

# CDBG SLUM AND BLIGHT: GET IT RIGHT!

## NACCED CONFERENCE

### September 19, 2011

Presentation by  
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Community Development Commission  
of the County of Los Angeles



# Community Development Commission of the County of Los Angeles

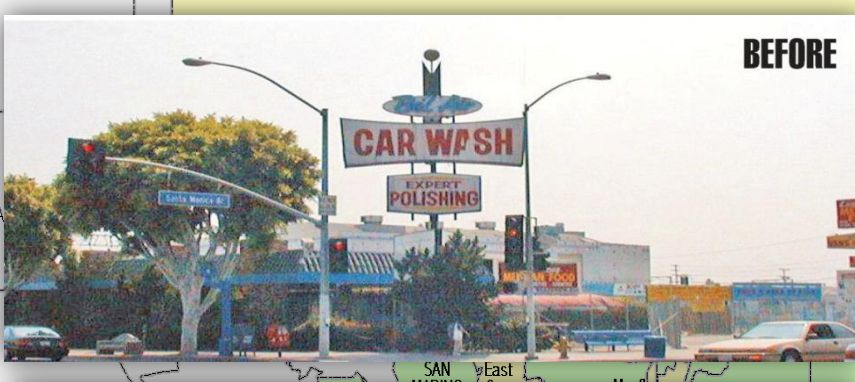
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*An agency created by the Los Angeles County Board of Supervisors in 1982*

- Housing Authority for the County
- Agency administers CDBG (\$28 million), HOME (\$12 million), and ESG (\$1.3 million) funding
- Key Divisions Include CDBG, Economic Redevelopment, and Housing Development & Preservation
- Geographic area includes 49 Participating Cities as well as the unincorporated areas of the County

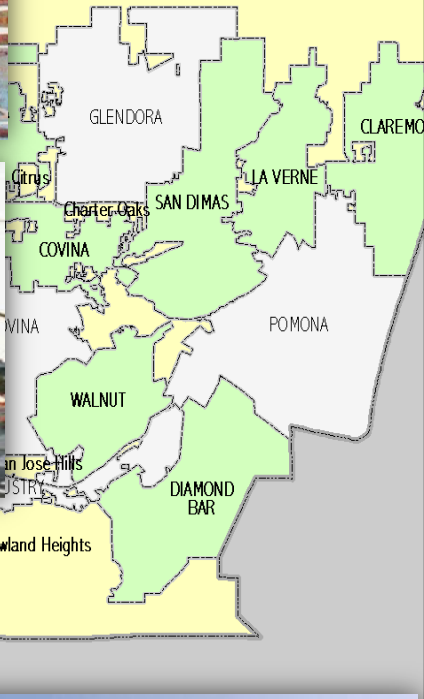




**BEFORE**



**AFTER**



# PROCESS FOR REVIEWING PROPOSED SLUM BLIGHT AREAS FOR ELIGIBILITY UNDER THE CDBG PROGRAM

## PURPOSE

To create a proactive process that ensures that cities submit a comprehensive Slum/Blight Report that meets CDBG program requirements.

## ISSUES

Some cities have submitted their final SBA reports that may have met State or local requirements but not CDBG.

# HUD NOTICE PUBLISHED IN THE FEDERAL REGISTER ON MAY 24, 2006

*24 CFR Part 570 Community Development Block Grant Program;  
Revision of CDBG Eligibility and National Objective Regulations; Final Rule*

## KEY REVISIONS

- Expands what is considered as a blighting influence such as abandonment, environmental contamination, and economic disinvestment
- Requires grantees to establish definitions of blighting influences and to retain records to support them
- Designations must be re-determined every 10 years
- 25% of properties must experience one or more slum/blight conditions
- Clarifies that some conditions are not considered as blighting influences in qualifying a CDBG slum/blight area

# GRAFFITI



# TRASH





PLEASE  
PICK ME  
UP!





# SBA Six (6) Step Eligibility Qualification Process

## Phase 1

STEP 1: **City**—Initial Planning and Development

STEP 2: **City**—Preliminary Slum/Blight Study Submission

- *General information and sample properties*

STEP 3: **County**—Assessment of Preliminary Slum/Blight Study

- **City** - If not approved, go back to Steps 1 and 2 & reassess area
- **City** - If approved, proceed with Step 4.

