



For Immediate Release
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ALARCÓN MOTION TO CREATE “HOMETOWN HEROES” HOMEOWNERSHIP OPPORTUNITY PROGRAM UNANIMOUSLY APPROVED BY COUNCIL

Los Angeles, CA – Today, Los Angeles City Councilmember Richard Alarcón’s motion to create the Hometown Heroes Homeownership Opportunity Program was unanimously passed by the Los Angeles City Council. This program will provide down payment assistance and first time homeowner incentives to city of Los Angeles “Hometown Heroes” – police officers, fire fighters, teachers and nurses.

“With the foreclosure crisis devastating communities and reducing homeownership rates, and gas prices rising every day, the Hometown Heroes Homeownership Opportunity Program is a creative solution that will stabilize our neighborhoods while reducing the commute for many of our hometown heroes who are currently forced to drive long distances because they cannot afford homes in the communities they serve,” said Councilmember Alarcón. “This program is a win-win-win – Hometown Heroes will be able to purchase near their jobs, the depressed economy will be stimulated because constructions jobs will continue and our local communities will be strengthened thanks to our new Hometown Hero neighbors.”

Specifically targeting the Northeast San Fernando Valley, this program will assist hometown heroes bridge the financing gap that is keeping them from purchasing their first home for their family. While they would go to their individual financial institution to obtain a conventional mortgage, the Hometown Heroes Program would assist with 10% of the price, for down payment assistance. The 10% down payment assistance will be funded through \$5 million in Community Redevelopment Association (CRA) funds. To ensure that the program is used appropriately, measures will be put in place which require these hometown heroes to live in the homes and that they are not used for investment purposes only.

Councilmember Alarcón and the CRA are working with the local credit unions for the fire, police and teachers as well as other private and public institutions to create the program and to aid with outreach. Currently there are many homes sitting unoccupied in the Seventh Council District due to the current housing slump, and these empty and half-constructed homes add blight and increase public safety risks. Restarting the building creates jobs and preserves community quality of life. Having Hometown Heroes in the local community also reduces response time in the case of a natural disaster or other emergency.

The City has developed and successfully implemented similar programs in the past. In 1997, Councilmember Alarcón introduced a motion, supported by the Mayor and City Council, which instructed the Los Angeles Housing Department to develop the “Homes for Peace Officers and Fire Fighters” program. It provided incentives and financing assistance for the purchase of a home by a City peace officer or firefighter. As a result, over seventy peace officers and firefighters were able to purchase a home in the City they serve. It is estimated that the Hometown Heroes Homeownership Opportunity Program could help, at minimum, seventy-one Hometown Heroes purchase their first homes within Los Angeles.