

TRANSMITTAL

To:

THE COUNCIL

Date: 04/25/19

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.

A handwritten signature in blue ink, appearing to be 'Eric Garceiti', is written over the printed name.

(Ana Guerrero) for

ERIC GARCEITI
Mayor



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Community Services & Development Bureau
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April 18, 2019

Council File No.: _____
Council Districts: All
Contact Persons:
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Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
200 N. Spring Street
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

TRANSMITTAL: REQUEST FOR APPROVAL OF RECOMMENDATIONS RELATIVE TO THE RESULTS OF THE HOUSING OPPORTUNITIES FOR PERSONS WITH HIV/AIDS (HOPWA) PROGRAM REQUEST FOR PROPOSALS - SCATTERED SITE MASTER LEASE

SUMMARY

In accordance with Executive Directive No. 3, the General Manager of the Los Angeles Housing + Community Investment Department (HCIDLA) respectfully requests that your office review and approve this transmittal and forward it to the City Council for further consideration. Through this transmittal, HCIDLA seeks approval, and requests authority to negotiate and execute contracts with the three recommended proposers. HCIDLA conducted a Request for Proposal to select contractors to provide scattered site master lease services which includes rental assistance and supportive services. HCIDLA is recommending three successful proposers for funding and requesting authority to execute one-year contracts for the period commencing on or about July 1, 2019 to June 30, 2020 with the option to renew for up to two (2) additional one-year terms.

Funding for the HOPWA program is provided annually by the U.S. Department of Housing and Urban Development (HUD) as a formula grant through the Consolidated Planning process. The HOPWA program provides housing and supportive services countywide for low-income persons living with Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS) and their families.

RECOMMENDATIONS

- I. That the Mayor review this transmittal and forward it to the City Council for further consideration.
- II. That the City Council, subject to the approval of the Mayor:
 - A. Authorize the General Manager, HCIDLA, or designee to negotiate and execute one-year contracts commencing on or about July 1, 2019 through June 30, 2020 with an option to renew for up to two (2) additional one-year terms, subject to review and approval by the City Attorney as to form and compliance with all necessary City and federal requirements for the following:

Agency Name	Amount
Alliance for Housing and Healing	\$621,142.00
Project New Hope	\$556,142.00
Volunteers of America	\$315,756.00
TOTAL	\$1,493,040.00

Proposed funding for the above will be provided in the 2019-2020 Consolidated Plan HOPWA funds. Appropriation accounts will be established upon approval of the 2019-2020 Consolidated Plan.

- B. Authorize the General Manager of HCIDLA, or designee, to prepare Controller's instructions and any technical adjustments consistent with Mayor and City Council actions related to this matter, subject to the approval of the City Administrative Officer (CAO), and request the Controller to implement these instructions.

BACKGROUND

The HOPWA program provides housing assistance and related supportive services for low-income persons with HIV/AIDS and their families. Federal regulations require the largest jurisdiction in an Eligible Metropolitan Statistical Area (EMSA) receive the formula allocation (24 CFR 547.110) and provide services countywide. The City of Los Angeles has been the recipient of the federal HOPWA grant under the Consolidated Plan since the 1990s. Over the last five years, the HOPWA grant has ranged from \$12.4 million to \$18.5 million annually. The HOPWA grant for Program Year (PY) 2019-2020 is approximately \$18.5 million.

One of the HOPWA program components is the Scattered Site Master Leasing (SSML) program. Scattered Site Master Leasing refers to permanent housing that is made available and affordable by a non-profit organization to HOPWA low-income clients and their families. The clients will rent the units from non-profit agencies (master tenants) that have master leases with landlords over the scattered site properties. Currently, there are rental units that are master leased by two HOPWA contractors from property owners and subleased to eligible HOPWA clients as permanent housing. Contractors determine appropriate subtenant rent amounts and subsidies in compliance with HOPWA guidelines, and ensure that the units meet Housing Quality Standards (HQS).

It was determined that a Request for Proposals (RFP) was required in order to continue the SSML Program as a permanent housing solution in the HOPWA program. Currently two agencies serve Los Angeles

County. The recommended addition of a third SSML agency is in response to overwhelming need for affordable housing in our community.

REQUEST FOR PROPOSALS PROCESS

The RFP was released on October 1, 2018 through the Los Angeles Business Assistance Virtual Network (LABAVN). Announcement of the release of the RFP was advertised in a local newspaper and sent via email to nonprofits, City departments, and other interested parties. A mandatory proposers’ conference was held on October 11, 2018. There were thirteen (13) attendees for the proposers’ conference – ten (10) attended in person and three (3) via an interactive web-accessible portal. The proposals were due November 13, 2018. HCIDLA received three proposals in response to the RFP.

The proposal was evaluated based on the following criteria:

Evaluation Criteria for Program Services:

Area	Description	Points
1	Organizational Capacity and Demonstrated Effectiveness	40
2	Program Plan and Implementation	30
3	Budget	20
4	Past Performance and References	10
	TOTAL POINTS	100

An evaluation team, consisting of HCIDLA staff with specific expertise in key subject matters related to the program and accounting evaluated the proposals.

RFP RESULTS AND APPEALS

There were three proposals received and all met the minimum eligibility and City contracting requirements. The eligible proposals were read and scored by the evaluation team. On January 9, 2019, the successful proposers were informed that they would be recommended for HOPWA funding and of their rights to file an appeal based on procedural issues by January 16, 2019. No appeals were filed.

The scores and proposed funding levels for the recommended contractors are:

PROPOSAL SCORES AND FUNDING FOR JULY 1, 2019 – JUNE 30, 2020		
Agency Name	Score	Funding
Alliance for Housing and Healing	87.75	\$621,142.00
Project New Hope	88.5	\$556,142.00
Volunteers of America	95.5	\$315,756.00
TOTAL FUNDING		\$1,493,040.00

The variance in funding relates to the number of units leased by each contractor, the rental rates in the areas the contractors serve, as well as the types of supportive services offered by each agency. Currently, the HOPWA SSML program offers a total of 75 units for lease by qualified clients. Alliance for Housing and Healing facilitates 40 units and Project New Hope offers 35 units. The recommended addition of Volunteers of America will add 10 more units, increasing the total number to 85 units across Los Angeles County. This reflects the maximum capacity for these recommended contractors.

FISCAL IMPACT

There is no impact on the City's General Fund. The proposed new contracts will be funded in the 2019-2020 Consolidated Plan HOPWA entitlement grant. Appropriation accounts will be established upon approval of the 2019-2020 Consolidated Plan.

Prepared By:



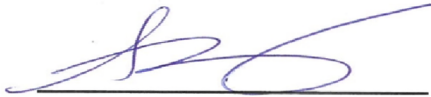
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Reviewed By:




AMELIA MEDINA
Senior Project Coordinator

Reviewed By:



ABIGAIL R. MARQUEZ
Assistant General Manager

Reviewed By:



LAURA K. GUGLIELMO
Executive Officer

Approved By:



RUSHMORE D. CERVANTES
General Manager