

## MOTION

The City is required to reprogram grant funds to meet the United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) rule that states the City cannot hold more than 1.5 times the City's annual CDBG grant as of 60 days prior to the beginning of a new program year. If the City does not meet this "timeliness test," it could result in a reduction to the City's future CDBG grant allocation. Under the HUD Section 108 Program, the City may borrow future CDBG funds and use them for a variety of community development purposes. The Housing and Community Investment Department (HCID) and Economic Development Department (EWDD) have balances on numerous Section 108 loans. By paying down a portion of these loan balances early, the City will save on interest costs and this expenditure will assist the City in meeting the timeliness test. Furthermore, using CDBG for the acquisition of property for the Rosa De Castilla Apartments and the Los Angeles LGBT Center is consistent with the City's affordable housing goals and will allow the City to expend CDBG funds expeditiously. To help meet the timeliness requirement, Council should take immediate action to reprogram CDBG funds and apply funds to these projects. Certain reprogrammed projects will be reviewed for possible funding in the City's 44<sup>th</sup> Program Year Housing and Community Development Consolidated Plan (2018-19) budget.

I THEREFORE MOVE that Council, subject to the approval of the Mayor authorize the following actions:

1. Reprogram \$9,488,738.54 in CDBG funds listed below and authorize the Controller to decrease appropriations within the Community Development Trust Fund No. 424 as follows:

Dept.	PY	FMS Acct.	Council District	Project Title/FMS Account	Amount to be Reprogrammed
HCIDLA-ND	34	43M140	1	GENERAL SERVICES (CYPRESS PARK YFC)	12,707.00
HCIDLA-ND	34	22E414	1	CYPRESS PARK YFC	12,366.33
Rec&Parks	43	43P545	1	NORMANDIE RECREATIONAL CENTER CAPITAL IMPROVEMENTS	500,000.00
Rec&Parks	43	43P710	2	KESWICK POCKET PARK	500,000.00
HCIDLA-ND	43	43P498	5	FREDA MOHR MULTIPURPOSE CENTER	750,000.00
HCIDLA-ND	42	43N411	6	UNALLOCATED (CD 6 STREET/SIDEWALK IMPROVEMENTS)	0.06
PW-St Lighting	41	43N184	6	PUBLIC WORKS STREET LIGHTING (NEIGHBORHOOD IMPROVEMENT FUND--SUN VALLEY ROSCOE-CROCKET-VINELAND STREET LIGHTING PROJECT)	48,677.12
PW-St Lighting	41	43M531	6	NEIGHBORHOOD IMPROVEMENT FUND--SUN VALLEY ROSCOE-CROCKET-VINELAND STREET LIGHTING PROJECT	45.26
PW-St Lighting	41	43M184	6	PUBLIC WORKS STREET LIGHTING (NEIGHBORHOOD IMPROVEMENT FUND--SUN VALLEY ROSCOE-CROCKET-VINELAND STREET LIGHTING PROJECT)	32.66
PW-St Lighting	40	43N184	6	PUBLIC WORKS STREET LIGHTING (SUN VALLEY LIGHTING IMPROVEMENTS - PHASE 5 )	16,383.14
PW-St Lighting	40	43M184	6	PUBLIC WORKS STREET LIGHTING (SUN VALLEY LIGHTING IMPROVEMENTS - PHASE 5 )	381.67
PW-St Lighting	40	43L184	6	PUBLIC WORKS STREET LIGHTING (SUN VALLEY LIGHTING IMPROVEMENTS PHASE 5)	664.20
PW-St Lighting	40	43N184	6	PUBLIC WORKS STREET LIGHTING (SUN VALLEY STREET LIGHTING Phase 6)	166,628.02
PW-St Lighting	40	43M184	6	PUBLIC WORKS STREET LIGHTING (SUN VALLEY STREET LIGHTING Phase 6)	94.24
PW-St Lighting	41	43M421	6	SUN VALLEY STREET LIGHTING (Phase 6)	85.46
PW-St Lighting	41	43N184	6	PUBLIC WORKS STREET LIGHTING (VAN NUYS STREET LIGHTING (Cohasset/Burnet	132,245.68
PW-St Lighting	41	43M579	6	VAN NUYS STREET LIGHTING (Cohasset/Burnet)	54.39
PW-St Lighting	41	43M184	6	PUBLIC WORKS STREET LIGHTING (VAN NUYS STREET LIGHTING Cohasset/Burnet)	35.54
HCIDLA-ND	41	43M531	7	NEIGHBORHOOD IMPROVEMENT FUND--BUILD REHAB	1,105.74
HCIDLA-ND	43	43P715	7	NEIGHBORHOOD LEGAL SERVICES FAÇADE IMPROVEMENTS PHASE I	250,000.00
HCIDLA-ND	41	43N140	7	GENERAL SERVICES (PACOIMA CITY HALL)	2.60

