

**Relative to CAO Report (0220-00540-1292) for C.F. 18-0106 (Item #17),
reflect the following revisions:**

FISCAL IMPACT STATEMENT

The impact to the General Fund for funding direct salaries and expenses, including contracts, for the administration of the Consolidated Plan (Con Plan) Program Year 44 from April 1, 2019 through June 30, 2019 would be up to \$2,718,729. The City Administrative Officer would request appropriation through interim Financial Status Reports based on the actual need for General Fund support for the Department of Aging, City Attorney, Economic and Workforce Development Department, Los Angeles Homeless Services Authority (LAHSA), and the Housing and Community and Investment Department to administer the Con Plan. The source of these funds is a reversion of \$4,173,250 from the LAHSA Measure H Bridge Loan to the General Fund. All other direct costs will be paid from the Community Development Block Grant (CDBG), HOME Investment Partnerships Program, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS/HIV federal grants.

Our Office has calculated total related costs for support positions funded by the CDBG for the three-month period to be up to \$2.2 million. Of this amount, approximately up to \$1.2 million can be funded with CDBG dollars. This results in a balance of approximately up to \$1 million in related costs that may be considered by the Council and Mayor to be potentially funded with a General Fund allocation. It should be noted that these estimates assume an appropriation of \$2,718,729 in General Fund to pay for direct salaries and expenses. However, as noted in our report, our Office would work with departments to identify potential savings and actual need for General Fund support through the Financial Status Reports, which may reduce the impact to the General Fund. The City's Financial Policies state that the City will pursue program grants, but will limit financial support of these programs to avoid commitments beyond available funding. It is a policy decision regarding how and at what level the City will contribute City resources, specifically the General Fund, to leverage CDBG grant program activities.

Date: 8/22/18
Submitted in HOUSING Committee
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Deputy: Adam R. Lid