

FOREIGN AFFAIRS COMMITTEE
SUBCOMMITTEE ON AFRICA, GLOBAL HEALTH,
GLOBAL HUMAN RIGHTS AND
INTERNATIONAL ORGANIZATIONS

JUDICIARY COMMITTEE
SUBCOMMITTEE ON COURTS, INTELLECTUAL
PROPERTY AND THE INTERNET
SUBCOMMITTEE ON CRIME, TERRORISM,
HOMELAND SECURITY AND INVESTIGATIONS

WWW.BASS.HOUSE.GOV



KAREN BASS
CONGRESS OF THE UNITED STATES
37TH DISTRICT, CALIFORNIA

WASHINGTON OFFICE:
408 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
202-225-7084

DISTRICT OFFICE:
4929 WILSHIRE BLVD. SUITE 650
LOS ANGELES, CA 90010
323-965-1422

June 16, 2014

The Honorable Shaun Donovan
Secretary
U.S. Department of Housing and Urban Development
451 Seventh Street, S.W.
Washington, DC 20410

Dear Mr. Secretary:

First, I want to thank you and President Obama for your work in creating the Promise Zone program. Promise Zones have an incredible potential for areas like South Los Angeles, where people will directly benefit from the help and assistance that will come from being a part of a Promise Zone. I also want to commend the Department of Housing and Urban Development for an open process that has enabled local governments and community organizations to fully understand and comment on the next second of Promise Zone designations.

Although I wished that South Los Angeles would have been a part of the initial round of Promise Zones that President Obama announced in January, I remain committed to working with you and the Obama administration to make sure that areas like South Los Angeles are included in the next round.

I commend President Obama and his administration for making several improvements to the application process that will benefit areas like South Los Angeles. To be designated as a Promise Zone for the first round, an application needed to have received a Promise Neighborhoods Grant, a Choice Neighborhood Grant, or a Byrne Criminal Justice Innovation Implementation and Enhancement Grant. This requirement created a difficult hurdle for South Los Angeles to be designated as a Promise Zone since it had not received any of these grants. The proposed requirements for the next round of Promise Zone removes this requirement, which will be beneficial to South Los Angeles.

In addition, I would like to propose further improvements to the "Second Round Urban Promise Zone Application Guide" that was released on April 17, 2014.

Allow noncontiguous Promise Zones to be included in the application.

Section 2 Paragraph 1 of the "Qualifying Criteria" states "The Promise Zone may encompass one or more census tract(s) or portions of census tract(s) *across a contiguous geography*," and it

further requires that “a Promise Zone must have one adjoining boundary and *cannot include separate areas.*” Because of these criteria certain needy areas in Los Angeles would not be eligible due to close proximity to moderate-income areas. Allowing noncontiguous Promise Zones would allow high-poverty areas to participate even though they may be adjacent to moderate income areas.

Reinstate affordable housing as one of the Promise Zone goals and require a plan for preserving or creating housing affordability opportunities within the selection criteria.

One of the goals of the first round of Promise Zone funding was to create a better bargain for the middle-class by partnering with local communities and businesses to increase access to quality, affordable housing. Los Angeles' application for the first round of Promise Zone funding was successful because it increased housing affordability by preserving existing affordable housing and partnering with housing developers to increase the supply of affordable new housing to prevent displacement. Affordable housing as necessary to lifting people out of poverty, and it should be included in the “Second Round Urban Promise Zone Application Guide” as it was in the first round.

Include transit investments and the U.S. Department of Transportation (USDOT) as part of the selection criteria and review process.

Public transit investment is a crucial driver of economic growth and poverty reduction. Today, transit investment is a combination of local and state money being leveraged with federal dollars to provide effective transportation options for low-income communities. Recognizing USDOT investment as a part of the selection process will ensure that deserving areas will benefit from the Promise Zone program.

Increase the Promise Zone maximum population from 200,000 residents.

Section 2 Paragraph 3 of the “Qualifying Criteria” states that “Promise Zone boundaries must encompass a population of at least 10,000 but no more than 200,000 residents.” Approximately 3.8 million people live in the City of Los Angeles. Capping the total size of a Promise Zone application to 200,000 would mean that roughly 5% of Los Angeles’ residents could be within a Promise Zone application. A higher maximum population threshold would be more suitable for a city as large and as diverse as Los Angeles.

Allow large metropolitan areas with populations of more than 3 million people to submit more than one application per round.

Lines 55 to 58 of the "Second Round Urban Promise Zone Application Guide" state,

Only one Promise Zone application may be submitted within the boundaries of a unit of general local government (UGLG or local government) per application cycle. If more than one application is submitted for a Promise Zone meeting the qualifying criteria, the one submitted with local government support will be accepted. If more than one application is submitted with local government support within a UGLG, all of the applications from that UGLG will be disqualified for the current application cycle.

With approximately 3.8 million residents, the city of Los Angeles has a population larger than nearly half of the states in our country. Because of Los Angeles’ large and diverse population, it

has the potential for several distinct communities to submit compelling applications to be designated as Promise Zones. These communities should not be discriminated against simply because they are located in a populous urban area.

Urban metropolitan areas that have unemployment rates higher than the national average should be allowed to submit multiple applications.

The goal of the Promise Zones initiative is to revitalize high-poverty communities across the country by creating jobs and increasing economic activity. However, the Promise Zone application criteria have no mention of unemployment as a criterion for application. To ensure that Promise Zone applications meet the goals of the program, the "Second Round Urban Promise Zone Application Guide" should give preference to cities where unemployment rates are higher than the national average.

Again, I thank you for the opportunity to comment, and I look forward to continue working with you to ensure that the Promise Zone program is successful.

Sincerely,



Karen Bass
Member of Congress