

**TRANSMITTAL**

To:  
**THE COUNCIL**

Date: **MAR 3 2014**

From:  
**THE MAYOR**

**TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.**

*Eric Garcetti*

*by PHL*

**ERIC GARCETTI**  
Mayor



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Eric Garcetti, Mayor  
Rushmore D. Cervantes, Interim General Manager

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Council File: New  
Council District: Citywide  
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February 13, 2014

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
200 North Spring Street, Room 303  
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

**COUNCIL TRANSMITTAL: REQUEST FOR APPROVAL OF 2014 COMMUNITY SERVICES BLOCK GRANT AWARD AND RELATED ACTIONS**

**EXPEDITED ACTION REQUESTED**

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) respectfully requests that your office forward this transmittal to the City Council for expedited review and approval. The State of California Department of Community Services and Development's (CSD) submission deadline was **January 6, 2014**. Submission was delayed due to a December release of the City's allocation from the State and then time allowed for the subsequent budget revisions.

**SUMMARY**

The HCIDLA is requesting authorization to accept the first quarter of 2014 Community Services Block Grant (CSBG) funding of \$1,864,780 and to execute CSBG Contract No. 14F-3022 and subsequent amendments with the CSD. CSD anticipates that the City's final 2014 CSBG award will be \$5,232,992 and has directed the City to prepare the contract budget for this amount. Related actions requested include approval of the allocation of CSBG funding for program and administrative costs.

**RECOMMENDATIONS**

The General Manager, Los Angeles Housing and Community Investment Department (HCIDLA) or designee respectfully requests that the Mayor and City Council:

1. AUTHORIZE the General Manager HCIDLA, or designee, to:
  - a. Accept on behalf of the City the 2014 Community Services Block Grant (CSBG) award from the CSD;
  - b. Execute and return to CSD the signed CSBG contract No. 14F-3022 in the amount of \$1,864,780 with required supporting documentation, subject to approval by the City Attorney as to form; and
  - c. Execute any subsequent amendments to the CSBG contract, also subject to City Attorney approval.
2. APPROVE the use of an anticipated \$5,232,992 in 2014 CSBG funds to fund the FamilySource Center (FSC) System for the period January 1, 2014 – December 31, 2014 as follows, and subject to final federal appropriations of 2014 CSBG funds:

**Program Expenses**

FamilySource System (1/1/14 – 3/31/14) \$1,162,608

FamilySource System (4/1/14 – 12/31/14) \$2,762,136

**Administrative Expenses** \$1,308,248

\$ 5,232,992

AUTHORIZE the Controller to:

- a. Establish new accounts within the Community Services Block Grant No. 428 and appropriate as follows:

Account	Name	Amount
43K281	Family Source System	\$1,162,608
43K282	Family Source System	\$2,762,136

- b. Establish a receivable from CSD for the amount of \$5,232,992 within the CSBG Fund No. 428.
3. AUTHORIZE the General Manager HCIDLA, or designee, to prepare any Controller's instructions needed to implement actions approved by the Council and Mayor on matters presented in or deriving from this transmittal, and/or to make necessary technical adjustments, subject to the approval of the City Administrative Officer; and further, REQUEST that the Controller implement the instructions.
4. Upon Council action, send the Council File forthwith to the Mayor for concurrence.

**FISCAL IMPACT STATEMENT**

Actions in this transmittal do not impact the General Fund. The 2014 CSD grant awards come from annual CSBG allocations from the State of California.

Although the actual 2014 funding allocated at this time is \$1,864,780, based on preliminary information received from the CSD, it is anticipated that the City's final grant award will be \$5,232,992. Final grant awards are typically received in the second quarter of the federal fiscal year or when the final federal budget is signed.

## **BACKGROUND**

The CSD has issued a one-year contract to the City for the period of January 1, 2014 through December 31, 2014. The CSBG program is operating under a continuing resolution and CSD anticipates that final grant awards will be received in the second quarter of the federal fiscal year. Per CSD instruction, the HCIDLA has prepared a one-year budget equal to the City's anticipated 2014 CSBG award of \$5,232,992.

### **Service Delivery**

The City FamilySource program serves as the City's delivery system for anti-poverty initiatives and core services designed to assist low-income families become more self-sufficient by increasing family income/economic resources and academic performance. The target population for the FamilySource program is low or very low income city residents. All services are available to all eligible clients, including clients with disabilities. The FamilySource program is comprised of twenty-one centers and annually serves 40,000 people.

Prior Council actions authorized the use of \$1,162,608 in anticipated 2014 CSBG funds to support the FamilySource System through March 31, 2014 (C.F. 12-1607). Request for contract authorities and funding matrix for the FamilySource System for April 1, 2014 through March 31, 2015 will be submitted as part of the 40<sup>th</sup> Year (2014-15) Housing and Community Development Action Plan.


### **Administrative Expenses**

The CSBG regulations limit administrative expenses to 12 percent of the operating funds of the City's Community Action Program. The Community Action Program is funded by CSBG and other leveraged funding (i.e., anticipated Program Year 40 Community Development Block Grant funds). The HCIDLA's recommendation is to use 92 percent of funding for direct services and program delivery costs.

### **Role of Community Action Board**

The Community Action Board (CAB) is a 15-member advisory board made up of representatives of the City's poverty, private and public sectors. The CAB advises the Mayor and City Council on issues relating to the CSBG and plays an important role in overseeing HCIDLA programs funded by CSBG dollars. The CAB approved the acceptance of the 2014 CSBG contract on December 19, 2013.


Prepared by:



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Reviewed by:



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EDWIN C. GIPSON II  
Director of Housing

Approved by:



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RUSHMORE D. CERVANTES  
Interim General Manager

RDC:ECG:JO:SS:JR