

**CORRECTED REPORT**

HOUSING COMMITTEE REPORT relative to changing the Housing and Community Development Consolidated Plan (Con Plan) Program Year (PY) start date from April 1 to July 1 and revisions to the 44th Program Year (PY 44) Con Plan for 2018-19.

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

1. APPROVE changing the Con Plan program year schedule from April 1 - March 31 to July 1 - June 30, to align with the City's fiscal year as of 2019, subject to approval by the United States Department of Housing and Urban Development (HUD); and, INSTRUCT the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to provide the appropriate documentation to HUD to make the change to the time period.
2. APPROVE the PY 44th Action Plan Budget as detailed Columns F, G, and H in Attachment 1 of the August 9, 2018 HCIDLA report, attached to the Council file, as it relates to the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS/HIV (HOPWA).
3. APPROVE the reprogramming of \$3,062,242 of CDBG savings as listed below as a source of revenue for the projects identified in the revised PY 44 Action Plan Budget as detailed in Attachment 1 to the August 9, 2018 HCIDLA report, attached to the Council file:

<u>PY</u>	<u>Department</u>	<u>Council District</u>	<u>Account</u>	<u>Title</u>	<u>Amount to be Reprogrammed</u>
	LAHSA	Citywide	22J356	Los Angeles Homeless Services Authority (LAHSA) Special Economic Development- Return of Grant Funds	\$88.00
40	HCIDLA-ND	1	43P140	CCNP Bixel Street Renovation	55,803.52
42	HCIDLA-ND	9	43N711	4235 South Olive Street (aka Junipero Serra Library)	5,000.00
42	HCIDLA-ND	9	43P140	4235 South Olive Street (aka Junipero Serra Library)	13,100.42
43	HCIDLA	Citywide	43P445	HCIDLA Program Delivery	627,847.22
43	HCIDLA	Citywide	43P143	HCIDLA Program Delivery	204,376.00
43	HCIDLA	Citywide	43P299	HCIDLA Program Delivery	<u>656,027.00</u>
				Prior Year Savings Subtotal	\$1,562,242.16
44	HCIDLA-ND	9	43R663	5800 Figueroa Pocket Park	<u>1,500,000.00</u>
				Total	\$3,062,242.16

4. APPROVE the following:

- a. Reprogramming of \$4,802,720.79 of HOPWA savings from PY 2017-18 as a source of revenue for the projects identified in the revised PY44 Action Plan budget as detailed in Attachment 1 of the August 9, 2018 HCIDLA report, attached to the Council file.
- b. Reversion of \$4,173,250 from the LAHSA Measure H Bridge Loan, FMS Account No. 43P679, Fund 10A, to the General Fund.
- c. Allocation of up to \$2,718,729 of General Fund to support the Con Plan administration costs for a three-month extension to PY 44 from April 1 to June 30, 2019, as follows:

Department/Agency	Amount
Los Angeles Department of Aging (LADOA)(CDBG)	\$20,920
City Attorney (CDBG)	19,068
Economic and Workforce Development Department (EWDD)	209,909
LAHSA (ESG)	50,047
HCIDLA- Fair Housing (CDBG)	38,233
HCIDLA (CDBG)	1,125,120
HCIDLA (Home)	1,079,925
HCIDLA (ESG)	33,365
HCIDLA (HOPWA)	<u>132,142</u>
HCIDLA Subtotal:	<u>2,408,785</u>
Total:	\$2,718,729

- 5. INSTRUCT the City Administrative Officer (CAO) to include an appropriation of up to \$2,718,729 for the Departments listed above in Recommendation No. 4c through the Financial Status Reports based on Departmental needs.
- 6. AUTHORIZE the General Manager, HCIDLA, or designee, to:
  - a. Prepare and post for a 30-day public comment period a Substantial Amendment to the PY 44 Con Plan listing the revisions.
  - b. Execute an amendment to the ESG Contract (Contract No. C-126101) with the LAHSA to add 12 months to the contract term.
- 7. AUTHORIZE the HCIDLA to release a Request for Proposals to solicit professional services to conduct the Neighborhood Stabilization Study for South LA not to exceed \$100,000 (Council file Nos. 18-0159 and 18-0600); and, AUTHORIZE the General Manager, HCIDLA, or designee, to negotiate and execute an agreement with the

successful proposer for a term not to exceed one year from date of execution, subject to City Attorney review and approval as to form and legality and compliance with all City and Federal contracting requirements.

8. AUTHORIZE the General Managers of program implementing departments, or their designees, to:

a. Prepare contract authorities in consultation with the HCIDLA as grant administrator, to be submitted to the Chief Legislative Analyst (CLA) for review and approval.

b. Negotiate and execute contracts, contract amendments and/or interdepartmental agreements as needed with the grant recipients named in the approved contract authorities, consistent with Mayor and City Council actions related to this matter, in amounts not to exceed those set forth in the revised PY 44 Con Plan budget, subject to funding availability, City Attorney review and approval as to form and legality, and compliance with all City and Federal contracting requirements.

9. APPROVE the Controller instructions as detailed in the August 17, 2018 CAO report, attached to the Council file.

10. AUTHORIZE the General Managers of program implementing departments, or their designees, to prepare Controller's instructions and any technical adjustments consistent with Mayor and City Council actions related to this matter, subject to the approval of the CLA, and request the Controller to implement these instructions.