## Phase 2

STEP 4: **City** - Development of the Comprehensive Slum/Blight Report

- *More detailed parcel specific information*

STEP 5: **County** - Assessment of Comprehensive Slum/Blight Report

STEP 6: **County**—Approval or Denial

# STEP 1: City—Initial planning & proposal development



## I. Initial Planning

- a) Develop a clear vision of what the city wants the area to be
- b) Develop a list of blighting conditions that exist and the city wants to correct
- c) Select a contiguous project area
- d) Review of current Federal, State and local laws/regulations
- e) Develop a Methodology to assess the area based on a, b, c, and d above.

# STEP 1: **City**—Initial planning & proposal development cont.

## II. Development of a Preliminary Slum/Blight Study

- a) Identifies the boundaries & includes a location map
- b) Describes and maps conditions specific to affected parcels
- c) Includes photos of five (5) sample properties
- d) Describes the survey methodology to assess the area
- e) Identifies how CDBG activities will improve the conditions

## **EXAMPLE** Definitions of Blight Conditions / Point Values

### **Un-Reinforced masonry structures**

<b>5 pts</b>	Structures which lack appropriate seismic reinforcement in conformance with the Bldg Code.
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### **Deteriorated exterior finish**

<b>5 pts</b>	Flaking, curling, peeling, crumbling, deterioration, voids in the paint or stucco finish.
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### **Substandard or non-permitted construction/materials** (Including main structures, accessory structures, building attachments)

<b>5 pts</b>	Un-professional or non-permitted performed construction/repairs, incompatible materials.
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### **Damaged buildings components** (Including main structures, accessory structures, building attachments)

<b>5 pts</b>	Structural components in need of repair/replacement, unfinished construction.
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### **Deteriorated paving** (Asphalt/concrete)

<b>5 pts</b>	Cracks, surface swells/dips, lack of striping, separations, uneven, potholes, voids, damaged/missing wheel stops.
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### **Prohibited/deteriorated Signage**

<b>5 pts</b>	Pole signs, roof signs, internally illuminated awnings, poor construction, un-professionally prepared signage, damaged/weathered sign components.
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### **Environmental contamination**

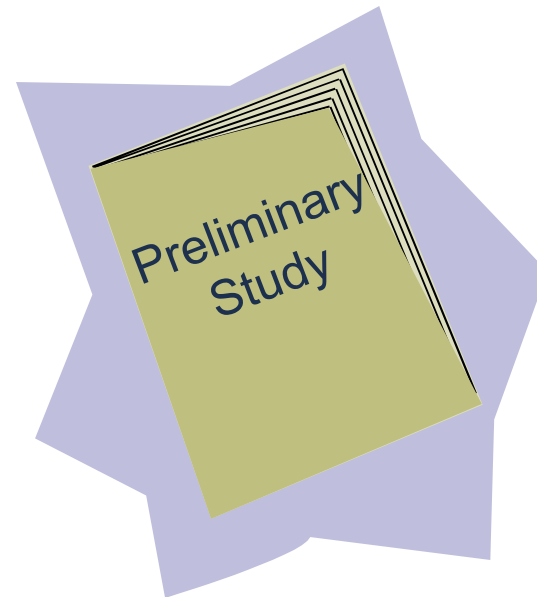
<b>10 pts</b>	Environmental contamination evidenced by on-site remediation equipment and/or geotechnical survey.
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# EXAMPLE Property Conditions Field Survey

Property Address					Date Inspected:
120 Main St., Participating City, Los Angeles County, California					9/19/11
<b>*20 OR MORE POINTS ASSIGNED TO A SINGLE PARCEL IS CONSIDERED BLIGHT</b>					
Condition	No	Yes	*Points		Details/Comments
Un-reinforced masonry structure	X				
Deteriorated Exterior Finish		X	5		Stucco is damaged, paint is peeling.
Substandard or non-permitted construction/materials	X				
Damaged building Components		X	5		Property contains a corrugated metal building which has structural damage
Deteriorated Paving		X	5		Cracking, pot holes, etc.
Prohibited/Deteriorated Signage		X	5		Rust, holes deterioration
Environmental Contamination	X				
<b>Total</b>			20		

# STEP 2: City—Preliminary Slum/Blight Study Submission

City submits formal letter, along with preliminary study, requesting a review by the County.



