

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

Office of the
CITY CLERK

Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
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www.cityclerk.lacity.org

June 24, 2010

To All Interested Parties:

City Attorney (w/ blue slip)

The City Council adopted the action(s), as attached, under Council file

No. 10-0799, at its meeting held June 18, 2010.



City Clerk
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Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2010 JUN 22 PM 1:17
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2010 JUN 22 PM 1:15
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 10-0799

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE JUNE 18, 2010

RE: ACCEPTANCE OF \$100,000,000 GRANT AWARD FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2) AS AUTHORIZED BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 AND RELATED ACTIONS FOR IMPLEMENTATION OF PROGRAM ACTIVITIES

LAST DAY FOR MAYOR TO ACT JUL 02 2010
(10 Day Charter requirement as per LAAC Section 14.7)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED
✓


*DISAPPROVED

*Transmit objections in writing pursuant to LAAC Section 14.7

RECEIVED
CITY CLERK'S OFFICE
2010 JUN 23 PM 2:40
CITY CLERK
BY _____ DEPUTY

JUN 23 2010

DATE OF MAYOR APPROVAL OR DISAPPROVAL _____


MAYOR

4
TO: LOS ANGELES CITY COUNCIL

File No. 10-0799

FROM: COUNCILMEMBER BERNARD PARKS, VICE CHAIR
COUNCILMEMBER BILL ROSENDAHL, MEMBER
AD HOC COMMITTEE ON ECONOMIC RECOVERY AND REINVESTMENT

reports as follows:

COMMUNICATION FROM VICE CHAIR AND MEMBER, AD HOC COMMITTEE ON ECONOMIC RECOVERY AND REINVESTMENT relative to acceptance of \$100,000,000 grant award from the United States Department of Housing and Urban Development (HUD) for the Neighborhood Stabilization Program II (NSP II) as authorized by the American Recovery and Reinvestment Act of 2009 (ARRA) and related actions for implementation of program activities.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Los Angeles Housing Department (LAHD), or designee, to:
 - a. Execute the required documents between HUD and the City of Los Angeles for the receipt and disbursement of the NSP II grant funds in the amount of \$100,000,000 issued through ARRA, in conformance with Funding Approval and Grant Agreement included as Attachment 6 of the LAHD transmittal dated May 10, 2010 (Transmittal) and as detailed in the Transmittal.
 - b. Amend the Professional Services and Rehabilitation Agreement (Contract No. C-115683) with Restore Neighborhoods Los Angeles (RNLA) to provide NSP II funds in the amount of \$92,217,040 (\$2,217,040 for program administration and \$90,000,000 for program operations), revising the total compensation to \$122,509,754 and include provisions to increase the contract amount by 90 percent for Program Operation and 10 percent for Administration, in accordance with receipts of future program income for May 1, 2010 through June 20, 2011, in substantial conformance with the description included in Attachment A of the City Administrative Officer (CAO) transmittal dated June 17, 2010 (CAO Transmittal); subject to the review and approval of the City Attorney as to form and legality and compliance with all applicable federal, state, and City contracting requirements.
 - c. Execute a contract with ICF International in the amount of \$100,000 for a term from May 1, 2010 through June 30, 2011 for the internal auditor services, in substantial conformance with the description in Attachment B and the agreement included as Attachment C of the CAO Transmittal; subject to the review and approval of the City Attorney as to form and legality and compliance with all applicable federal, state, and City contracting requirements.
 - d. Amend the contract with Commercial Programming Systems, Inc. (Contract No. C-115244) to increase compensation by \$115,000 and extend the term from May 1, 2010 through June 30, 2011 for computer programming services, in substantial conformance with the description included in Attachment D and the agreement included as Attachment E of the CAO Transmittal; subject to the review and approval of the City Attorney as to form and legality and compliance with all applicable federal, state, and City contracting requirements.

