

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 3, 2021

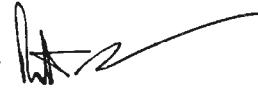
CAO File No. 0220-00540-1553

Council File No. 10-0398

Council District: Citywide

To: The Mayor
The Council

From: Matthew W. Szabo, City Administrative Officer



Reference: Los Angeles Housing Department transmittal dated June 3, 2021; Received by the City Administrative Officer June 16, 2021; Additional Information Received through July 22, 2021

Subject: **REQUEST FOR AUTHORITY TO EXECUTE A SECOND AMENDMENT TO THE INTER-AGENCY AGREEMENT WITH THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES (C-133960) FOR THE CONTINUED PROVISION OF PROFESSIONAL ENVIRONMENTAL SERVICES**

RECOMMENDATION

That the Council authorize the General Manager of the Los Angeles Housing Department (LAHD), or designee, to negotiate and execute a Second Amendment to the inter-agency agreement between LAHD and the Housing Authority of the City of Los Angeles (HACLA) for the continued provision of environmental review services for HACLA, to increase the compensation amount by \$200,000, and to extend the contract term by one year retroactive to July 1, 2021 through June 30, 2022, in substantial conformance with the draft Amendment attached to this report, subject to the review and approval of the City Attorney as to form and compliance with the City's contracting requirements.

SUMMARY

The Los Angeles Housing Department (LAHD) requests authority to execute a Second Amendment (Amendment) to the inter-agency agreement between the LAHD and the Housing Authority of the City of Los Angeles (HACLA) for LAHD's continued provision of professional environmental services pursuant to the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), and other relevant federal, state, and local land use and environmental laws and regulations for HACLA. The current inter-agency agreement was executed with a term of one year, with an option to extend the agreement for two additional one-year terms. The proposed Amendment would increase the compensation amount payable to the LAHD by \$200,000 for a total compensation amount of \$600,000, and to extend the term by one year retroactive to July 1, 2021 through June 30, 2022 for a total agreement term of three years. Subsequent to the release of its transmittal dated June 3, 2021 (Report), the LAHD provided a draft Amendment, which is attached to this report, for the Council's consideration and approval. This Office concurs with the

recommendations of the Department as amended to incorporate the draft Amendment.

All of HACLA's U.S. Department of Housing and Urban Development (HUD) funded activities are subject to CEQA, NEPA, and environmental review requirements as outlined in HUD's Code of Federal Regulations (CFR) Part 58 and the related federal laws and authorities specified in the CFR §58.5. Pursuant to CFR §58.4, the LAHD has been designated by HUD to assume environmental review responsibilities for all HUD funded activities in the City. The LAHD indicates that it provided environmental services for 75 projects in 2020-21. The LAHD reports that the proposed Amendment would enable the LAHD to continue to provide HACLA with HUD mandated environmental clearance and will help ensure that HACLA's federal funds and vouchers necessary for preserving and enhancing affordable and supportive housing comply with the noted regulations. Additional information regarding the LAHD's responsibilities and HACLA's projects and services can be found in the LAHD Report. The professional environmental services performed by LAHD staff under the proposed Amendment will be reimbursed by HACLA proceeds and will be deposited into the Municipal Housing Finance Fund as applicable credit to offset direct costs associated with the HACLA environmental reviews.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The proposed Second Amendment to the inter-agency agreement between the Los Angeles Housing Department and the Housing Authority of the City of Los Angeles (HACLA) will be funded by HACLA proceeds.

FINANCIAL POLICIES STATEMENT

The recommendation in this report complies with the City's Financial Policies.

MWS:MOF:02220012c

Attachment

SECOND AMENDMENT
TO AGREEMENT NUMBER C-133960 OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

THIS SECOND AMENDMENT to INTER-AGENCY AGREEMENT ("Amendment") C-133960 is made and entered into by and between the City of Los Angeles ("City"), a municipal corporation acting by and through its Housing and Community Investment Department ("HCID") (also referred herein as "Responsible Entity"), and the Housing Authority of the City of Los Angeles, an incorporated public housing authority ("HACLA") (collectively, "Parties" or individually, "Party").

WITNESSETH

WHEREAS, the City and HACLA entered into an agreement wherein HCID agreed to provide services related to HACLA's environmental review record with respect to HACLA's projects or activities as set forth in the conditions and provisions of the agreement, said agreement effective July 1, 2019, which together with all amendments thereto shall hereinafter be collectively referred to as the "Agreement";

WHEREAS, the City and HACLA are desirous of amending the Agreement as authorized by the City Council on **XXXX XX, 2021**, (Council File Number **XX-XXXX**) which authorized the General Manager of the City's Housing and Community Investment Department to execute an amendment to the Agreement for the purposes of: (a) increasing the total compensation by HACLA to the City in the amount of Two Hundred Thousand Dollars (\$200,000) for a new total compensation amount of Six Hundred Thousand Dollars (\$600,000); (b) extending the contract term by twelve (12) months for a new ending date of June 30, 2022; and (c) 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 HACLA agree that the Agreement be amended as follows:

[Remainder of page intentionally left blank.]