11. INSTRUCT the HCIDLA to:

a. Report with the new timeline for Mayor and Council approval of the PY 45 Con Plan.

b. Review the following list of RAP projects for eligibility and timeliness in order to be considered for funding in the October mid-year reprogramming:

i. Alpine Recreation Center

ii. Alvarado Terrace Park

iii. Carlin G. Smith Recreation Center

iv. Charles F. Lummis Home (El Alisal)

v. Cleland Avenue Bicentennial Park

vi. Cypress Recreation Center

vii. Ernest E. Debs Regional Park

viii. Downey Pool

ix. Downey Recreation Center

- x. East Los Angeles Park
- xi. Echo Park (Deep) Pool
- xii. Everett Park
- xiii. Everett Park
- xiv. Francis Avenue Community Garden
- xv. Glassel Park
- xvi. Greyer's Oak Park
- xvii. Heritage Square
- xviii. Highland Park Recreation Center
- xix. Hoover Recreation Center
- xx. Hope and Peace Park
- xxi. La Tierra De La Culebra
- xxii. Lacy Street Neighborhood Park
- xxiii. Lilac Terrace Park
- xxiv. Lincoln Heights Recreation Center
- xxv. Lincoln Heights Youth Center
- xxvi. Lincoln Park
- xxvii. MacArthur (General Douglas) Park
- xxviii. Montecito Heights Recreation Center
- xxix. Moon Canyon Park
- xxx. Mount Olympus Park
- xxxi. Normandie Recreation Center
- xxxii. Old Cypress Park Library
- xxxiii. Old Echo Park Boys and Girls Club

- xxxiv. Ord and Yale Street Park
- xxxv. Patton Street Pocket Park
- xxxvi. Pico Union Park
- xxxvii. Ramona Hall Community Center
- xxxviii. Rio De Los Angeles State Park
- xxxix. Saint James Park
- xl. Sycamore Grove Park
- xli. Toberman Recreation Center
- xlii. Valencia Triangle
- xliii. Woodside Triangle

Fiscal Impact Statement: The CAO reports that the impact to the General Fund for funding direct salaries and expenses, including contracts, for the administration of the Con Plan Program Year 44 from April 1, 2019 through June 30, 2019 would be up to \$2,718,729. The CAO would request appropriation through interim Financial Status Reports based on the actual need for General Fund support for the LADOA, City Attorney, EWDD, LAHSA, and the HCIDLA to administer the Con Plan. The source of these funds is a reversion of \$4,173,250 from the LAHSA Measure H Bridge Loan to the General Fund. All other direct costs will be paid from the CDBG, HOME, ESG, and HOPWA federal grants.

The CAO calculates that total related costs for support positions funded by the CDBG for the three-month period to be up to \$2.2 million. Of this amount, approximately up to \$1.2 million can be funded with CDBG dollars. This results in a balance of approximately up to \$1 million in related costs that may be considered by the Council and Mayor to be potentially funded with a General Fund allocation. It should be noted that these estimates assume an appropriation of \$2,718,729 in General Fund to pay for direct salaries and expenses. However, as noted in the CAO report, the CAO would work with Departments to identify potential savings and actual need for General Fund support through the Financial Status Reports, which may reduce the impact to the General Fund. The City's Financial Policies state that the City will pursue program grants, but will limit financial support of these programs to avoid commitments beyond available funding. It is a policy decision regarding how and at what level the City will contribute City resources, specifically the General Fund, to leverage CDBG grant program activities.

Community Impact Statement: None submitted.

Summary:

On August 22, 2018, your Committee considered August 17, 2018 CAO and August 9, 2018 HCIDLA reports relative to changing the Con Plan PY start date from April 1 to July 1 and revising the PY 44 Con Plan for 2018-19. According to the CAO, the HCIDLA is requesting

authority for various actions related to changing the Con Plan year start date from April 1st to July 1st starting with the 45th Con Plan Program Year, and amending the 44th Con Plan PY Action Plan budget to allocate additional resources identified since the Mayor and Council approved the Con Plan. The HCID requests authority to:

1. Provide appropriate documentation to HUD for approval to change the PY time period.
2. Revise the PY 44 Action Plan budget per Attachment 1 of the August 9, 2018 HCID Report.
3. Reprogram CDBG and HOPWA savings identified since the PY 44 Action Plan was approved.
4. Prepare and post for a 30-day public comment period a Substantial Amendment to the PY 44 Con Plan.
5. Amend a contract with the LAHSA.
6. Prepare various contract authorities.

The HCIDLA proposes funding the one-time extension of PY 44 from April 1, 2019 through June 30, 2019 with HUD allocations for federal grants that were higher than the estimates approved by the Mayor and Council (\$19,677,691), and identified program income (\$9,732,274), and savings (\$699,963). The HCID is also requesting an additional allocation of up to \$2,718,729 of General Fund to support the Con Plan administration costs for the three-month extension.

The HCIDLA has identified \$4,173,250 in General Fund that was allocated to the LAHSA Measure H Bridge Loan in FY 2017-18, but is no longer needed and can be reverted back to the General Fund as a potential source for the requested General Fund support. The CAO supports the reversion of \$4,173,250 back to the General Fund. However, the CAO would include an appropriation of up to \$2,718,729 through the Financial Status Reports after working with the following departments to identify additional savings and actual need for General Fund support to administer the Con Plan:

- LADOA
- City Attorney
- EWDD
- LAHSA
- HCIDLA

The HCIDLA is also requesting authority to release an RFP to solicit professional services to conduct the Neighborhood Stabilization Study for South Los Angeles in an amount not to exceed \$100,000 (Council File Nos. 18-0159 and 18-0600), and to negotiate and execute an agreement

giving the City an opportunity to leverage and augment them. This includes the State's legislative intent in enacting AB 1137 in 2017 (supported by the City), which required all housing financed by the California Department of Housing and Community Development after January 1, 2018, to be pet-friendly. The City should augment the requirement to apply to all developments accessing finance mechanisms through HCID or any other City agency. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
KREKORIAN:	YES
HARRIS-DAWSON:	ABSENT

ARL  
8/22/18

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**