- e. Amend the contract with 3Di (Contract No. C-115246) for computer programming services to increase compensation by \$85,000, in substantial conformance with the description included in Attachment F and the agreement included as Attachment G of the CAO Transmittal; subject to the review and approval of the City Attorney as to form and legality and compliance with all applicable federal, state, and City contracting requirements.
- f. Amend the contract with Ann Bauman, Inc. (Contract No. C-116214) to increase compensation by \$200,000 for consultant services and extend the term from May 1, 2010 through June 30, 2011, in substantial conformance with the description included in Attachment H and the agreement included as Attachment I of the CAO Transmittal; subject to the review and approval of the City Attorney as to form and legality and compliance with all applicable federal, state, and City contracting requirements.
- g. Amend the contract with Veloce Partners (Contract No. C-116763) to increase compensation by \$120,000 for consultant services and extend the term from May 1, 2010 through June 30, 2011, in substantial conformance with the description included in Attachment J and the agreement included as Attachment K of the CAO Transmittal; subject to the review and approval of the City Attorney as to form and legality and compliance with all applicable federal, state, and City contracting requirements.
- h. Negotiate and execute professional service agreements with approved Real Estate broker service providers as per Council file No. 09-0374 (Marcus Millichap and Altera Real Estate Group) to represent the Department in the location and negotiation for the purchase and sale of real estate property, which may include apartment buildings, single-family dwellings, commercial lots, industrial properties and unimproved lots, effective from December 1, 2009 through September 30, 2010, with two one-year renewal options, in substantial conformance with the description included in Attachment L and the agreement included as Attachment M of the CAO Transmittal; subject to the following: 1) contractor approval of the Department of Public Works, Bureau of Contract Administration, as to compliance with all applicable federal, state, and City contracting requirements. The real estate broker contractors will be entitled to receive a commission not to exceed three percent of the sales price upon completion of the sale at the close of escrow.
- i. Report to the Mayor and Council on an annual basis to provide an implementation and expenditure status report, including a summary by Council District of NSP II program activities. Also to be included is information relative to any identified administrative or other program savings that could be allocated for the purpose of paying for remaining Controller or CAO costs for grant oversight of the NSP II grant in conformance with Council action on this matter (Council file No. 09-0367).

2. AUTHORIZE the City Controller to:

- a. Establish a new interest-generating Fund XXX for LAHD Department 43 entitled "Neighborhood Stabilization Program 2 - ARRA (NSP II/ARRA)", for the receipt and disbursement of NSP II grant funds.

- b. Establish a grant receivable account from the Federal government for \$100,000,000 within the new ARRA Fund/Department XXX/43 as follows:

<u>Title</u>	<u>Amount</u>
Neighborhood Stabilization Program 2 (NSP II)	\$100,000,000

- c. Establish new accounts and appropriate funds to be administered by LAHD for the NSP II grant as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
F304	NSP 2/ARRA - Admin Reserve LAHD	7,782,960
F818	NSP 2/ARRA Program Operation	90,000,000
F820	NSP 2/ARRA Program Administration-RNLA	2,217,040

- d. Expend funds in the accounts noted in Recommendation No. 2c of this report from Fund/Department XXX/43 upon the proper written demand by the General Manager, LAHD, or designee.

3. AUTHORIZE Resolution employment authority in LAHD for the 24 exempt positions listed below for the NSP II grant from July 1, 2010 through June 30, 2011, to perform the duties as described in the position descriptions included in Attachments 5A through 5Q of the LAHD Transmittal, subject to the review and approval by the Civil Service Commission as to Civil Service classification and exemption in accordance with Charter Section 1001 (d)(4), based on the temporary grant funded nature of the program:

<u>No. of Positions</u>	<u>Class Code</u>	<u>Classification Title</u>
1	1223-2	Accounting Clerk II
2	1368	Sr. Clerk Typist
2	1513-2	Accountant I
1	1523-1	Sr. Accountant I
7	1539	Management Assistant
3	1569-1	Rehabilitation Construction Specialist I
2	1569-2	Rehabilitation Construction Specialist II
1	1569-3	Rehabilitation Construction Specialist III
1	1571	Finance Development Officer
1	9171-1	Sr. Management Analyst I
1	9184-1	Management Analyst I
1	9184-2	Management Analyst II
<u>1</u>	8500	Community Housing Programs Manager
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4. EXEMPT the positions listed in Recommendation No. 3 of this report from the City's Managed Hiring Process due to the short time frame in which the NSP II grant program must be implemented and funds expended.
5. INSTRUCT the City Clerk to place on the agenda for the **FIRST COUNCIL MEETING IN FISCAL YEAR 2010-11 OR SHORTLY THEREAFTER**, the following items for Council action:
- a. Authorize the City Controller to establish new accounts to be administered by LAHD for Fiscal Year 2010-11 as follows:

<u>Account No.</u>	<u>Account Name</u>
G245	NSP II/ Professional Services Contracts
G143	LAHD Admin.
G299	Related Costs

- b. Authorize the City Controller to transfer appropriations within Fund/Department XXX/43 for budget Fiscal Year 2010-11 as follows:

From:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
F304	NSP II/ ARRA - Admin Reserve	\$4,136,121

To:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
G143	LAHD Admin.	\$2,504,549
G245	NSP II/ Professional Services Contracts	620,000
G299	Related Cost	741,503
GXXX	CAO/ Controller	270,069
TOTAL		\$4,136,121

