating positive synergies between the two efforts. An Associate Director will be added to the Promise Zone Office, to provide the necessary support for SLATE-Z, monitoring progress toward the five goals, coordinating local, state and federal programs and resources toward goals, and ensuring alignment with the L.A. Promise Zone. This additional staff person, augmented by supervision and support from the LAPZ Director, will result in the equivalent of an additional FTE dedicated to the SLATE-Z work.

The investments described above represent the City of Los Angeles' leveraged funding of \$19,625,480 annual funding for programs and services and \$51,994,102 in one-time capital expenditures. Over the term of a prospective SLATE-Z Promise Zone, this would translate into a total leveraged funding amount of almost \$250,000,000. This targeting of multiple funding streams for place-based programs and services will support the revitalization of the distressed targeted neighborhoods in the SLATE-Z area. Working together, we can make measurable progress toward a more prosperous future for residents, businesses, and local institutions.

I am proud to support the SLATE-Z Promise Zone designation application. Please do not hesitate to contact me should you have any questions regarding Los Angeles' commitment.

Sincerely,



ERIC GARCETTI  
Mayor