

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

To: The Council The Mayor	Date: 12-05-14	C.D. No. Citywide	CAO File No.: 0220-00540-1111				
Contracting Department/Bureau: Housing and Community Investment Department (HCID)		Contact: Brittanya Murillo 213-808-8656 Tsegalem Woldemariam 213-922-9664					
Reference: Transmittal from HCID dated October 16, 2014; Received by the City Administrative Officer on November 10, 2014.							
Purpose of Contract: To continue to conduct occupancy monitoring of the City's affordable housing inventory							
Type of Contract: ( ) New contract (X) Amendment		Contract Term Dates: Extend contract 12 months to December 31, 2015. Total term will be from January 1, 2014 to December 31, 2015.					
Contract/Amendment Amount: 12 months and \$710,000							
Proposed amount \$ 710,000 + Prior award(s) \$ 680,000 = Total \$ 1,390,000							
Source of funds: \$90,300 from Low and Moderate Income Housing Fund No. 55J \$430,000 from HOME Investment Partnership Program Fund No. 561 \$189,700 from Municipal Housing Finance Fund No. 815							
Name of Contractor: Urban Futures Bond Administration, Inc.							
Address: 3111 North Tustin Ave, Suite 110 Orange, CA 92865							
	Yes	No	N/A*	8. Contractor has complied with:	Yes	No	N/A*
1. Council has approved the purpose	X			a. Equal Employt. Oppty./Affirm. Action	X		
2. Appropriated funds are available	X			b. Good Faith Effort Outreach**	X		
3. Charter Section 1022 findings completed	X			c. Equal Benefits Ordinance	X		
4. Proposals have been requested	X			d. Contractor Responsibility Ordinance	X		
5. Risk Management review completed	X			e. Slavery Disclosure Ordinance	X		
6. Standard Provisions for City Contracts included	X			f. Bidder Certification CEC Form 50	X		
7. Workforce that resides in the City: %				*N/A = not applicable ** Contracts over \$100,000			

**COMMENTS**

The General Manager of the Los Angeles Housing and Community Investment Department (HCID) requests authority to execute the First Amendment (Amendment) to Contract No. C-123803 (Contract) with Urban Futures Bond Administration, Incorporated (UFBA) to continue to conduct occupancy monitoring of the City's affordable housing inventory. The Amendment to the contract will extend the term by 12 months and add compensation of \$710,000 for a total term of two years and compensation of \$1,390,000. The Amendment is needed to continue the required occupancy monitoring of the affordable housing portfolio for calendar year 2015.

**BACKGROUND**

The HCID's affordable housing inventory consists of approximately 43,000 units, which includes 23,000 units which were recently transferred to the City from the Los Angeles Community Redevelopment Agency (CRA/LA). These properties are subject to one or more recorded regulatory agreements or covenants, which are placed on the property when the owner receives financing

		
BA	Analyst	Assistant CAO
202150035C	City Administrative Officer	

through the City's Affordable Housing Trust Fund (AHTF), from Multi-family Housing Revenue Bonds issued by the City, other loans and grants, and/or when the owner has received a land use concession, such as a density bonus or parking reduction. HCID is charged with annual occupancy monitoring of the affordable units set aside in these covenants and regulatory agreements for up to 55 years to ensure compliance with rent, income, and other programmatic restrictions.

Selected through the City's competitive RFP process, UFBA has contracted with HCID since 2003 to provide occupancy monitoring services (C.F.13-1574). During this time, HCID's affordable housing portfolio has grown from nearly 12,000 units to more than 43,000 units, including the CRA/LA units. In 2012, UFBA significantly increased efficiencies in collecting and tracking monitoring documents by developing a web application allowing owners to upload documents directly to the password-protected website. UFBA has also been highly responsive to the needs of HCID by ensuring its web-based application interfaces seamlessly with HCID's Housing Information Management System (HIMS), which includes an occupancy monitoring module to track each project's monitoring and compliance status.

After evaluating UFBA's overall performance during the past nine months, HCID recommends that UFBA receive a contract extension for one additional year. Attached to the HCID report, dated October 16, 2014, is a copy of the proposed contract amendment.

## **RECOMMENDATIONS**

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

1. Authorize the General Manager of Housing and Community Investment Department (HCID), or designee, to:
  - a. Execute a First Amendment to Contract No. C-123803 with Urban Futures Bond Administration, Incorporated, increasing the compensation by an amount of \$710,000 for a total contract amount not to exceed \$1,390,000 and extending the term by one year, from January 1, 2015 through December 31, 2015, in substantial conformance with the draft amendment attached to the HCID transmittal dated October 16, 2014, and subject to the following: a) funding availability; b) satisfactory contractor performance; c) department need; d) compliance with all applicable federal, state and City regulatory requirements; e) approval of the City Attorney as to form; and, f) compliance with City contracting requirements;
  - b. Use \$90,300 of Low and Moderate Income Housing Funds received from former Los Angeles Community Redevelopment Agency projects which were transferred to HCID to pay for occupancy monitoring services related to these projects; and
  - c. Prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and request the Controller to implement these instructions;

2. Authorize the Controller to:

- a. Establish a new account and appropriate within Fund No. 55J, Low and Moderate Income Housing Fund, as follows:

<b>Account</b>	<b>Title</b>	<b>Amount</b>
43L243	Occupancy Monitoring	\$90,300

- b. Expend an amount not to exceed \$710,000 upon proper demand of the General Manager of HCID, or designee, as follows:

<b>Fund</b>	<b>Account</b>	<b>Title</b>	<b>Amount</b>
55J	43L243	Occupancy Monitoring	\$90,300
561	43L243	Occupancy Monitoring	430,000
815	43L243	Occupancy Monitoring	189,700
		<b>Total</b>	<b>\$710,000</b>

**FISCAL IMPACT STATEMENT**

There will be no impact to the City's General Fund. Funding for the proposed contract amendment will be provided by the Housing and Community Investment Department's Low and Moderate Income Housing Fund No. 55J (\$90,300), HOME Investment Partnership Program Fund No. 561 (\$430,000), and Municipal Housing Finance Fund No. 815 (\$189,700). The recommendations are in compliance with the City's Financial Policies in that funding for the proposed activities is available within the identified funds.