

COMMUNICATION

TO: LOS ANGELES CITY COUNCIL

FILE NO. 11-2106-S1

**FROM: COUNCILMEMBER ED P. REYES, VICE CHAIR
COUNCILMEMBER RICHARD ALARCÓN, MEMBER
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE**

COMMUNICATION FROM VICE CHAIR AND MEMBER, HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE relative to the Neighborhood Stabilization Program (NSP) and authorization to amend the contract with Restore Neighborhoods LA, Inc. (RNLA) to increase the amount by \$22,744,841 for continuation of NSP activities, and related actions.

Recommendations for Council action, pursuant to Motion (Reyes – Wesson), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Los Angeles Housing Department (LAHD), or designee to execute an amendment to the Professional Services and Rehabilitation Agreement with Restore Neighborhoods LA, Inc. (Contract No.115683), to increase the contract amount by \$22,744,841, from \$117,255,159 to a new total contract amount not to exceed \$140,000,000 to reflect additional NSP grant funds allocated for Program Operations costs for the continued implementation of the City's NSP that will be generated from Program Income received during the period beginning July 1, 2012 up to the effective date of the future grant close-out agreement executed by the City and the U.S. Department of Housing and Urban Development (HUD), whereby additional NSP grant funds will consist of a combination of NSP1, NSP2, and NSP3 funds, subject to the availability of funds and to the review and approval of the City Attorney as to form.
2. AUTHORIZE the Controller to take the following actions:
 - a. Relative to NSP1, appropriate funds to reflect NSP Program Income received by Fund 50T for the period beginning July 1, 2012 up to the effective date of the future grant close-out agreement executed by the City and HUD, consisting of the following ratio: 90 percent of the periodic appropriation amount for program operations costs to be added to Account X818 entitled Program Operation and 10 percent of the periodic appropriation amount for administrative costs to be added within various accounts X143 entitled Housing, X299 entitled Related Costs, and X820 entitled Program Administration.
 - b. Relative to NSP2, appropriate funds to reflect NSP Program Income received by Fund 52J for the period beginning July 1, 2012 up to the effective date of the future grant close-out agreement executed by the City and HUD, consisting of the following ratio: 90 percent of the periodic appropriation amount for program operations costs to be added to Account X868 entitled NSP2/ARRA Program Operation and 10 percent of the periodic appropriation amount for administrative costs to be added within various accounts X143 entitled Housing, X299 entitled Related Costs, and X304 entitled Admin Reserve.
 - c. Relative to NSP3, appropriate funds to reflect NSP Program Income received by Fund 53T for the period beginning July 1, 2012 up to the effective date of the future grant close-out agreement executed by the City and HUD, consisting of the following ratio: 90 percent of the periodic appropriation amount for program operations costs to be added to Account X818 entitled Program Operation and 10 percent of the periodic appropriation amount for administrative costs to be added within various accounts X143 entitled Housing, X299 entitled Related Costs, and X304 entitled Admin Reserve.

- d. Expend funds not to exceed the periodic appropriation amounts for the period beginning July 1, 2012 up to the effective date of the future grant close-out agreement executed by the City and HUD from the fund and accounts identified in Nos. 2a through 2c above upon proper written demand from the General Manager, LAHD, or designee.
3. AUTHORIZE the General Manager, LAHD, or designee, to make any corrections, clarifications or revisions, including any new instructions, to the above Controller instructions in order to effectuate the intent of this Motion, subject to review of the City Administrative Officer, and authorize the Controller to implement these instructions.
4. INSTRUCT the General Manager, LAHD, to report in six months on the program Income generated from all three grants and a status of the NSP program accomplishments.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

At a meeting held on January 16, 2013, the Vice Chair and member of the Housing, Community and Economic Development Committee considered Motion (Reyes – Wesson) relative to the Neighborhood Stabilization Program (NSP) and authorization to amend the contract with Restore Neighborhoods LA, Inc. (RNLA) to increase the amount by \$22,744,841 for continuation of NSP activities, and related actions.

After providing an opportunity for public comment, the Committee Vice Chair and member recommended that Council approve the recommendations in the Motion. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

COUNCILMEMBER ED P. REYES, VICE CHAIR
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

COUNCILMEMBER RICHARD ALARCÓN, MEMBER
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
REYES:	YES
WESSON:	ABSENT
ALARCON:	YES
PERRY:	ABSENT

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