

Date: 10/31/12  
Submitted in HCED Committee  
Council File No: 12-1470  
Item No.: 6

REPORT FROM

**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

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Date: October 31, 2012

CAO File No. 0220-00540-1008  
Council File No. 12-1470  
Council District: All

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer *MAS*

Reference: Los Angeles Housing Department Transmittal dated September 6, 2012; Received by the City Administrative Officer on September 27, 2012

Subject: **REQUEST FOR APPROVAL OF QUALIFIED LIST FOR 2012-13 HOUSING STUDIES AND SERVICES REQUEST FOR QUALIFICATIONS (RFQ)**

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**SUMMARY**

In a September 6, 2012 transmittal (Transmittal), the Los Angeles Housing Department (LAHD) requests approval of the list of 55 qualified contractors selected through the Request for Qualifications (RFQ) for Housing Studies and Services. The purpose of the RFQ is to solicit firms or individuals to conduct research, housing studies and technical reports. The LAHD has used RFQs to establish a list of qualified contractors to address studies and services that may be needed in connection with the U.S. Department of Housing and Urban Development (HUD) Consolidated Plan, the General Plan Housing Element, the Fair Housing Program, Citywide housing policy implementation and other matters involving state and federal mandates, local policy and legislative priorities. RFQ categories and a list of qualified contractors are identified in Attachments 3 and 2 of the Transmittal, respectively. Following approval of the RFQ list, the LAHD will return for Council and Mayor authorization to negotiate and execute contracts, with the exception of those stated below.

The LAHD also requests authority to execute Professional Services Agreements (PSAs) with three of the RFQ-qualified contractors for provision of various activities and studies. The PSAs are proposed to be effective for a one-year period. Historically, funding for the first year of the proposed PSAs is allocated from various sources including Code Enforcement Trust Funds, Housing Opportunities for Persons with AIDS (HOPWA), John D. and Katherine T. MacArthur Foundation Grant (MacArthur Grant), Lead Grant, Municipal Housing Finance Funds, Neighborhood Stabilization Plan funds and Rent Stabilization Trust Funds. Funding for future fiscal years will vary depending on funding availability, contractor performance and departmental need. This Office supports the approval of the RFQ list, but proposes to modify LAHD's PSA recommendations and requests that LAHD report to the Mayor and Council regarding potential adjustments to their RFQ policy as detailed below.

RFQ Process

The Housing Studies and Research RFQ was released in April 2012 and advertised in the Los Angeles Daily Journal and the City's Business Assistance Virtual Network. Information regarding the RFQ was emailed to approximately 200 organizations. A total of 72 submissions were received, with

71 meeting the minimum threshold requirements specified within the RFQ. LAHD staff independently reviewed and evaluated the RFQ proposals. The individual scores were then averaged and a final composite score assigned to each proposal, as reflected in Attachment 2 of the Transmittal. LAHD indicates that proposers were told to submit written requests to appeal their final scores within five working days of notification. LAHD did not conduct any appeal hearings.

### Contract Award Process

Typically, after the Mayor and Council approve the qualified RFQ list, LAHD provides a report during the three-year lifespan of the list requesting authority to execute PSAs and/or amendments using contractors identified on the list. The selection of a contractor is based on the Department's needs, funding availability, the contractors' abilities and experiences and the proposed costs required to successfully complete the desired scope of services. In the Transmittal, however, LAHD has requested to engage three contractors in services immediately: 1) Christine Minnehan & Associates (CMA); 2) Shelter Partnership (SP); and, 3) S. Groner Associates Inc. (SGA). Of these contracts, two are recommended for approval at this time (CMA and SP) because LAHD reports that the new contracts are effectively continuations of the previous scopes of work performed with LAHD's most recent RFQ issued for these purposes (C.F. 08-2910). It is recommended that LAHD report to the Mayor and Council within 60 days with further detail regarding the competitive process undertaken to award the contract to SGA. It is further recommended that LAHD report to Council after consulting with the City Attorney to determine whether the Department's Internal RFQ Policy can be enhanced by implementing a formal Request for Bids process so that qualified organizations within each RFQ category may compete relative to a specific contract and its scope of work. It is envisioned that such a process could potentially result in better service to the City's residents and lower costs to the City.