Dept.	PY	FMS Acct.	Council District	Project Title/FMS Account	Amount to be Reprogrammed
DOT	40	43K577	7	VAN NUYS STREET SIGNAL	59,508.38
EWDD	38	22J554	9	AVALON PARK PLAZA	265,017.46
HCIDLA-ND	39	43L174	9	PUBLIC WORKS BOARD (BEAUTIFICATION PROGRAM CRCD TRASH CANS)	50,846.41
EWDD	37	22H246	10	DISTRICT SQUARE RETAIL PROJECT	90,241.98
EWDD	38	22J564	10	DISTRICT SQUARE RETAIL PROJECT	32,810.00
HCIDLA-ND	39	22K502	10	Neighborhood Improvement Fund - Mid Wilshire Campus Energy Efficiency Improvement	167,364.00
PW-Engineering	43	43P716	10	PIO PICO LIBRARY POCKET PARK	1,700,000.00
PW-Engineering	43	43P682	11	ENGINEERING SPECIAL SERVICES FUND (VERA DAVIS McCLENDON CENTER REHABILITATION)	650,000.00
HCIDLA-ND	42	43N462	12	KOREAN SENIOR CITIZEN CENTER	125,000.00
EWDD	40	43L585	13	STEP UP ON VINE	43,439.70
EWDD	39	22K259	14	BOYLE HEIGHTS EMPLOYMENT TRAINING CENTER (ALISO PICO)	4,767.84
PW-St Services	41	43M539	14	HUNTINGTON DRIVE SIDEWALK	400,000.00
PW-St Services	42	43N539	14	HUNTINGTON DRIVE SIDEWALK CONSTRUCTION	50,000.00
HCIDLA-ND	40	43P140	15	GENERAL SERVICES (BRADLEY MILKEN FSC RENOVATION)	48,000.00
HCIDLA-ND	41	43P140	15	GENERAL SERVICES (NEIGHBORHOOD IMPROVEMENT FUND--WILMINGTON LEARNING ANNEX)	11,000.00
Aging		43K102	CW	AGING	8,435.56
Aging	40	43L102	CW	AGING ADM	69.14
Aging	42	43N420	CW	AGING DELIVERY SYSTEM	51,602.00
HCIDLA-ND	43	43P605	CW	BUILDING IMPROVEMENT FUND	2,200,781.00
HCIDLA-ND	42	43N605	CW	BUILDING IMPROVEMENT FUND	163,220.00
CDD	38	22J122	CW	COMMUNITY DEVELOPMENT	1,391.31
City Attorney	42	43N112	CW	CITY ATTORNEY (RESIDENTIAL ENFORCEMENT CARE)	12,721.06
City Attorney	42	43N299	CW	REIMBURSEMENTS TO THE GENERAL FUND (CITY ATTORNEY RESIDENTIAL ENFORCEMENT CARE)	7,075.46
City Attorney	42	43N112	CW	CITY ATTORNEY (TARP)	30,856.80
City Attorney	42	43N299	CW	REIMBURSEMENTS TO THE GENERAL FUND (TARP)	17,169.24
CDD		22H122	CW	COMMUNITY DEVELOPMENT DEPARTMENT	15,817.08
EWDD	39	43K122	CW	ECONOMIC DEVELOPMENT DEPARTMENT	972.48
		22J383	CW	FUEGO TECH RANGERS	3,750.00
		22K383	CW	FUEGO TECH RANGERS	418.00
HCIDLA	41	43M143	CW	HOUSING AND COMMUNITY DEVELOPMENT	35,119.15
HCIDLA	39	43K143	CW	HOUSING AND COMMUNITY DEVELOPMENT	7,090.95
HCIDLA	40	43L143	CW	HOUSING AND COMMUNITY DEVELOPMENT	3,206.20
HCIDLA	40	43L122	CW	HOUSING AND COMMUNITY DEVELOPMENT	4,314.19
CDD		22J263	CW	HIRELA	350.00
EWDD	42	43N586	CW	LA BUSINESSOURCE PROGRAM	193,722.31
EWDD	41	43M586	CW	LA BUSINESSOURCE PROGRAM	23,437.77
EWDD	40	43L586	CW	LA BUSINESSOURCE PROGRAM	12,415.00
CDD		22H243	CW	LA BUSINESSOURCE PROGRAM	5,048.00