SECOND AMENDMENT

§1. Amend Section 102.A, “Representatives of the Parties and Services of Notices” by deleting paragraph “A” in its entirety and replacing it to read as follows:

“§102. Representatives of the Parties and Service of Notices

A. The representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

1. The representative of the City shall be, unless otherwise stated in the Agreement:

Ms. Ann Sewill, General Manager
Housing and Community Investment Department
1200 West Seventh Street, Ninth Floor
Los Angeles, CA 90017

With copies at the same address to:
Mr. Jinderpal Bhandal
Environmental Supervisor

2. The representative of HACLA shall be:

Mr. Douglas Guthrie, President and CEO
Housing Authority of the City of Los Angeles
2600 Wilshire Boulevard
Los Angeles, CA 90057
Douglas.guthrie@hacla.org
Executive.DirectorGeneralIssues@hacla.org

With copies at the same address to:
Mr. Vath Kim
Capital Fund Administrator, Grant Management”
Vath.kim@hacla.org

§2. Amend Section 201, “Time of Performance”, by deleting the current ending date of “June 30, 2021”, and replacing it with a new ending date of “June 30, 2022.”

This amendment adds an additional twelve (12) months for a total contract term of thirty-six (36) months.

§3. Amend Section 301, “Compensation and Method of Payment” by deleting it in its entirety and replacing it to read as follows:

“§301. Compensation and Method of Payment

A. The Parties agree that the maximum cumulative compensation amount for all Projects under this Agreement shall be no more than Six Hundred Thousand Dollars (\$600,000).

- B. HACLA shall pay to City as compensation, the following fees, based on the level of review and type of environmental clearance required for each project (“Compensation”).

Level of Review	Cost	Cost Basis	Number	Total
NEPA Categorical Exclusion NST/ CEQA Exemption	\$ 1,250	Per Project	24	\$ 30,000
NEPA Categorical Exclusion ST/ CEQA Exemption	\$ 2,500	Per Project	42	\$105,000
NEPA Environmental Assessment (EA) FONSI/CEQA IS-ND	\$11,500	Per Project	30	\$345,000
NEPA Environmental Impact Statement (EIS)	\$40,000	Per Project	3	\$120,000
Total (Estimate Only)			99	\$600,000

- C. The Compensation shall be paid upfront, due and payable upon receipt of a new request prior to the commencement of HCID Services for a Project.
- D. The Compensation shall not include any fees to be paid to any party, other than City, in order to complete the HCID Services. Any and all fees due and owing to any party other than City shall be paid separately to such party directly by HACLA. Any such fees are separate and in addition to the Compensation.
- E. If a project’s level of review changes after fees are paid, HCID will refund or bill the owner accordingly.”

§4. Amend to add Section 504, “Compliance with Current Applicable Safety Protocols and Laws” to read as follows:

“§504 Compliance with Current Applicable Safety Protocols and Laws

The Contractor, and any of its subcontractors, if applicable, shall comply with any and all safety protocols, current laws, regulations, and public health orders related to the COVID-19 pandemic to ensure the health and safety of both the Contractor’s employees, any subcontractors, and the public.”

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

§6. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original. This Amendment includes five (5) pages, which constitute the entire understanding and agreement of the parties. Alternatively, this Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the LACityClerk Connect website.

[Remainder of page intentionally left blank.]

[Signatures begin on next page.]

IN WITNESS WHEREOF, City and HACLA have caused this Second Amendment to be executed by their duly authorized representatives.

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

Executed this ___ day of _____, 2021

By _____
Assistant/Deputy City Attorney

For: THE CITY OF LOS ANGELES
ANN SEWILL
General Manager
Housing and Community Investment
Department

Date: _____

ATTEST:

By: _____
Luz C. Santiago
Assistant General Manager

HOLLY L. WOLCOTT, City Clerk
By: _____

Date: _____

Executed this ___ day of _____, 2021

For: HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
Marlene Garza
Chief Administrative Officer

APPROVED AS TO FORM:

By: _____
HACLA Legal Counsel
Name & Title: _____
Date: _____

Internal Revenue Service ID: 956001623
Council File/CAO File Number: XX-XXXX; Date of Approval: XXXX XX, 2021
Said Agreement is Number: C-133960 of City Contracts Amendment 2