

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: July 27, 2012

CAO File No. 0220-00540-0998  
Council File No. 09-1663 and 12-0901  
Council District: Citywide

To: The Mayor and Council

From: Miguel A. Santana, City Administrative Officer *RPC*

Reference: Correspondence from the Los Angeles Housing Department Dated June 8, 2012 relative to Urban Futures, Inc.

Subject: **SECOND AMENDMENT TO CONTRACT WITH URBAN FUTURES, INC.  
(C-118528) FOR OCCUPANCY MONITORING OF AFFORDABLE HOUSING**

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### SUMMARY

The Los Angeles Housing Department (LAHD) requests approval to negotiate and execute a Second Amendment to its contract with Urban Futures, Inc. (Contractor – C-118528) which provides occupancy monitoring for affordable housing units (C.F. 12-0901). The existing contract between LAHD and Contractor expired on June 30, 2012. The LAHD requested authority to amend the contract by adding an additional 15 months for a new term of July 1, 2012 through September 30, 2013 and to increase compensation by \$480,000 for a total revised contract award of \$1,167,742. However, the City Attorney has advised that the term extension should be limited to the time period for which there is budgeted funding (12 months) due to one of the funding sources (HOME Investment Partnerships Program) being a grant. For this reason, the recommendation below is for a new term of 12 months from July 1, 2012 through June 30, 2013.

The LAHD is required to perform compliance reviews to ensure that property owners adhere to affordable housing restrictions. These reviews are mandated by the U.S. Department of Housing and Urban Development, bond issuance documents, Federal tax law, State code, and City policy requirements. Services provided by Contractor to support the Department's compliance with these laws include:

- Monitoring affordable housing projects and collecting documents submitted by owners;
- Creating and maintaining files for each individual project;
- Collecting and tracking tenant information for each restricted housing unit;
- Providing reports summarizing findings to LAHD and property owners;
- Reporting changes in existing Owner and/or Management information;
- Updating income/rent tables for all monitored projects on an annual basis; and,
- Tenant certification and income verification.

The Department reports that the Contractor's performance is satisfactory and that the services continue to be a necessity.

Pursuant to Charter Section 1022, this Office recommended in May 2010 that the Department be allowed to contract for these services because the requested services would be performed more feasibly by contract than by City employees. The Department has received from Contractor proof of compliance with all applicable City policies.

### **RECOMMENDATION**

That the Mayor and Council authorize the General Manager, Los Angeles Housing Department, or designee, to negotiate and execute a Second Amendment to Contract C-118528 with Urban Futures, Inc. to increase compensation by \$480,000 for a total contract amount of \$1,167,742 and to extend the contract term by 12 months from July 1, 2012 to June 30, 2013, subject to the review and approval of the City Attorney as to form and legality.

### **FISCAL IMPACT STATEMENT**

There is no impact on the General Fund. The Municipal Housing Finance Fund and HOME Investment Partnerships Program grant provide \$300,000 and \$180,000 respectively for a total of \$480,000 during FY 2012-13. The recommendation complies with the City's Financial Policies in that the cost of services will be fully funded by a budget appropriation.

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