

HOUSING COMMITTEE REPORT relative to establishing an emergency reserve account within the Systematic Code Enforcement Trust Fund.

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

1. AUTHORIZE the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to establish an emergency reserve fund within the Systematic Code Enforcement Trust Fund equal to two months of operating costs to enable Housing Inspectors to conduct habitability inspections of the City's multi-family rental housing units during the recovery stage in the aftermath of a major local disaster such as an earthquake.
2. AUTHORIZE the Controller to establish a balance sheet account to hold restricted cash entitled Emergency Reserve Account in the Systematic Code Enforcement Trust Fund No. 41M.
3. TRANSFER an amount equal to two months of operating costs from the Unrestricted Cash Account No. 1010 to the new restricted cash account in the Code Enforcement Trust Fund No. 41M.
4. AUTHORIZE the General Manager, HCIDLA, or designee, to prepare Controller's instructions for any necessary technical adjustments consistent with this action, subject to the approval of the City Administrative officer (CAO); and, AUTHORIZE the Controller to implement the instructions.

Fiscal Impact Statement: The CAO reports that this action will not impact the General Fund. The above recommendations comply with City financial policies in that the proposed Emergency Reserve Account within the Systematic Code Trust Fund would be fully supported by fees collected as part of the Systematic Code Enforcement Program.

Community Impact Statement: None submitted.

SUMMARY

In a report to the Mayor and Council dated June 19, 2017, the CAO states that HCIDLA requests authority to create a 60-day emergency reserve fund within the Systematic Code Enforcement Trust Fund to pay for Housing Inspectors to conduct habitability inspections of multi-family rental housing units in the aftermath of a major local disaster. The proposed action will use funds from the Unappropriated Cash Balance of the Systematic Code Trust Fund to fund the proposed 60-day emergency reserve fund in an estimated amount of approximately \$7.5 million. According to HCIDLA, an emergency reserve for 60 days is needed to conduct habitability inspections of damaged building and to account for approximately a one- to two-month period to seek reimbursements from the state and federal governments. The CAO recommends approval of HCIDLA's request.

At its meeting held June 21, 2017, the Housing Committee recommended that Council approve HCIDLA's request as recommended by the CAO.

Respectfully Submitted,

HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES <i>SC</i>
KORETZ:	ABSENT
HUIZAR:	ABSENT
PRICE:	YES
HARRIS-DAWSON:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-