



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

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April 21, 2017

Honorable Members of the Budget and Finance Committee

City Council, City of Los Angeles

c/o Holly L. Wolcott, City Clerk

200 N. Spring Street, Room 395

Los Angeles, CA 90012

Attn: Richard Williams, Legislative Analyst

Subject: THE HOUSING + COMMUNITY INVESTMENT DEPARTMENT'S COMMENTS ON THE MAYOR'S PROPOSED BUDGET FOR FISCAL YEAR 2017-2018

Honorable Members of the Budget and Finance Committee:

The Los Angeles Housing + Community Investment Department (HCIDLA) appreciates the opportunity to comment on Mayor Garcetti's Proposed FY 2017-2018 Budget.

The Mayor's Proposed HCIDLA Budget supports our efforts to implement and expand programs such as the Proposition HHH Permanent Supportive Housing Loan Program and the expansion of the Affordable Housing Trust Fund Bond program, designed to combat homelessness and the lack of affordable housing in the City of Los Angeles. The proposed budget also allows us to continue to provide critical community services through our Domestic Violence Shelters providers as well as the continuation of the City's Rent Stabilization Ordinance awareness and outreach activities to Los Angeles landlords and tenants.

Although we are pleased that several of HCIDLA's budget priorities were included in the Mayor's proposed budget, to ensure seamless delivery of critical services, HCIDLA respectfully requests that the Budget and Finance Committee consider the following budget proposals:

Support the Mayor and Council's efforts to increase the availability of Affordable Housing

- 1. New Case Management/Program Productivity Tracking System** – HCIDLA is requesting \$270,000 from the General Fund to leverage \$100,000 from Housing Opportunities for People with HIV/AIDS (HOPWA) program funding to execute a contract to utilize the human services software currently in use by the Los Angeles Homeless Services Authority (LAHSA). The system will capture new data for the FamilySource Centers, Domestic Violence services, and HOPWA. HCIDLA's current systems do not communicate with one another or LAHSA and therefore, cannot track client progress across programs. The new system will track individual cases and outcomes to better monitor the progress of the homelessness efforts. The data collected will allow for strategic solutions.
- 2. Affordable Housing and Sustainable Communities (AHSC) Multi-Departmental Action Team** - In FY 2015-2016, staff from HCIDLA, Department of Transportation (LADOT), Bureau of Engineering (BOE),

Department of City Planning (DCP) and Bureau of Street Lighting (BSL) collaborated on efforts to develop project concepts and applications under the Affordable Housing and Sustainable Communities (AHSC) program. This new State program provides cap and trade funding to finance affordable housing projects and supportive public infrastructure to reduce greenhouse gas emissions and provide critical links between said housing projects and nearby transit stops and stations. This effort resulted in \$64.6 Million towards six (6) affordable housing and transit infrastructure projects, which equates to 348 new units of sustainable affordable housing dedicated to special needs and chronically homeless populations. HCIDLA is requesting a new Management Analyst position to serve as a member and coordinator of the (AHSC) Program Multi-Departmental Action Team.

Provide crucial services to stakeholders and residents

- 3. Federal Entitlement Funding Gap Request** – Due to the decrease in Federal Entitlement Grant funding in the past few years and the increase in Cost Allocation Plan rates, the department has requested relief from the General Fund to continue supporting existing Consolidated Plan (Con Plan) administration and program oversight. The funding will go towards salaries for 178 staff, with a total combined full time equivalent of 34 positions. The 178 staff support the Con Plan and are funded by the Administrative funds within CDBG, HOME, Emergency Solutions Grant, and HOPWA with program-ineligible tasks. It's important to note that the decrease in funding has not resulted in a decrease in workload. Without proper funding, HCIDLA will not be able to meet its related costs' reimbursement obligations as proposed in the Mayor's Budget.

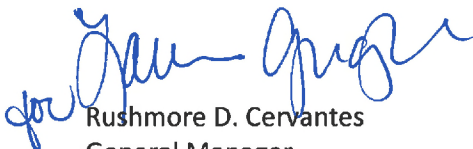
Due to the extensive administrative mandates of the Con Plan, the approach of keeping positions vacant is no longer sustainable. Under the Department of Housing and Urban Development regulations, the City is required to meet specific national objectives. Without proper staffing and funding, we are at risk of inadequate monitoring that may lead to federal sanctions, which may include the repayment of expended federal funds from non-federal sources such as the General Fund.

- 4. Continued Support and Expansion of City's Partnership with the Los Angeles Unified School District (LAUSD)** – The Mayor's budget provides for partial funding for the LAUSD Pupil Services and Attendance (PSA) Counselors. Over the last two years, the unprecedented FamilySource Partnership has shown results that include FamilySource Center (FSC) PSA Counselors serving over 6,000 students and 3,400 families, providing over 340 workshops, the linkage of FSC services to local schools and the implementation of the Los Angeles School Police Department's Arrest Diversion Program. During the 2016-17 school year, only 13 of the 16 FSCs are served by PSA counselors. In order to provide access of PSA services to all FSCs and for students and families city and district-wide, we are proposing to fund all 16 FSCs with a PSA counselor. With the additional services, the partnership with the school district will allow PSA Counselors to provide Comprehensive Academic Assessments and linkage to services for approximately 600 more students and approximately 300 more families.
- 5. Commissions and Community Engagement Support** – The Commissions and Community Engagement (CCE) program manages five commissions, (Human Relations, Affordable Housing, Status of Women, Community and Family Services, and Community Action Board). CCE staff function as community facilitators, develop and provide human relations training to constituents, establish dialogues with representative groups to help plan and execute community programs which will reduce violence, investigate incidents of intergroup conflict or acts of hate, among many more services for the public's wellbeing. Currently, there is a service demand for community facilitators, establishing dialogues in

order to reduce violence and the investigation of incidents of intergroup conflicts or acts of hate. In order to meet these demands, we are requesting funding and position authority for the deleted Human Relations Advocate position. Additionally, it appears that the filled Management Assistant position was deleted, therefore, HCIDLA is requesting for the position authority and corresponding funding be restored.

Despite the diminishing Federal funds, HCIDLA remains primarily Special Funded, and continues to look for new grant opportunities. We appreciate your support in identifying General Funds to support the critical services outlined above and look forward to working with you and your staff. Should you have any questions or need additional information, I can be reached at (213) 808-8808.

Sincerely,



Rushmore D. Cervantes
General Manager

cc: Honorable Members of the City Council
Honorable Eric Garcetti, Mayor
Sharon Tso, Chief Legislative Analyst
Richard Llewellyn, Interim City Administrative Officer