

BUDGET AND FINANCE COMMITTEE REPORT relative to funding for the Bureau of Sanitation (BOS) to continue the Clean Streets Los Angeles (CSLA), Operation Healthy Streets (OHS), and Homeless Outreach Partnership Endeavor (HOPE) programs through the remainder of Fiscal Year (FY) 2016-17.

Recommendations for Council action, as initiated by Motion (Martinez - Wesson), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Controller to transfer/appropriate \$2.1 million from the Housing and Community Investment Department (HCIDLA) fund/accounts identified below to the Bureau of Sanitation's Environmental Quality Program, which includes Operation Healthy Streets and the Clean Streets Initiative, as follows:

	<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>Amount</u>
FROM:	44G	43M337	Navigation/Open Door Centers (FY 2016-17)	\$1,825,000
	10A	43N483	Safe Parking & Mobile Showers (FY 2016-17)	106,526
	10A	43N238	Operation Healthy Streets (FY 2016-17)	50,000
	44G	43M238	Affordable Housing Trust Fund (Operation Healthy Streets) (FY 2015-16)	<u>118,474</u>
			Total:	\$2,100,000

	<u>Fund</u>	<u>Account</u>	<u>Title</u>	<u>Amount</u>
TO:	100/82 (GF)	1010	Salaries - General	\$50,000
	100/82 (GF)	1070	Salaries - As-Needed	700,000
	100/82 (GF)	1090	Salaries - Overtime	600,000
	100/82 (GF)	3040	Contractual Services	<u>750,000</u>
			Total:	\$2,100,000

2. AUTHORIZE the General Manager, HCIDLA, or designee, to amend the City contract with the Los Angeles Homeless Services Authority (LAHSA) (Contract No. C-126258) to reprogram unencumbered FY 2015-16 and FY 2016-17 City homeless program General Funds, as indicated above.
3. INSTRUCT HCIDLA, with assistance from the BOS, to prepare any necessary technical corrections and/or Controller instructions that may be necessary to implement these instructions, subject to review by the City administrative Officer (CAO); and, AUTHORIZE the Controller to implement these instructions.
4. INSTRUCT the BOS to report on the feasibility of a Solid Waste Resources Revenue

Fund (SWRRF) loan as an option for funding the BOS Environmental Quality Programs such as OHS, CSLA, and HOPE.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst (CLA) has completed a financial analysis of this report.

Community Impact Statement: None submitted.

**(Homelessness and Poverty Committee waived consideration of the above matter)**

### SUMMARY

At its regular meeting held on April 3, 2017, the Budget and Finance Committee considered Motion (Martinez - Wesson) relative to the transfer/appropriation of \$2,100,000 in funding to the BOS to continue the CSLA, OHS, and HOPE programs through the remainder of FY 2016-17. The Motion states that the BOS has determined that the CSLA and OHS programs do not have adequate resources to continue the current level of services through the remainder of FY 2016-17 and that continued funding is necessary to prevent a reduction in services that would impact public health and the environment. The Motion proposes transfer/appropriation from the Homeless Shelter Program to the BOS in the amount of \$2,100,000 for salaries, overtime, and contractual services.

The General Manager and the Chief Financial Officer of the BOS, and the homeless coordinator for the Los Angeles Police Department, addressed the Committee relative to the need for additional funding for the BOS to continue the CSLA, OHS, and HOPE programs due to higher than expected demand for those services.

During further discussion, an amendment was introduced, and read into the record, proposing the transfer/appropriation of \$2,100,000 from HCIDLA funds/accounts for Navigation/Open Door Centers, Safe Parking and Mobile Showers, Operation Healthy Streets, and Affordable Housing Trust Fund. A representative of the CLA, and the Chief Financial Officer of LAHSA, responded to questions from the Committee relative to the impact of utilizing the proposed HCIDLA funds. They reported that if the proposed transfers/appropriations were made, there is still sufficient funding remaining for most of the intended programs.

However, in response to questions from the Committee member representing Council District 11 regarding a proposed storage center for the homeless in that district during FY 2016-17, the CLA reported that funding in the Navigation/Open Door Centers account would be depleted if the funds were transferred/appropriated to the BOS as proposed, and that another source of funding would have to be identified for the storage center. In light of this information, the Committee member expressed his concern regarding use of this source of funds. The Committee Chair inquired whether the BOS had considered a loan from its special funds (SWRRF loan) as an alternative option to fund the OHS, CSLA, and HOPE programs, and requested that the BOS provide a report on this option at the time this matter is considered in Council.

After consideration, and after providing an opportunity for public comment, the Committee approved the recommendations as amended above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

A handwritten signature in black ink, appearing to read "Paul Kubon". The signature is written in a cursive style with a large initial "P".

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
MARTINEZ:	YES
BLUMENFIELD:	YES
BONIN:	NO

REW  
4/3/17  
FILE NO. 14-1499-S5

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