Dept.	PY	FMS Acct.	Council District	Project Title/FMS Account	Amount to be Reprogrammed
EWDD	42	43N248	CW	LA CLEANTECH BUSINESS INCUBATOR	2,121.00
HCIDLA-OPS	42	43N354	CW	LAHSA HOMELESS EMERGENCY SHELTER & SERVICES	54,444.00
CDD		22K244	CW	LA'S BUSINESS SOURCE	350.00
HCIDLA	42	43N217	CW	SECTION 108 DEBT SERVICE	19,095.55
HCIDLA-HDB	42	43N588	CW	SINGLE FAMILY REHAB - HANDYWORKER	42,088.34
HCIDLA	42	43N560	CW	TRANSLATION SERVICES	40,000.00
HCIDLA-CD	42	43N559	CW	URGENT REPAIR PROGRAM	87,242.00
EWDD	43	43P247	CW	VEDC RESTORE LA	350,000.00
EWDD	42	43M247	CW	VEDC RESTORE LA	4,910.07
<b>Grand Total</b>					<b>\$9,488,738.54</b>

2. Authorize the Controller to decrease \$59,000 within Fund No. 100/40 for various accounts to be determined by the General Services Department.
3. Allocate the reprogrammed amount of \$9,488,738.54 and available grant balance of \$893,222.56 to the below listed projects and direct the Controller to take the following actions:
  - a. Establish new accounts and/or appropriate within the Community Development Trust Fund No. 424 as follows:

Department	Council District	Account	Project/FMS Account	Amount
HCIDLA	CW	43P217	HCIDLA Section 108 loan outstanding debt service	\$1,051,802.10
HCIDLA	14	43P646	Rosa De Castilla Apartments	4,400,000.00
HCIDLA	4	43P328	Los Angeles LGBT Center	4,930,159.00
<b>Grand Total</b>				<b>\$10,381,961.10</b>

I FURTHER MOVE that the Council authorize the General Manager, Los Angeles Housing and Community Investment Department (HCID), or designee, to pay the Bank of New York Mellon for Section 108 Debt in an amount not to exceed \$1,051,802.10 from the Community Development Trust Fund No.424 Account 43P217 Section 108 Debt Service.

I FURTHER MOVE that the Council authorize the General Manager, HCID, or designee, to negotiate and execute an agreement in the amount of \$4,400,000 with the legal owner of Rosa de Castilla Apartments for the acquisition of property to develop 85 affordable housing units in Council District 14, subject to the terms and requirements of CDBG funding, and subject to the review and approval by the City Attorney as to form.

I FURTHER MOVE that the Council authorize the General Manager, HCID, or designee, to negotiate and execute an agreement for up to \$4,930,159 with the Los Angeles LGBT Center for acquiring an air rights parcel for the development of the Anita May Rosenstein Campus project in Council District 4, subject to the terms and requirements of CDBG funding, and subject to the review and approval by the City Attorney as to form.

I FURTHER MOVE that the Council direct the Chief Legislative Analyst (CLA) to place the following projects on the CDBG Future Priority Projects list for funding in future Consolidated Plan budgets subject to the project's ability to spend grant funds timely:

- Normandie Recreational Center Capital Improvements (CD 1)
- Keswick Pocket Park (CD 2)
- Freda Mohr Multipurpose Center (CD 5)
- Neighborhood Legal Services Façade Improvements Phase 1 (CD 7)
- Pio Pico Library Pocket Park (CD 10)
- Vera Davis McClendon Center Rehabilitation (CD 11)
- Korean Senior Citizen Center (CD 12)
- Huntington Drive Sidewalk (CD 14)

I FURTHER MOVE that the Council direct the CLA with the assistance of HCID to monitor the CDBG grant program and to make such adjustments to this action as may be required to meet HUD regulations and authorize HCID and other necessary departments to prepare and execute all necessary authorities to effectuate such adjustments, subject to approval of the CLA.

I FURTHER MOVE that the Council authorize HCID to submit an amendment to the Consolidated Plan as necessary to effectuate the intent of this Motion and prepare Controller instructions and/or make any technical adjustments that may be required and are consistent with these actions, subject to the approval of the CLA, and instruct the Controller to implement these instructions.

PRESENTED BY: \_\_\_\_\_

*For All CEDILLO*

GILBERT A. CEDILLO  
Councilmember, 1<sup>st</sup> District

SECONDED BY: \_\_\_\_\_

*[Signature]*

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