

HOUSING COMMITTEE REPORT relative to the Housing Authority of the City of Los Angeles (HACLA) using Payment in Lieu of Taxes (PILOT) funds for the transition of recreation programs from the Department of Recreation and Parks to non-profit service providers.

Recommendation for Council action:

AUTHORIZE the HACLA to:

- a. Use \$1,000,000 in PILOT funds for the transition of recreation programs from the Department of Recreation and Parks to non-profit service providers, including related minor facilities improvements, at various public housing sites.
- b. Use \$300,000 in PILOT funds for a utility system evaluation at various public housing sites.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. Approval of the above recommendations will clarify the scope of work for \$1,000,000 in PILOT funds for the transition of recreational programs from the Department of Recreation and Parks to non-profit service providers as well as revise the use of \$300,000 in PILOT funds from Paint and Lead Abatement to a Utility System Evaluation at various public housing sites. The above recommendations are in compliance with City financial policies in that one time funds provided by HACLA would be provided for one-time expenditures associated with these purposes.

Community Impact Statement: None submitted.

## SUMMARY

In a report to Council dated November 3, 2015, the CAO states that HACLA requests two changes for the use of previously-approved PILOT funds. The CAO reports that on May 27, 2015, Council authorized the use of \$1,000,000 in PILOT funds for the transition of recreation programs from the Department of Recreation and Parks to private non-profit service providers at four public housing sites; Jordan Downs, Nickerson Gardens, Imperial Courts, and Ramona Gardens. Part of the transition process includes minor facility improvements, such as interior touch-up painting and Americans with Disabilities Act of 1990 compliance for public counters. However, the Council approval did not explicitly authorize the minor improvements work. In addition, there are nine sites where Recreation and Parks services have or are planned to transition to private non-profit services providers. HACLA requests that additional language be approved to include the minor facility improvements in order to allow for the work to be completed. The CAO concurs with HACLA's request for a technical adjustment to expand the scope of work.

At its meeting held November 18, 2015, the Housing Committee recommended that Council approve HACLA's request for the use of PILOT funds described above, as recommended by the CAO.

Respectfully Submitted,

HOUSING COMMITTEE

| <u>MEMBER</u>  | <u>VOTE</u> |
|----------------|-------------|
| CEDILLO:       | YES         |
| FUENTES:       | YES         |
| HUIZAR:        | ABSENT      |
| PRICE:         | YES         |
| HARRIS-DAWSON: | YES         |

*Sen Cedillo*

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**