

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: June 9, 2017

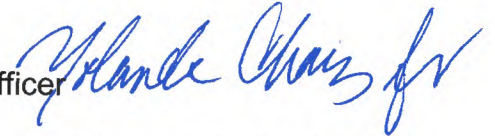
CAO File No. 0220-00540-1245

Council File No. 15-0471

Council District: Citywide

To: The Mayor  
The Council

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer



Reference: Housing and Community Investment Department Transmittal dated April 13, 2017; Received by the City Administrative Officer on April 17, 2017; Additional information received on June 2, 2017

Subject: **REQUEST FOR AUTHORIZATION TO EXECUTE SECOND AMENDMENTS TO TENANT OUTREACH AND EDUCATION SERVICES CONTRACTS FOR THE RENT ESCROW ACCOUNT AND UTILITY MAINTENANCE PROGRAMS**

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### RECOMMENDATIONS

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

1. Authorize the General Manager of the Housing and Community Investment Department (HCID), or designee, to:
  - a. Execute Second Amendments to Contracts No. C-126476 with Inquilinos Unidos; C-126477 with Strategic Actions for a Just Economy; C-126478 with Coalition for Economic Survival; and C-126529 with Inner City Law Center to extend the contract terms by 12 months, from July 1, 2017 through June 30, 2018 for the continued provision of tenant outreach and education services, and increase total compensation for each contract by \$150,000, for a cumulative compensation of \$412,500 for each contract, and a total compensation amount of \$1,650,000, in substantial conformance with the pro forma agreements attached to the HCID Transmittal dated April 13, 2017, subject to the following: a) funding availability; b) satisfactory contractor performance; c) HCID work requirements; d) compliance with all applicable Federal, State, and City regulatory requirements; e) approval of the City Attorney as to form; and, f) compliance with the City's contracting requirements;
  - b. Prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and Council action on this matter, subject to the approval of the City Administrative Officer, and authorize the Controller to implement these instructions;

2. Authorize the City Controller to:

- a. Expend funds upon proper written demand of the General Manager of HCID, or designee, on an as needed basis, not to exceed \$570,000 from Fund No. 41M, Systematic Code Enforcement Fee, Department 43 as follows:

<b>Account No.</b>	<b>Account Name</b>	<b>Amount</b>
43M228	Rent & Code Outreach Program	\$100,000
43N228	Rent & Code Outreach Program	\$220,000
[New FY 17-18 Account]	Rent & Code Outreach Program	\$250,000
<b>Total:</b>		<b>\$570,000</b>

- b. Expend funds upon proper written demand of the General Manager of HCID, or designee, on an as needed basis, not to exceed \$30,000 from Fund No. 440, Rent Stabilization Trust, Department 43 as follows:

<b>Account No.</b>	<b>Account Name</b>	<b>Amount</b>
43M228	Rent & Code Outreach Program	\$30,000

**SUMMARY**

The Housing and Community Investment Department (HCID) requests authority to execute proposed Second Amendments (Amendments) to its tenant outreach and education services contracts for the Rent Escrow Account Program (REAP) and Utility Maintenance Program (UMP). The existing contracts are with the following agencies: 1) Coalition for Economic Survival; 2) Inner City Law Center; 3) Inquilinos Unidos; and, 4) Strategic Actions for a Just Economy. The initial compensation amount was \$450,000 for a term of nine months from October 1, 2015 to June 30, 2016 (C.F. 15-0471). First Amendments added \$600,000 in compensation and extended the term of the contract from July 1, 2016 to June 30, 2017 for a total compensation of \$1,050,000. The proposed Second Amendments would extend each contract by 12 months, commencing July 1, 2017 and expiring June 30, 2018, and add compensation in the amount of \$150,000 to each contract, for a total term of 33 months (October 1, 2015 to June 30, 2018) and a revised total compensation of \$412,500 for each contract. The contracts are fully fee-supported and are funded by the Systematic Code Enforcement and the Rent Stabilization Trust Funds. There would be no remaining renewal options following the approval of these recommendations. This Office recommends approval of HCID's request to execute proposed Second Amendments to tenant outreach and education services contracts for the REAP and UMP.

**FISCAL IMPACT STATEMENT**

There will be no impact to the General Fund. Compensation for the proposed Second Amendments is fully fee-supported, with \$570,000 (95 percent) of the proposed compensation

provided by the Code Enforcement Trust Fund, and the remaining \$30,000 (five percent) provided by the Rent Stabilization Trust Fund. The recommendations in this report are in compliance with the City's Financial Policies in that there is no additional cost to the City.

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