

TRANSMITTAL

To:

THE COUNCIL

Date: 05/06/19

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

Housing Development Bureau
1200 West 7th Street, Los Angeles, CA 90017
tel 213.808.8638 | fax 213.808.8610
hcidla.lacity.org

April 26, 2019

Council File: 16-1115
Council Districts: Citywide
Contact Persons: Brittany Batong (213) 922-9627
Sean Spear (213) 808-8464

Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
200 North Spring Street
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

COUNCIL TRANSMITTAL: LOS ANGELES HOUSING + COMMUNITY INVESTMENT DEPARTMENT REQUEST FOR AUTHORITY TO EXECUTE A FOURTH AMENDMENT TO THE TECHNICAL SERVICES CONTRACT WITH FORSYTH STREET ADVISORS, LLC (C-129916) TO INCREASE THE TOTAL CONTRACT COMPENSATION BY \$65,000

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 add funds in the amount of \$65,000 to contract C-129916 with Forsyth Street Advisors, LLC.

RECOMMENDATIONS

- I. That the Mayor review this transmittal and forward to the City Council for further action;
- II. That the City Council, subject to the approval of the Mayor:
 - A. AUTHORIZE the General Manager of HCIDLA, or designee, to execute a fourth amendment to contract number C-129916 with Forsyth Street Advisors, LLC, to increase funding by \$65,000,

for a new total of \$353,000, in substantial conformance to the draft document attached to the transmittal and subject to approval of the City Attorney as to form;

- B. AUTHORIZE the Controller to transfer \$65,000.00 within the Municipal Housing Finance Fund No. 815 as follows:

From:

Account	Account Title	Amount
43H412	Service Delivery	\$ 5,375.48
43J245	Professional Service	52.50
43K231	Loan Servicing	88.80
43K412	Service Delivery	1,784.34
43L143	Housing and Community Investment	31.15
43L412	Service Delivery	30,742.00
43M245	Professional Service Contract	26,925.73
	Total	\$ 65,000.00

To:

43R722	Technical Contracts	\$ 65,000
--------	---------------------	-----------

- C. Authorize the General Manager of HCIDLA, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and instruct the Controller to implement the instructions.

BACKGROUND

HCIDLA administers a variety of programs that require expert analysis and advice regarding the financial structuring of affordable housing projects and programs, as well as analysis of HCIDLA affordable housing lending programs. To carry out these analyses, HCIDLA has utilized the services of Forsyth Street Advisors, LLC. As approved in contract number C-129916, Forsyth Street Advisors, LLC will provide necessary assistance with development of the City's new Local Housing Finance Agency (HFA), according to the following functions in their existing scope of work:

- Evaluate the use of private debt, equity or other sources that will be used to maximize the leveraging of public funds.
- Assist in identifying and structuring alternative funding sources and analyze the impact that multi-funding sources will have on the project.

These services are primarily used by the Housing Development Bureau.

The additional funds of \$65,000 will ensure sufficient funds are available to pay for services related to developing the HFA.

FISCAL IMPACT

There is no impact to the General Fund. The recommendations contained in this report will authorize HCIDLA to add \$65,000 to the Forsyth Street Advisors, LLC contract (C-129916) funded by the Municipal Housing Finance Fund.

Prepared By:



BRITTANY BATONG
HDB Operations Manager

Reviewed By:



SEAN L. SPEAR
Assistant General Manager

Reviewed By:



LYNDON O. SALVADOR
Director of Accounting

Reviewed By:



LUZ SANTIAGO
AGM

Reviewed By:



LAURA K. GUGLIELMO
Executive Officer

Approved By:



RUSHMORE D. CERVANTES
General Manager

ATTACHMENT:

Attachment: Draft Amendment #4

FOURTH AMENDMENT
TO AGREEMENT NUMBER C-129916 OF CITY OF LOS ANGELES CONTRACT
BETWEEN
THE CITY OF LOS ANGELES
AND
FORSYTH STREET ADVISORS, LLC

FINANCIAL ANALYSIS & LOAN UNDERWRITING SERVICES

THIS FOURTH AMENDMENT to Agreement Number C-129916 of City of Los Angeles Contract is made and entered into by and between the City of Los Angeles, hereinafter referred to as the City, and Forsyth Street Advisors, LLC, hereinafter referred to as the Contractor.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an Agreement wherein Contractor shall provide certain services, said Agreement effective April 1, 2017 and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, Section 505 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are now desirous of further amending the Agreement as authorized by the City Council and the Mayor (refer to Council File Number **XX-XXXX** approved by City Council on **XXXX XX 2019** and concurred by the Mayor on **XXXX XX 2019**) which authorizes the General Manager of the Housing and Community Investment Department to prepare and execute an amendment to the Agreement for the purpose of: (a) adding additional funds in the amount of **Sixty-Five Thousand Dollars (\$65,000)** for a new total of **Three Hundred Fifty-Three Thousand Dollars (\$353,000)**; and (b) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Amendment; and

WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under the Agreement.

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended as follows:

FOURTH AMENDMENT

- §1. Amend Section 301.A, “Compensation and Method of Payment” by deleting the contract total of Two Hundred Eighty-Eight Thousand Dollars (\$288,000) and replacing it with the new total of **Three Hundred Fifty-Three Thousand Dollars (\$353,000)**.

This amendment adds **Sixty-Five Thousand Dollars (\$65,000)**.

- §2. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.

- §3. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original. This Amendment includes three (3) pages which constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM: Executed this _____ day of _____, 2019

MICHAEL N. FEUER, City Attorney

By _____
Deputy/Assistant City Attorney

For: THE CITY OF LOS ANGELES

RUSHMORE D. CERVANTES
Housing and Community Investment
Department

Date _____

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By _____
Laura K. Guglielmo
Executive Officer

By _____
Deputy City Clerk

Executed this _____ day of _____, 2019

Date _____

For: FORSYTH STREET ADVISORS, LLC

By _____
Charles S. Laven
President

By _____
Esther Sandrof
Partner

City Business License Number: 0002950204-0001-3

Internal Revenue Service Number: 412100158

Council File/CAO File Number: XX-XXXX

Said Agreement is Number C-129916 of City Contracts Amendment 4