

CITY OF LOS ANGELES
CALIFORNIA

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer



ANTONIO R. VILLARAIGOSA
MAYOR

Office of the
CITY CLERK

Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
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SHANNON HOPPES
Council and Public Services
Division

www.cityclerk.lacity.org

When making inquiries relative to
this matter, please refer to the
Council File No.

June 4, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File
No. 12-0018, at its meeting held May 22, 2013.


City Clerk
kw

Mayor's Time Stamp
RECEIVED
2013 MAY 29 AM 9:08
CITY OF LOS ANGELES

RECEIVED
CITY CLERK'S OFFICE
CITY Clerk's Time Stamp
2013 MAY 29 AM 9:05
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 12-0018

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE MAY 22, 2013

RE: THE LOS ANGELES HOUSING DEPARTMENT'S LOAN PORTFOLIO PERFORMANCE FOR PROGRAM YEAR 2011-12

LAST DAY FOR MAYOR TO ACT JUN 10 2013
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

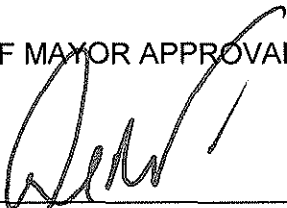
✓

*DISAPPROVED

*Transmit objections in writing pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL JUN 03 2013

MAYOR



RECEIVED
CITY CLERK'S OFFICE
2013 JUN -3 PM 12:29
CITY CLERK
DEPUTY

19

COMMUNICATION

TO: LOS ANGELES CITY COUNCIL

FILE NO. 12-0018

FROM: COUNCILMEMBER RICHARD ALARCÓN, CHAIR
COUNCILMEMBER HERB J. WESSON, JR., MEMBER
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

COMMUNICATION FROM CHAIR AND MEMBER, HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE relative to the Los Angeles Housing Department's (LAHD) loan portfolio performance for Program Year 2011-12.

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

- 1. AUTHORIZE the General Manager, LAHD, or designee, to:
 - a. Write off \$2,539,217 in non-collectible loan losses associated with 51 loans as identified in Attachment 6 of the LAHD transmittal dated September 24, 2012 attached to Council File No. 12-0018.
 - b. Prepare Controller instructions and make any necessary technical adjustments consistent with the actions taken on this matter, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement these instructions.

2. AUTHORIZE the Controller to:

- a. Establish a new account and appropriate funds within Fund No. 240, Housing Production Revolving, Department 43 as follows:

<u>Account</u>	<u>Name</u>	<u>Amount</u>
43J221	Asset Protection	\$912,385.46

- b. Transfer appropriations within Fund No. 240, Housing Production Revolving, Department 43 as follows:

From:

<u>Account</u>	<u>Name</u>	<u>Amount</u>
43H221	Asset Protection	\$587,614.54

To:

<u>Account</u>	<u>Name</u>	<u>Amount</u>
43J221	Asset Protection	\$587,614.54

- c. Expend funds not to exceed \$1,500,000 upon proper written demand from the General Manager, LAHD, or designee, for purposes of enforcing and protecting the City's liens, covenants and collateral; paying for costs associated with the security, management, maintenance, repair, and insurance of LAHD-owned or controlled properties; and for paying other costs associated with the disposition of LAHD-owned or controlled properties.

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund. Approval of the recommendations will result in the write-off of \$2,539,217 in losses from 51 loans that were deemed by the LAHD as either uncollectible or are considered administrative corrections. In addition, expenditure authority of \$1,500,000 will be granted to allow LAHD to address costs associated with protecting the City's liens, covenants and collateral as well as costs associated with the management and the disposition of LAHD-owned or controlled properties. The recommendations comply with City Financial Policies in that dedicated special funds will fully fund the proposed costs. The anticipated funding source will be the Housing Production Revolving Fund.

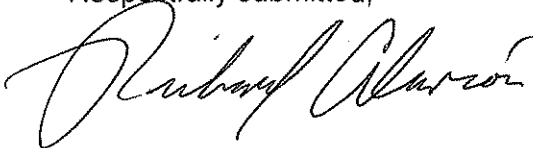
Community Impact Statement: None submitted.

SUMMARY

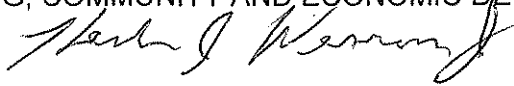
At a regular meeting held on May 15, 2013, the Chair of the Housing, Community and Economic Development Committee, and Member, considered an LAHD report dated September 24, 2012, and a CAO report dated May 14, 2013, relative to the LAHD's loan portfolio performance for Program Year 2011-12. A representative of the CAO appeared before the Committee to provide a brief overview of the CAO report and to respond to related questions.

After providing an opportunity for public comment, the Committee Chair, and Member, recommended that Council approve the recommendation in the CAO report. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,



COUNCILMEMBER RICHARD ALARCÓN, CHAIR
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE



COUNCILMEMBER HERB J. WESSON, JR., MEMBER
HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

ADOPTED
as amended
MAY 22 2013
see attached motion
LOS ANGELES CITY COUNCIL

MEMBER	VOTE
ALARCON:	YES
REYES:	ABSENT
WESSON:	YES
PERRY:	ABSENT

REW
5/16/13
12-0018_rpt_hced_5-15-13.doc

Not Official Until Council Acts

MOTION

I MOVE that the matter of the Communication from Chair and Member, Housing, Community and Economic Development Committee relative to the Los Angeles Housing Department's loan portfolio performance for Program Year 2011-12, Item No. 19 on today's Council Agenda (C.F. 12-0018) BE AMENDED to adopt the following additional recommendations:

Instruct the City Administrative Officer, with the assistance of the City Attorney and the Housing Department, to report to the Housing, Community and Economic Development Committee within 90 days with recommendations to formalize the Housing Department's Real Estate Owned Disposition Policies and procedures; and

Request the City Attorney to prepare and present an Ordinance, if necessary, to formalize the Housing Department's Real Estate Owned Disposition Policies and procedures.

PRESENTED BY *Richard Alarcon*
RICHARD ALARCON
Councilmember, 7th District

SECONDED BY *Herb Alsup*

ORIGINAL

May 22, 2013

BMR

[Signature]
MAY 22 2013

ADOPTED

MAY 22 2013

LOS ANGELES CITY COUNCIL

MAYOR: MEN FILE