

**TO THE COUNCIL OF THE  
CITY OF LOS ANGELES**

Your **HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT** Committee

**reports as follows:**

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to authority to sell properties to recover Community Development Block Grant funds.

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

1. INSTRUCT the General Managers, Community Development Department (CDD), Department of General Services (GSD) and Los Angeles Housing Department (LAHD), and the City Administrative Officer (CAO), or designees, to develop a plan for the disposition of the City-owned properties (single-family dwellings) located at 12243 Blakely Avenue, Assessor Parcel No.(APN) 6148-021-018 and 5510 South Manhattan Place, APN 5005-31-009 and for CAO and CDD to report back to Council within thirty days with a plan that is fully researched and that has each General Manager's approval.
2. AUTHORIZE the CDD General Manager, or designee, to:
  - a. Enter into a Memorandum of Understanding with GSD to provide services that are required to review the properties through the City's Surplus Property process and to assist CDD to sell the properties, subject to the review and approval of the City Attorney, as to form and legality.
  - b. Negotiate and execute contracts with existing contractors currently utilized by GSD and LAHD for property management and real estate services, if necessary, contingent upon City Attorney approval of the scope of work and contract execution and subject to the review and approval of the City Attorney as to form and legality, and the review of the Department of Public Works, Bureau of Contract Administration, as to compliance with all applicable City contracting requirements.
  - c. Expend up to \$50,000 from CDD Fund No. 100/22, Account No. 1010, Salaries General, to repay the existing mortgage for the property located at 12223 Blakely Avenue, and up to \$15,000 from Fund No. 100/22, Account No. 3040, Contractual Services, for property management and real estate services.
  - d. Prepare Controller instructions and/or prepare technical corrections consistent with the Mayor and Council action on this matter, subject to the approval of the CAO, and authorize the Controller to implement the instructions.
3. INSTRUCT the CDD General Manager, or designee, to report back to Council with the uncollectible debt amount that remains after the sale of the properties.

Fiscal Impact Statement: The CAO reports that there is no General Fund impact. Approval of the recommendations will authorize the CDD to work with the GSD, the LAHD and the CAO to determine the best methodology to dispose of two City-owned single-family dwellings to recover the outstanding balance of a defaulted-City Loan issued with Community Development Block

Grant funds. The recommendations comply with City Financial Policies in that the full cost of the services to be provided will be paid through available rental revenue, proceeds from the sale of the properties and federal grant funds.

Community Impact Statement: None submitted.

### SUMMARY

At a regular meeting held on October 13, 2010, the Housing, Community and Economic Development Committee considered authority to sell properties to recover Community Development Block Grant funds. After an opportunity for public comment was held, the Committee recommended Council approve the recommendations contained in the CAO report. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
WESSON:	YES
REYES:	ABSENT
ALARCON:	YES
CARDENAS:	ABSENT
PERRY:	YES

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**Not Official Until Council Acts**