

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 9, 2021

CAO File No. 0220-00540-1519

Council File No. 21-0335

Council District: Citywide

To: The Mayor
The Council

From: Richard H. Llewellyn, Jr., City Administrative Officer 

Reference: Housing and Community Investment Department transmittal dated February 4, 2021; Received by the City Administrative Officer on March 12, 2021; Additional Information Received through April 5, 2021

Subject: **REQUEST FOR AUTHORITY TO TRANSFER FUNDS IN THE AMOUNT OF \$71,268.15 TO CITY CONTRACT C-135796 WITH MARK G. ANDERSON CONSULTANTS, INC.**

RECOMMENDATION

That the Council, subject to the approval of the Mayor, adopt the recommendations of the Housing and Community Investment transmittal dated February 4, 2021 related to the transfer of funds to City Contract No. C-135796 with Mark G. Anderson Consultants, Inc.

SUMMARY

The Housing and Community Investment Department (HCID) requests authority to transfer funds in the amount of \$71,268 within the Low and Moderate Income Housing Fund (LMIHF) No. 55J to support City Contract No. C-135796 with Mark G. Anderson Consultants, Inc. (MGAC). The purpose of the contract is the provision of architectural design and construction cost estimate review services of HCID affordable housing projects. The HCID also requests authority to prepare Controller instructions and technical corrections consistent with the Mayor and Council action on this matter. This Office concurs with the recommendations of the Department.

On October 7, 2019, the HCID released a Request for Proposals (RFP) to solicit responses from interested firms to provide technical services in nine service categories in support of the HCID's affordable housing and development programs. The HCID did not recommend a contract for the Architectural Services category at that time since the proposal submitted for that service category did not meet the minimum criteria threshold. Instead, the HCID now proposes to use its existing contract with MGAC, which was negotiated and approved after the Technical Services RFP was released and includes a scope of service that meets the HCID's programmatic needs related to architectural and cost estimating services. The MGAC contract was executed on June 10, 2020 with a compensation amount of \$240,000 and contract term of three years, subject to funding availability. Of the \$240,000 contract authority amount, \$140,000 has been budgeted to date. The existing contract is currently funded by the General Fund, but the HCID has identified contractual

fund savings in LMIHF No. 55J to further support the contract. A breakdown of the MGAC contract compensation amount is outlined in the table below:

Table 1: MGAC Contract Compensation

Funding	Compensation Amount	Contract Term
2019-20 Budget	\$ 80,000.00	5/1/2020 – 4/30/2023
2020-21 Budget	60,000.00	5/1/2020 – 4/30/2023
LMIHF No. 55J (pending)	71,268.15	5/1/2020 – 4/30/2023
Balance to be allocated	28,731.85	To be determined
Total	\$ 240,000.00	

Subsequent to the release of its transmittal dated February 4, 2021, the HCID confirmed that additional contract authority is not being requested at this time and that additional funding to support the MGAC contract is being requested through the 2021-22 budget process. The HCID also clarified that the LMIHF funds will only be used to pay for the cost estimating services for former Community Redevelopment Agency of Los Angeles (CRA/LA) properties that were transferred to the HCID since the services would qualify as an eligible use of the special fund. Of the 51 affordable housing projects that are currently identified to need cost estimating services, 12 are former CRA/LA assets.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The proposed transfer of funds will be provided by the Low and Moderate Income Housing Fund No. 55J.

FINANCIAL POLICIES STATEMENT

The recommendation in this report complies with the City’s Financial Policies.