

CITY OF LOS ANGELES
CALIFORNIA

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

When making inquiries relative to
this matter, please refer to the
Council File No.



ANTONIO R. VILLARAIGOSA
MAYOR

Office of the
CITY CLERK

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SHANNON HOPPES
Council and Public Services
Division

www.cityclerk.lacity.org

July 12, 2012

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File
No. 12-0018, at its meeting held July 3, 2012.


City Clerk
kw

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Mayor's Time Stamp
 OFFICE OF THE MAYOR
 RECEIVED
 2012 JUL -3 PM 4:03
 CITY OF LOS ANGELES

City Clerk's Time Stamp
 CITY CLERK'S OFFICE
 2012 JUL -3 PM 3:57
 CITY CLERK
 BY _____ DEPUTY

FORTHWITH

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 12-0018

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE JULY 3, 2012

RE: THE LOS ANGELES HOUSING DEPARTMENT (LAHD) LOAN PORTFOLIO FOR THE PERIOD COVERING APRIL 1, 2009 THROUGH MARCH 31, 2011, WRITING OFF LOSSES FROM LOANS TOTALING \$8,978,465 AND RELATED ACTIONS

JUL 13 2012

LAST DAY FOR MAYOR TO ACT _____
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

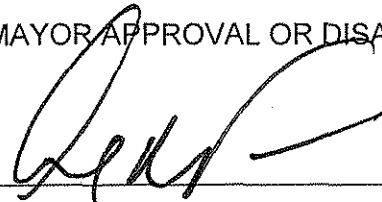
APPROVED

✓

*DISAPPROVED

*Transmit objections in writing pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL JUL 11 2012



 MAYOR

RECEIVED
 CITY CLERK'S OFFICE
 2012 JUL 12 AM 9:03
 CITY CLERK
 DEPUTY



Council Action

The City Council ADOPTED the following recommendation(s), contained in a COMMUNICATION FROM THE CITY ADMINISTRATIVE OFFICER which were WAIVED, pursuant to Council Rule 17, by the Chair of the Housing, Community and Economic Development Committee, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, LAHD, or designee, to write off \$8,978,465 in principal and associated interest losses associated with 116 loans, as identified in Attachments 6A and B of the LAHD transmittal dated December 20, 2011.

2. AUTHORIZE the Controller to:

a. Establish a new account and appropriate funds within Fund No. 240, Housing Production Revolving, Department 43 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
43H221	Asset Protection	\$500,000

b. Disencumber funds and transfer any uncommitted amount that becomes available from Account No. 43F221 to Account No. 43H221, not to exceed \$1,000,000, within Fund No. 240, Housing Production Revolving, Department 43.

c. Expend funds not to exceed \$1,500,000 from Fund No. 240/43 Account No. 43H221, upon proper written demand from the General Manager, LAHD, or designee, for purposes of enforcing and protecting the City's liens, covenants and collateral; paying for costs associated with the security, management, maintenance, repair and insurance of LAHD-owned or controlled properties; and, for paying other costs associated with the disposition of LAHD-owned or controlled properties.

3. AUTHORIZE the Controller to:

a. Establish a new account and appropriate funds with Fund No. 240, Housing Production Revolving, Department 43, for the rehabilitation of the property and to maintain affordability as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
43H341	Asset-Protection - Plaza Vermont	\$375,000

b. Expend funds not to exceed \$375,000, upon proper written demand from the General Manager, LAHD, or designee. Funds for expenses incurred will be reimbursed to the Asset Protection Account.

4. AUTHORIZE the General Manager, LAHD, or designee, to direct LAHD-approved brokers to conduct a sale of the five-unit property located at 1211 East 43rd Street, subject to the purchaser's assumption of the existing regulatory agreement and approval of the City Attorney.
5. AUTHORIZE the General Manager, LAHD, or designee, to direct the real estate broker that was selected through a Request for Proposals to pursue the market-rate disposition of properties located at 11150 Glenoaks Boulevard, Unit 86, Pacoima; 10219-23 Main Street, Los Angeles; 11681 Foothill Boulevard, Sylmar, subject to the purchaser's assumption of the existing regulatory agreement and approval of the City Attorney.
6. AUTHORIZE the General Manager, LAHD, or designee, to negotiate and enter into an agreement with the current residents of 6577 Arlington Avenue, Los Angeles, for a sole source sale of the property, subject to the approval of the City Attorney.
7. INSTRUCT the General Manager, LAHD, or designee, to:
 - a. Submit a Loan Portfolio Report to the Council and Mayor no later than July 1 of each year covering the performance period through the end of the previous Consolidated Plan Program Year (April 1 through March 31), including but not limited to the following information:
 - 1) Accounts receivable balances
 - 2) Collection of program income
 - 3) Identification of delinquent loans, loans in probate and bankruptcy, short pay offs and completed foreclosures
 - 4) Loan write off requests
 - b. Report to the Mayor and Council within 45 days relative to establishing a policy requiring the disposition and rehabilitation of Real Estate Owned properties under LAHD ownership or control within five years of assuming ownership or control, in conformance with established ALHD Loan Portfolio and Asset Management policies and procedures.
8. AUTHORIZE the General Manager, LAHD, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with actions taken on this matter, subject to the approval of the City Administrative Officer, and AUTHORIZE the Controller to implement those instructions.

Council File No. 12-0018

ADOPTED

JUL 03 2012

LOS ANGELES CITY COUNCIL

FORTHWITH