

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 8, 2018

CAO File No. 0220-00540-1276
Council File No. 17-1052
Council District: Citywide

To: The Mayor
The Council

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Housing and Community Investment Department transmittal dated May 31, 2018; Received by the City Administrative Officer on June 4, 2018; Additional Information Received through June 7, 2018

Subject: **REQUEST FOR APPROVAL OF RECOMMENDATIONS FOR CONTRACTS RELATIVE TO THE RESULTS OF THE DOMESTIC VIOLENCE/HUMAN TRAFFICKING SHELTER OPERATIONS PROGRAM REQUEST FOR PROPOSALS**

RECOMMENDATION

That the Council, subject to the approval of the Mayor, adopt Recommendations A and B of the Housing and Community Investment Department (HCID) transmittal (Report) dated May 31, 2018 relative to the provision of services by ten nonprofit agencies as part of the City's Domestic Violence/Human Trafficking Shelter Operations Program for a one year term from July 1, 2018 through June 30, 2019, with four one-year renewal options.

SUMMARY

The Housing and Community Investment Department (HCID) requests authority to negotiate and execute contracts with ten nonprofit agencies listed in HCID's Report to provide services as part of the City's Domestic Violence/Human Trafficking Shelter Operations Program (DVHTSO). The proposed contracts would have a one year term from July 1, 2018 through June 30, 2019, with four one-year renewal options, and compensation in amounts not to exceed those listed in Table 1 and 2 of HCID's Report. Total funding for the ten contracts would not exceed \$5,027,875 consisting of \$2,647,112 from the Community Development Trust Fund and \$2,380,763 from the General Fund for the first year of the contract.

On October 30, 2017, HCID released a Request for Proposal (RFP) to solicit proposals from qualified nonprofit agencies to provide or facilitate emergency shelter and/or transitional housing beds and services to survivors of domestic violence or human trafficking and their children. The ten nonprofits listed in Tables 1 and 2 of HCID's report were qualified based on their project feasibility and program performance capability, program design, and resource allocation and development. Additional information regarding the RFP process and results can be found in the HCID Report.

The Los Angeles Administrative Code (LAAC) Section 10.5(b) requires Council to approve of any amendment to a contract involving the same party or parties with no new competitive process having been utilized with a resulting cumulative period of more than three years and is anticipated that the estimated or actual annual payments shall exceed \$149,111. The HCID Report requests an exemption from this requirement and authority to exercise options to renew the contracts up to the proposed annual amounts in Tables 1 and 2, provided funds are available, without returning for additional Mayor and Council approval, but did not include this request in their recommendations. The HCID states that the exemption request has been discussed in a City work group for streamlining efforts regarding grant contracts. However, if an exemption to LAAC Section 10.5(b) for the domestic violence contracts is granted, then Council would not have the ability to review any change in funding allocation per contractor if the Community Development Block Grant and/or General Fund allocation is reduced in a subsequent Consolidated Plan or Fiscal Year, or if there is a change in sources of funds or contractors during that five year period. Additionally, the Mayor's Office Chief Procurement Officer is currently in the process of evaluating the City's contracting process and will deliver Citywide recommendations to both the Mayor and the Council for strategic procurement, including reducing the contracting timeline to improve City operations (C.F. 15-0850-S3).

While this Office supports the concept of grants contract streamlining, a change to the process for one department in advance of potentially Citywide contracting process improvements may result in inconsistencies. Therefore, this Office recommends that the Council not grant an exemption to LAAC Section 10.5(b) for HCID until the Chief Procurement Officer provides Citywide recommendations for streamlining personal service agreements that are grant funded. This Office concurs with the original recommendations of the Department, which are consistent with the City's current contracting requirements.

The Personnel Department completed a Charter Section 1022 determination on September 5, 2017, and determined that City employees currently do not have the expertise necessary to perform emergency shelter and services to survivors of domestic violence or human trafficking and their children as outlined in the draft Contract attached to the HCID Report.

FISCAL IMPACT STATEMENT

There is no additional impact to the General Fund. The proposed contracts with the ten nonprofit agencies selected by the Housing and Community Investment Department through a Request for Proposal process to provide services as part of the City's Domestic Violence/Human Trafficking Shelter Operations Program will be paid for by the Community Development Trust Fund (\$2,647,112) and General Fund (\$2,380,763). The recommendation in this report is in compliance with the City's Financial Policies in that funding for the proposed contracts is available within budgeted funds.

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