- c. Authorize the Controller to expend funds in the accounts mentioned in Recommendation No. 5b of this report from Fund/Department XXX/43 upon the proper written demand by the General Manager, LAHD, or designee.
- d. Authorize the Controller to appropriate funds in General Fund 100, Department 43 for budget Fiscal Year 2010-2011 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1010	Salaries	\$1,764,853
2020	Printing and Binding	100,000
2130	Travel	15,000
3310	Transportation	7,200
6010	Office and Admin.	571,608
6030	Leasing	45,888
TOTAL		\$2,504,549

- e. Authorize the Controller to expend funds in the accounts mentioned in Recommendation No. 5d of this report from General Fund 100, Department 43 upon the proper written demand by the General Manager, LAHD, or designee.
- d. Authorize the Controller to proportionately appropriate by 90 percent for Program Operation and 10 percent for Administration, and expend additional funds periodically as program income is received in Program Operation Account F818 and to LAHD Admin Reserve X304.
6. AUTHORIZE the General Manager, LAHD, or designee, to prepare Controller instructions and/or make any technical adjustments that may be required and are consistent with these actions, subject to the approval of the City Administrative Officer, and request the Controller to implement these instructions.
7. INSTRUCT the LAHD, with the assistance of RNLA, to report to the Housing, Community, and Economic Development Committee in 75 days on the status of the NSP II Program.

8. INSTRUCT the LAHD, with the assistance of RNLA, to report to the Housing, Community, and Economic Development Committee in 75 days on the feasibility of a pilot program to secure vacant properties utilizing new technologies (i.e. modular steel screens and doors).

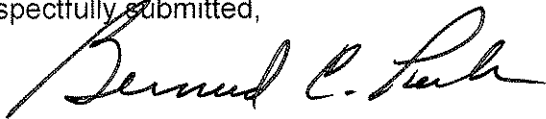
Fiscal Impact Statement: The CAO reports that there is no General Fund Impact. The recommendations contained in the CAO Transmittal authorize LAHD to accept and execute a grant agreement with HUD for \$100,000,000 in NSP II grant funds awarded to the City through ARRA. Approval of the CAO Transmittal recommendations will also authorize LAHD to negotiate and execute a contract amendment to authorize Restore Neighborhoods Los Angeles, a nonprofit corporation, to operate NSP II programs utilizing \$92.2 million and to execute four amendments and two new contracts totaling \$750,000 utilizing \$250,000 in NSP I funds and \$520,000 in NSP II funds for implementation assistance. In addition, 24 new exempt employment authorities will be approved for 2010-11 and may be continued for the duration of the NSP II grant. These recommendations are in compliance with the City's Financial Policies in that the continuation of the NSP II grant activities are contingent on the continuation of federal funding.

Community Impact Statement Submitted: None

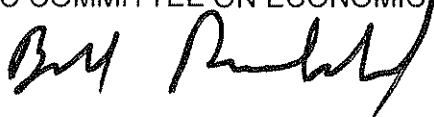
Summary

At its special meeting held June 18, 2010, the Ad Hoc Committee on Economic Recovery and Reinvestment Vice Chair and Member considered LAHD and CAO reports relative to the acceptance of \$100,000,000 grant award from the United States Department of Housing and Urban Development (HUD) for the Neighborhood Stabilization Program II (NSP II) as authorized by the American Recovery and Reinvestment Act of 2009 (ARRA) and related actions for implementation of program activities. During the discussion of this matter, LAHD staff provided an overview of the matter and addressed related questions from the Committee Vice Chair and Member. After an opportunity for public comment, the Committee Vice Chair and Member recommended that Council approve the CAO report recommendations as amended to include additional recommendations submitted during the meeting. This matter is now forwarded to Council for its consideration.

Respectfully submitted,



Councilmember Bernard Parks, Vice Chair
AD HOC COMMITTEE ON ECONOMIC RECOVERY AND REINVESTMENT



Councilmember Bill Rosendahl, Member
AD HOC COMMITTEE ON ECONOMIC RECOVERY AND REINVESTMENT

<u>MEMBER</u>	<u>VOTE</u>
GARCETTI:	ABSENT
PARKS:	YES
ALARCON:	ABSENT
ROSENDAHL:	YES
WESSON:	ABSENT

ADOPTED

JUN 18 2010

LOS ANGELES CITY COUNCIL

PYL
6-18-10
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AMENDMENT

ITEM #2 – 10-0799

Amend the CAO Report to include the following recommendations:

7. Instruct the LAHD, with the assistance of RNLA, to report back to the HCED Committee in 75 days on the status of the NSP II Program.
8. Instruct the LAHD, with the assistance of RNLA, to report back to the HCED Committee in 75 days on the feasibility of a pilot program to secure vacant properties utilizing new technologies (i.e. modular steel screens and doors).