

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

FRANK T. MARTINEZ
City Clerk

KAREN E. KALFAYAN
Executive Officer

When making inquiries
relative to this matter
refer to File No.

06-0600-S83

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CLAUDIA M. DUNN
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January 3, 2008

Honorable Antonio Villaraigosa, Mayor
Councilmember Perry
Councilmember Garcetti
City Administrative Officer
Controller, Room 300
Accounting Division, F&A
Disbursement Division
Los Angeles Housing Department
Los Angeles Homeless Services Authority

RE: USE OF SAVINGS FROM THE CITY'S 2006-07 GENERAL FUND ALLOCATION TO THE YEAR
ROUND SHELTER PROGRAM TO REIMBURSE THE LOS ANGELES HOMELESS SERVICES
AUTHORITY FOR PRIOR PAYMENT TO THE VOLUNTEERS OF AMERICA

At the meeting of the Council held December 18, 2007, the following action was taken:

Attached motion () adopted .....
Attached resolution adopted .....
Ordinance adopted .....
Motion adopted to approve communication recommendation(s) .....
Motion adopted to approve Committee report recommendation(s) ..... X
To the Mayor FORTHWITH ..... X
Mayor concurred ..... 12-24-07

Handwritten signature of Frank T. Martinez

City Clerk
jr



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TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your

**BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to the use of savings from the 2006-07 General Fund allocation to the Year Round Shelter Program to reimburse the Los Angeles Homeless Services Authority (LAHSA) for prior payment to the Volunteers of America.

Recommendations for Council action, as initiated by Motion (Perry - Garcetti), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the use of \$119,132 in General Fund savings derived from the City's 2006-07 allocation to the Homeless Shelter program to address necessary one-time financial adjustments concerning the delivery of homeless services.
2. AUTHORIZE the General Manager, Los Angeles Housing Department (LAHD), or designee, to execute contracts or amend existing contracts with the LAHSA to allocate \$119,132 in General Fund savings as follows:
  - a. In an amount not to exceed \$30,000 as one-time funds to augment funding in 2007-08 for the Winter Shelter Program sites in Culver City and West Los Angeles to be operated by EIMAGO, Inc., a nonprofit organization, reflective of the budget summary included at Attachment A of the City Administrative Officer's (CAO) report attached to the Council file;
  - b. In an amount not to exceed \$89,132 to reimburse LAHSA for a prior payment issued to the Volunteers of America for services provided from April 1, 2004 through June 30, 2004 while operating the City-funded Downtown Drop-in Center for the homeless.
3. AUTHORIZE the General Manager, LAHD, or designee, to prepare Controller instructions and make any technical adjustments and corrections necessary to implement these actions, subject to the approval of the CAO and REQUEST the Controller to implement these instructions.
4. REQUEST the Controller to expend funds upon proper demand from the General Manager, LAHD, or designee.

Fiscal Impact Statement: The CAO reports there is no additional General Fund impact. Approval of the recommendations contained in this report will provide one-time funds totaling \$119,132 to augment funding for the operation of the Winter Shelter Program sites in Culver City and West Los Angeles for 2007-08 (\$30,000) and to reimburse the LAHSA for payments issued in 2004 to a nonprofit organization for costs incurred while operating the City-funded Downtown Drop-in Center (\$89,132). The funding is derived from General Fund savings from the City's 2006-07 allocation to the Homeless Shelter Program. In compliance with City Financial Policies, continuation funding of the Winter Shelter Program sites at the augmented funding level beyond the stated contract period will be contingent on identification of additional, ongoing revenues.

SUMMARY

At its meeting of December 17, 2007, the Budget and Finance Committee considered Motion (Perry - Garcetti) and a CAO report relative to funding requests to address costs associated with the delivery of homeless services activities. Motion (Perry - Garcetti) asks for authorization to use the savings from the City's 2006-07 General Fund allocation to the Year Round Shelter program, in an amount not to exceed \$89,132 to reimburse the Los Angeles Homeless Services Authority for prior payment to the Volunteers of America (VOA) for services provided in 2004. The CAO reports that this is a financial adjustment that will ensure that LAHSA is able to reconcile all prior year funding obligations from the appropriate fund sources.

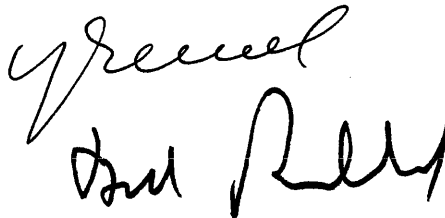
In 2004, the Council and Mayor transferred administrative responsibility of the LAHSA contract from the Community Development Department (CDD) to the LAHD. As a result, new contracts between LAHSA and the City were established to implement the transition. The CAO reports that the Downtown Drop-in Center traditionally has been funded with General Funds and Emergency Shelter Program grant funds through the Consolidated Plan process. Each source runs on different calendar cycles. In the process of transitioning administrative oversight, the LAHSA/City contract did not take into account the City General Funds budgeted for the period of April 1, 2004 through June 30, 2004. The General Fund allocation for the Downtown Drop-in Center in 2003-04 and 2004-05 was \$500,000 each year. Therefore, the prorated three-month amount is \$125,000. However, VOA's actual costs incurred were \$89,132. At the time of reconciling invoices, LAHSA used other funds to pay the amount owed. In an effort to mitigate potential disallowed costs, these sources must now be reimbursed to LAHSA. The LAHD has confirmed that sufficient General Fund savings are available within the LAHD Affordable Housing Trust Fund to cover this request and the CAO recommends approval of this payment request but cautions that this is one-time funding.

The Budget and Finance Committee recommended approval of the CAO recommendations relative to the use of savings from the 2006-07 General Fund allocation to the Year Round Shelter Program to reimburse the LAHSA for prior payment to the Volunteers of America. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
GREUEL:	YES
SMITH: -	ABSENT
ROSENDAHL:	YES
HUIZAR: -	ABSENT



LB  
#060600.83  
12/17/07

**ADOPTED**  
**MOTION ADOPTED TO APPROVE COMMITTEE REPORT RECOMMENDATIONS**  
DEC 18 2007