

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: January 13, 2015

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Council File No. 14-1662

Council District: 9

To: The Mayor
The Council

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

Reference: Housing and Community Investment Department Transmittal dated November 21, 2014; Received by the City Administrative Officer on December 3, 2014

Subject: **REQUEST FROM THE HOUSING AND COMMUNITY INVESTMENT DEPARTMENT (HCID) TO UTILIZE \$340,000 IN PROGRAM INCOME RECEIVED FROM CRA PROJECTS TO PAY INVOICES FOR SITE MAINTENANCE, SECURITY, FIRE SERVICE CHARGES, AND CLEAN-UP EXPENSE RELATED TO THE SLAUSON-WALL DEVELOPMENT**

SUMMARY

The Housing and Community Investment Department (HCID) requests approval to use \$340,000 in program income to pay for security, maintenance and clean-up services at 5828-5936 Wall Street and 5829 South Los Angeles Street (Site) located in Council District 9 and known as the Slauson-Wall Site (Site). The Site was transferred to the City from the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) to HCID. The requested program income was received from former CRA/LA projects transferred to HCID as the Housing Successor Agency to the former CRA/LA. The HCID also requests authorization for the Controller to establish accounts within Fund 55J, Low and Moderate Income Housing Fund, and to appropriate funds within the new accounts.

There will be no impact to the General Fund as a result of these actions. This Office is in concurrence with the HCID recommendations.

BACKGROUND

In February 2013, the Mayor and Council approved various actions to facilitate the transfer of housing assets from the former CRA/LA to HCID (C.F. 12-0049). The former CRA/LA housing assets were transferred to HCID in May 2013 and HCID accepted a quitclaim deed for the Site as part of the transfer. Subsequent to the asset transfer, HCID assumed responsibility for the security, maintenance and management of the Slauson-Wall property.

The Slauson-Wall project is intended to include a 121 unit affordable rental housing development and a four-acre park on the seven-acre Site. Currently, the Site consists of approximately 195,000 square feet of vacant industrial buildings which attracted trash dumping, vandalism and

trespassing before the transfer of the property. This behavior continued after HCID took over the responsibility to maintain the Site.

The HCID initially attempted to clean up and monitor the Site using an in-house property manager; however, improvements made to the Site parcels were short-lived as trespassers used a bridge between the two parcels to enter unseen or simply waited until night to access the Site. As a result of the continued problems maintaining the property, HCID utilized the LAPD contract with G4S to provide security for the property and worked with the Department of General Services to demolish the bridge between the parcels. The invoice from the Los Angeles Department of Water and Power is for service fees related to the fire hydrant and emergency sprinkler systems on the Site.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Authorize the General Manager, Housing and Community Investment Department (HCID), or designee, to:
 - a. Expend \$340,000 in program income received from former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) projects transferred to HCID to pay invoices submitted by the Los Angeles Department of Water and Power (DWP), the Department of General Services (GSD), and G4S Secure Solutions, Inc. (G4S), for site maintenance costs including security, fire service charges and the cleanup of the Slauson-Wall Project Site;
 - b. Prepare Controller's instructions, and any necessary technical adjustments, consistent with the actions of the Mayor and Council, subject to the approval of the City Administrative Officer, and authorize the Controller to implement the instructions;
2. Authorize the Controller to:
 - a. Establish new accounts and appropriate \$340,000 within Fund No. 55J, Low and Moderate Income Housing Fund, as follows:

Account	Title	Amount
43L143	HCIDLA	\$ 12,000
43L140	General Services	50,000
43L447	Security	278,000
TOTAL		\$ 340,000

- b. Appropriate \$12,000 within Fund No. 100/43, Account No. 003340 Water and Utilities;

- c. Appropriate \$50,000 within Fund No. 100/40; \$30,000 into Account No. 001014 Construction Salaries and \$20,000 into Account No. 003180 Construction Materials; and,
- d. Expend funds upon proper written demand of the General Manager, HCID, or designee.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund as a result of the recommendations of this report. Funding to provide security, maintenance, and clean-up services at the Slauson-Wall Site is provided by program income from the former Community Redevelopment Agency of the City of Los Angeles. The recommendations of this report comply with City Financial Policies, in that funding for the services provided is available within the identified funds.

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