

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 14, 2018

CAO File No. 0220-00540-1284

Council File No. 10-0398

Council District: Citywide

To: The Mayor
The Council

From: Richard H. Llewellyn, Jr., City Administrative Officer 

Reference: Housing and Community Investment Department transmittal dated August 1, 2018; Received by the City Administrative Officer on August 6, 2018; Additional Information Received through August 13, 2018

Subject: **REQUEST FOR AUTHORITY TO NEGOTIATE AND EXECUTE A NEW INTERAGENCY AGREEMENT WITH THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES (HACLA) FOR PROVISION OF PROFESSIONAL ENVIRONMENTAL SERVICES**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Amend Recommendation I of the related Housing and Community Investment Department (HCID) transmittal (Report), Council File 10-0398, dated August 1, 2018 relative to the request for authority to negotiate and execute an inter-agency agreement between HCID and the Housing Authority of the City of Los Angeles (HACLA) for HCID to provide environmental services for HACLA for a two-year term retroactive to July 1, 2017 through June 30, 2019, for an amount not to exceed \$150,000 per year, subject to the approval of the City Attorney as to form, and to also be subject to compliance with the City's contracting requirements; and,
2. Adopt Recommendation II of the related Report.

SUMMARY

The Housing and Community Investment Department (HCID) requests authority to negotiate and execute an inter-agency agreement between HCID and the Housing Authority of the City of Los Angeles (HACLA) for HCID to provide professional environmental services pursuant to the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA) and other relevant federal, state, and local land use and environmental laws and regulations for HACLA for a two-year term retroactive to July 1, 2017 through June 30, 2019, for an amount not to exceed \$150,000 per year, and for a total not to exceed \$300,000. The most recent agreement between HCID and HACLA for these professional environmental services expired June 30, 2017 (C-124075), for a previous annual amount not to exceed \$90,000. The proposed inter-agency agreement (attached to relative Report) would allow HCID and HACLA to continue

to maintain the existing arrangement by funding a portion of two existing staff members within the Planning and Land Use Unit consisting of one Environmental Affairs Officer (20 percent) and one Environmental Specialist III (50 percent). The Department indicates that the Environmental Affairs Officer is currently funded with the Municipal Housing Finance Fund (MHFF) (65 percent), the Community Development Block Grant (CDBG) (15 percent), the Affordable Housing Trust Fund (10 percent), and the Home Investment Partnership Program (HOME) (10 percent). The Department also indicates that the Environmental Specialist III is currently funded with MHFF (80 percent) and CDBG (20 percent). The services provided by HCID under the proposed agreement will be funded by HACLA's program proceeds from the United States Department of Housing and Urban Development (HUD) and possibly other program income.

Prior to negotiation and execution of a new inter-agency agreement for professional environmental services, HCID will conduct a fee analysis of the necessary costs for such services. The fees proposed within Table 1 include preliminary fee projections based on HCID's direct labor costs for services provided to HACLA under the previous contract year, July 1, 2017 to June 30, 2018.

Table 1: Proposed Fees for Preparation of NEPA/CEQA Environmental Documents

Level of Review	Cost	Cost Basis	Number	Total
NEPA Categorical Exclusion ST/CEQA Exemption	\$ 1,500	Per Project	22	\$ 33,000
NEPA Categorical Exclusion NST /CEQA Exemption	\$ 1,500	Per Project	23	34,500
NEPA Environmental Assessment-FONSI/CEQA IS-ND	\$ 10,500	Per Project	4	42,000
NEPA Environmental Impact Statement (EIS)	\$ 20,000	Per Project	2	40,000
Total Per Year			51	\$ 149,500

The professional environmental services performed by HCID staff are fully funded by HACLA proceeds in the current year and for labor costs incurred from the prior year. This Office concurs with the recommendations of the Department, as amended.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The recommendations in this report are in compliance with the City's Financial Policies in that the proposed new inter-agency agreement between the Housing and Community Investment Department and the Housing Authority of the City of Los Angeles (HACLA) will be fully funded by HACLA proceeds.