# STEP 3: **County** – Assessment of Preliminary Slum/Blight Study

## I. County Initial Assessment

- a) Review the preliminary study
- b) Conduct windshield survey
- c) Provide TA as needed



## II. Preliminary Study Determination

- a) Denial = City reassess area based on County Technical Assistance
- b) Approval = City Proceeds with Comprehensive Slum/Blight Report

# STEP 4: City – Development of the Comprehensive Slum/Blight Report

## Includes:

- More detailed parcel specific information using the *Property/Parcel Evaluation Form*.
- Supporting documentation to further substantiate findings.
- More detailed description of plans and activities to alleviate the slum/blight conditions.





# PROPERTY/PARCEL EVALUATION SHEET

**Section II -- Complete the following information with as much detail as possible. (Use additional pages if necessary)**

**B. Description of conditions:** (Please describe the specific slum or blighted conditions which exist on the site.)

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**Pictures:** If pictures can demonstrate slum or blight conditions, please attach them on a *separate page* with labels clearly describing what the pictures are illustrating.

**C. Required supporting documentation:** (Describe the documentation used to qualify this property as blighted)

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**D. Recommended Actions:** (Recommended actions to alleviate slum/blight conditions on a parcel-specific basis from which a full strategy or implementation plan will be derived.)

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**CITY OF SAN GABRIEL EXAMPLE**  
**PROPERTY/PARCEL EVALUATION SHEET**

**Section I**

Name of Proposed S/B Area: **EAST SAN GABRIEL COMMERCIAL DEVELOPMENT PROJECT**

Date: **2/20/10** Surveyed By: **MARTIN ROMO** Weather Conditions: **SUNNY**

Address of Parcel: **1266E. LAS TUNAS DR., SAN GABRIEL, CA 91776**

Assessor Parcel No. (APN) **5387- 034 – 903** or Census Block No.: **4811.00, BG 1**

Existing use/Bldg. Type: **Office Building** Zoning: **SLCC1 – Office Building**

**Notes: Parcel is 17,459 square feet, building is 5,328 square feet.**

Based on a sight survey or other documented method(s) of evaluation, the above property has been determined to be:

**BLIGHTED**



**NON-BLIGHTED**



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**If the property was determined to be blighted, use the following criteria to document how the site qualifies under the CDBG regulations §570.483 (c)(1)(ii)(A) or (B). Place a check (✓) next to the appropriate section (A or B) and sub-section (1-5), identifying the conditions that exist on the property.**

**X** (A) At least 25% of properties throughout the area experience one or more of the following conditions:

**X** (1) Physical deterioration of buildings or improvements.

**X** (2) Abandonment of properties

\_\_\_ (3) Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings

\_\_\_ (4) Significant declines in property values or abnormally low property values relative to other areas in the community; or

\_\_\_ (5) Known or suspected environmental contamination.

\_\_\_ (B) The Public Improvements throughout the area are in general state of deterioration

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**CITY OF SAN GABRIEL EXAMPLE**  
**PROPERTY/PARCEL EVALUATION SHEET**

**Section II -- Complete the following information with as much detail as possible. (Use additional pages if necessary)**

**B. Description of conditions:** (Please describe the specific slum or blighted conditions which exist on the site.)

**Property Abandonment: The property is boarded up with a chain link fence around its perimeter and is abandoned. The chain link fence has been broken into and the green screen has been torn.**

**Physical Deterioration: This building has boarded up windows, peeling paint, and cracked concrete.**

**Signage issues: There are exposed holes where the signage once existed.**

**Other issues: Graffiti, vandalism, and rubbish throughout the property.**

 **Level of Blight:** Maintenance       Rehabilitation       Dilapidation

**Pictures:** If pictures can demonstrate slum or blight conditions, please attach them on a *separate page* with labels clearly describing what the pictures are illustrating. **SEE PICTURES ON NEXT PAGE**

**C. Required supporting documentation:** (Describe the documentation used to qualify this property as blighted)

**Please see pictures on next page. Also, County records indicate that this property is tax delinquent. It has been vacant for over 10 weeks based on field observations.**

**D. Recommended Actions:** (Recommended actions to alleviate slum/blight conditions on a parcel-specific basis from which a full strategy or implementation plan will be derived.)

