

HOUSING COMMITTEE REPORT relative to the use of program income for property management expenses at 22 former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) sites.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Housing and Community Investment Department (HCIDLA), or designee, to:

- a. Expend \$675,000 in program income received from CRA/LA projects to pay invoices for property management expenses including security, electricity, water, fire service charges, signage and maintenance for 22 former CRA/LA sites.
- b. Prepare Controller's instructions, and any necessary technical adjustments consistent with this action, subject to the approval of the City Administrative Officer (CAO); and, AUTHORIZE the Controller to implement the instructions.

2. AUTHORIZE the Controller to:

- a. Establish new accounts and appropriate funds totaling \$675,000 within Low and Moderate Income Housing Fund No. 55J, as follows:

<u>Account Title</u>	<u>Amount</u>
43N140 General Services	\$296,000
43N143 HCIDLA	26,000
43N447 Security	<u>353,000</u>
Total:	\$675,000

- b. Appropriate funds totaling \$296,000 within Fund No. 100/40, as follows:

<u>Account Title</u>	<u>Amount</u>
001014 Construction Salaries	\$177,600
003180 Construction Materials	<u>118,400</u>
Total:	\$296,000

- c. Appropriate \$26,000 within Fund No. 100/43, Account No. 003340 Water and Utilities.
- d. Expend funds upon proper written demand of the General Manager, HCIDLA, or designee.

Fiscal Impact Statement: The CAO reports that this action will not impact the General Fund. Funding to provide security, maintenance and utilities services for the former CRA/LA housing assets is provided by program income from the former CRA/LA. The above recommendations comply with City financial policies in that funding for the recommended services is available within the identified special funds.

Community Impact Statement: None submitted.

SUMMARY

In a report to the Mayor and Council dated August 30, 2016, the CAO states that HCIDLA requests authority to use \$675,000 in program income to pay for property management expenses for housing assets transferred from the CRA/LA to HCIDLA as the housing successor to the former CRA/LA. HCIDLA also requests authorization for the Controller to establish new accounts within Low and Moderate Income Housing Fund No. 55J necessary to complete this transaction, and to appropriate funds within the new accounts.

The CAO reports that subsequent to the release of the HCIDLA report to the Mayor dated June 14, 2016, there was a structural fire at a vacant medical office located on one of the former CRA/LA project sites. HCIDLA has requested an additional \$150,000 for the demolition of the structure. The CAO recommends that Council approve HCIDLA's requests, as amended to increase the amount of program income to be used to \$675,000.

At its meeting held September 7, 2016, the Housing Committee recommended that Council approve the recommendations above authorizing HCIDLA to use \$675,000 in program income for property management expenses at 22 former CRA/LA sites, as recommended by the CAO.

Respectfully Submitted,

HOUSING COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
FUENTES:	ABSENT
HUIZAR:	YES
PRICE:	YES
HARRIS-DAWSON:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-