

HOUSING COMMITTEE REPORT relative to waiving Payment in Lieu of Taxes (PILOT) to fund summer jobs for youth and various capital and infrastructure improvements at Housing Authority of the City of Los Angeles (HACLA) developments.

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

1. APPROVE the waiver of the HACLA PILOT for the Fiscal Year (FY) 2016-17 totaling \$2,820,000.
2. APPROVE the following PILOT funds expenditure plan and REQUEST HACLA to allocate the \$2,820,000 in PILOT funds for FY 2016-17 to the following expenditures:

<u>Expenditure Item</u>	<u>Amount</u>
Summer Youth Employment Program (SYEP)	\$1,000,000
Water-wise Landscape Improvements at 3 HACLA sites	750,000
Imperial Courts Storage Facility / Building Renovation	450,000
Computer Center Upgrades at 11 HACLA sites	175,000
Playground Improvements and Equipment Replacement at 5 HACLA sites	<u>445,000</u>
	Total: \$2,820,000

3. AUTHORIZE the Executive Director, HACLA, or designee, to:
 - a. Expend up to \$1,000,000 directly for the SYEP and REQUEST the Executive Director, HACLA, to report to Council every six months on the status of the SYEP payments.
 - b. Expend up to \$750,000 directly for water-wise landscaping improvements to reduce water usage including turf replacement, mulching, drought tolerant plantings and irrigation upgrades at three HACLA sites: Imperial Courts, San Fernando Gardens and Estrada Courts.
 - c. Expend up to \$450,000 directly for a full renovation (exterior and interior) of an Imperial Courts storage facility building into three offices, two accessible restrooms, one computer lab equipped with new computers, and an open meeting room space.
 - d. Expend up to \$175,000 directly for computer equipment upgrades at computer labs or centers at the following HACLA sites: Avalon Gardens, Estrada Courts, Gonzaque Village, Imperial Courts, Imperial Courts Worksource Center, Mar Vista Gardens Computer Lab, Mar Vista Gardens Computer Center, Nickerson Gardens, Pueblo Del Rio, Ramona Gardens, Rancho San Pedro Social Hall, Rose Hill Courts and William Mead Homes.
 - e. Expend up to \$445,000 directly for playground improvements and equipment replacement of play structures, swings and slides at the following HACLA sites: Nickerson Gardens, Imperial Courts, Pico Gardens, Rancho San Pedro and Gonzaque Village.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. Approving this matter will provide funds for direct support of the SYEP for over 500 youth living at HACLA developments as well as various capital and infrastructure improvements in and around HACLA facilities. The above recommendations are in compliance with City financial policies in that one-time funds provided by HACLA for the SYEP and various improvement projects would pay for the expenditures associated with the SYEP and projects.

Community Impact Statement: None submitted.

SUMMARY

In a report to the Mayor and Council dated June 10, 2016, the CAO states that HACLA requests authorization from the City of Los Angeles to waive PILOT in the amount of \$2,820,000 to provide summer jobs to youth living in public housing, water-wise landscape improvements at three HACLA sites, renovation of a former storage facility at Imperial Courts, upgrades at 11 computer centers at various HACLA locations, and playground improvements and installation of new play equipment at five HACLA sites. The funding would cover the 2016-17 fiscal year. The CAO recommends approval of HACLA's request.

According to the CAO, the City of Los Angeles and HACLA signed a PILOT Cooperation Agreement in 1939. Pursuant to the terms of this agreement, HACLA consented to reimburse the City for the value of municipal services provided to the agency's housing developments. The City has historically granted waivers to HACLA to allow the Housing Authority to use these funds for services that benefit residents or for capital and infrastructure improvements at various HACLA housing developments.

At its meeting held June 15, 2016, the Housing Committee discussed this matter with representatives of the CAO and HACLA. The HACLA representative stated that the agency will offer between 530-600 jobs to youth this summer. It was stated that HACLA employs youth from its developments year-round. Committee recommended that Council approve the PILOT waiver and the related actions listed above, as recommended by the CAO.

Respectfully Submitted,

HOUSING COMMITTEE

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

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-NOT OFFICIAL UNTIL COUNCIL ACTS-