**Acquisition, façade improvements, clean-up.**

**PHOTO DOCUMENTATION**

**East San Gabriel Commercial Development Project (Redevelopment Project Area)**

1266 E Las Tunas Dr., San Gabriel, CA 91776



Cracking of the sidewalks



Excessive vandalism & broken sign

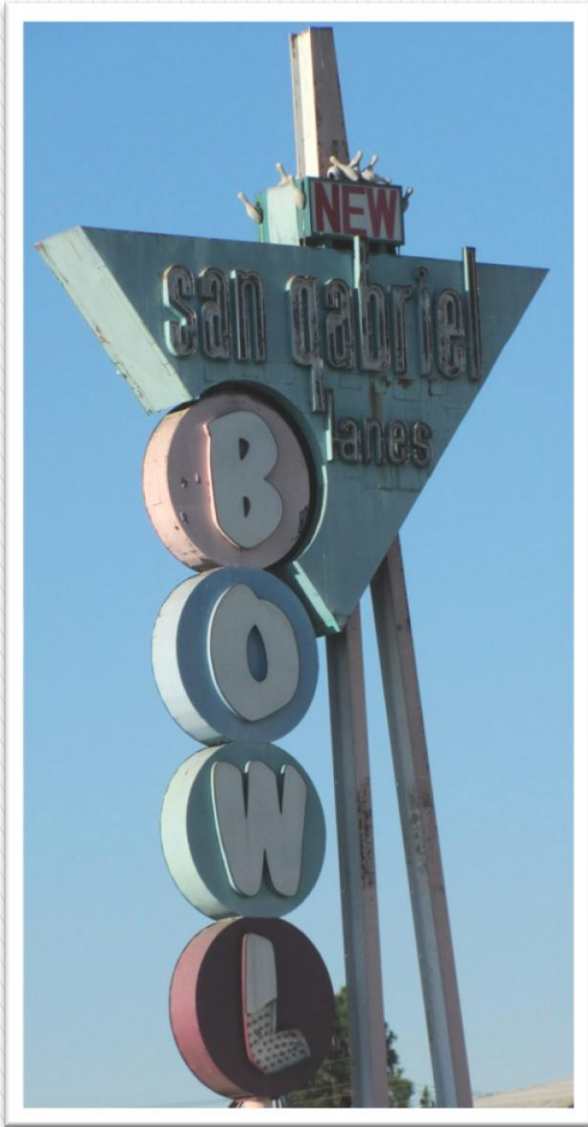


Boarded up & graffiti



Accessible to unauthorized persons and exhibition of rubbish.

# San Gabriel had issues with outdated & deteriorated signage



# STEP 5: **County** – Assess the Comprehensive Slum/Blight Report



- County staff will assess the report to ensure its in compliance with Federal, State, and/or local criteria.
- The County may request a field inspection with City staff to confirm specific report findings.
- County Staff may also request additional support documentation.

# STEP 6: **County** – Slum/Blight Project Area Approval



Based on Step 5, County staff will determine whether the proposed CDBG Slum Blight Area:

- a) Qualifies for the 10 year designation as submitted; or
- b) Conditionally qualifies for designation, pending additional information and/or documentation.



# KEY LESSONS LEARNED

- Cities need to plan their area carefully, developing a measured approach to eliminating blighting influences over the life of the project area.
- It is important to have a clear/defendable methodology for assessing the area.
- Cities need to enlist all possible resources to support the S/B designation, inclusive of:
  - Detailed site surveys;
  - City inspection/building records;
  - Local real estate records; and
  - Assessment of the needs and wants of the community.

## TIPS

- Be sticklers and require as much information as necessary.
- Recommend using previous qualified slum blight reports as examples.

# FOR MORE INFORMATION



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