The LAHD has issued RFQs for special studies over the past several years in connection with the U.S Department of Housing and Urban Development (HUD), state and federal mandates and local policy and legislation priorities. Contract authority established under the prior RFQ released in 2008 expired in 2012. Approval of the proposed RFQ results will establish a list of qualified contractors for work in the various subject areas, as identified in the Attachment of the Transmittal (C.F. 12-1470).

The LAHD established 75 points out of the maximum 100-point RFQ scoring scale as the qualifying level in the RFQ. This scoring is consistent with LAHD's Internal RFQ Policy (C.F. 06-0930). LAHD provided a list of all scores in Attachment 1 to the September 6, 2012 Transmittal. All qualifying scores are provided in Attachment 2.

### Charter Section 1022 Determination

Approval of the RFQ release required a Charter Section 1022 determination. In April 2012, the Personnel Department found that the City does have classifications that possess some of the necessary skills, knowledge and abilities sought through the RFQ. However, these classifications would require comprehensive training on technical issues specific to fair housing, affordable housing preservation, housing programs, policy, grant writing, environmental compliance issues and lead paint remediation practices. This Office has determined that it is more feasible to contract for this service because the work exceeds staffing availability and would result in layoffs of staff at the end of proposed services that are intermittent and of limited scope and duration.

**RECOMMENDATIONS**

That the Council, subject to the approval of the Mayor:

1. Approve the qualified list of contractors identified in Attachment 2 of the Los Angeles Housing Department (LAHD) Housing Studies and Research Request for Qualifications (RFQ) Transmittal (Transmittal) dated September 6, 2012, selected through an RFQ to complete various housing studies and services;
2. Negotiate and execute a Professional Services Agreement (PSA) with Christine Minnehan & Associates for the delivery of legislation and regulation services for a compensation amount not to exceed \$95,000, in substantial conformance with the draft PSA included as Attachment 6 to the Transmittal and subject to the approval of the City Attorney as to form;
3. Negotiate and execute a Professional Services Agreement (PSA) with Shelter Partnership for the delivery of Housing for Persons with AIDS (HOPWA) technical assistance for a compensation amount not to exceed \$28,000, in substantial conformance with the draft PSA included as Attachment 7 to the Transmittal and subject to the approval of the City Attorney as to form;
4. Authorize the City Controller to:

A. Transfer appropriation within Rent Stabilization Trust Fund 440 as follows:

	Account No	Account Name	Amount
From:	43H410	Miscellaneous	\$102,500
To:	43J412	Service Delivery	\$102,500

B. Transfer appropriation within Systematic Code Enforcement Fee Fund 41M as follows:

	Account No	Account Name	Amount
From:	43H412	Service Delivery	\$54,328
	43J411	Unallocated	\$48,172
To:	43J412	Service Delivery	\$102,500

5. Expend funds specified above upon proper written demand from the General Manager, LAHD, or designee;
6. Authorize the General Manager, LAHD, or designee, to prepare Controller instructions for any necessary technical adjustments consistent with the Mayor and Council action on this matter, subject to the approval of the City Administrative Officer, and request the Controller to implement those instructions; and,
7. Instruct that LAHD: 1) report to the Mayor and Council within 60 days with further detail regarding the competitive process undertaken to award a PSA to S. Groner Associates, Inc.,

and 2) consult with the City Attorney to determine whether or not the Department's Internal RFQ Policy can be enhanced by implementing a formal Request for Bids process so that qualified organizations within each RFQ category may compete relative to a specific contract and its scope of work.

#### **FISCAL IMPACT STATEMENT**

There is no impact to the General Fund. Approval of these recommendations would approve the 2012 Housing Studies and Services Request for Qualifications Qualified List and two Professional Services contracts of up to \$95,000 of Systematic Code Enforcement and Rent Stabilization Trust Funds and \$28,000 in Housing Opportunities for Persons with AIDS funds for a one-year period. The recommendations of this report are in compliance with City Financial Policies in that the full cost of these services will be paid through available special fund sources. Any subsequent funding awards and term extensions will be contingent on the availability of funding.

*MAS:MMR:KDU:02130043c*