

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER


Date: September 22, 2017

CAO File No. 0220-00540-1252

Council File No. 13-1105

Council District: Citywide

To: The Mayor
The Council

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

Reference: Housing and Community Investment Department Transmittal dated September 12, 2017; Received by the City Administrative Officer on September 13, 2017

Subject: **REQUEST FOR APPROVAL TO EXECUTE A FOURTH AMENDMENT TO THE CONTRACT WITH PARAGON PARTNERS LTD. TO INCREASE COMPENSATION FOR THE PROVISION OF TENANT RELOCATION ASSISTANCE SERVICES**

RECOMMENDATIONS

That the Mayor:

1. Authorize the General Manager of the Housing and Community Investment Department (HCID), or designee, to:
 - A) Execute a Fourth Amendment with Paragon Partners Ltd. (Contract No. C-123876) to increase compensation by \$350,000, for a revised total compensation amount of \$1,850,000 for the continued provision of tenant relocation assistance services, in substantial conformance with the pro forma agreement attached to the HCID transmittal dated September 12, 2017 and subject to the following: a) funding availability; b) satisfactory contractor performance; c) HCID work requirements; d) compliance with all applicable Federal, State, and City regulatory requirements; e) approval of the City Attorney as to form; and, f) compliance with the City's contracting requirements;
 - B) Prepare Controller instructions and make any necessary technical adjustments consistent with the Council and Mayor actions on this matter, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement these instructions; and,
2. Authorize the Controller to expend funds upon proper written demand of the General Manager of HCID or designee, on an as needed basis, not to exceed \$350,000 from Rent Stabilization Trust Fund No. 440, Account 43N208 Relocation Services Provider.

SUMMARY

The Los Angeles Housing and Community Investment Department (HCID) requests authority to execute a Fourth Amendment to Contract No. C-123876 with Paragon Partners Ltd., for the continued provision of tenant relocation assistance services, in substantial conformance with the pro forma agreement attached to this report. The proposed Fourth Amendment will increase compensation by \$350,000 for the current contract term ending on October 31, 2017 and will result in a revised cumulative compensation amount of \$1,850,000. The additional funding is needed due to an increase in no-fault evictions filed during the latter half of fiscal year 2016 -2017 and continuing through the present. This work exceeds the \$500,800 that was available for this purpose. The extension option for this contract was previously exercised to extend the contract term for six months from May 1, 2017 to October 31, 2017 without any additional funding. This Office concurs with the HCID's recommendations.

The Personnel Department completed a Charter Section 1022 determination on December 30, 2016 for tenant relocation assistance services, and found that City employees have the expertise to perform the work; however, the work assignment exceeds staffing availability. On February 17, 2017, this Office concurred that it is more feasible to contract for tenant relocation assistance services because the work exceeds staffing availability and specialized knowledge is required to perform the work.

FISCAL IMPACT STATEMENT

There will be no impact to the General Fund. The proposed Fourth Amendment is fully supported by the budgeted funds in the Housing and Community Investment Department's Rent Stabilization Trust Fund. The recommendations in this report are in compliance with the City's Financial Policies in that there is no additional cost to the City.

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