



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Housing Development Bureau

1200 West 7th Street, Los Angeles, CA 90017
tel 213.808.8638 | fax 213.808.8610
hcidla.lacity.org

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Council File: 14-1662
Council Districts: 1, 2, 7, 8, 9 and 10
Contact Persons: Jennifer Ing-aram (213) 808-8969
Mariana Lem (213) 808-8966
Douglas Swoger (213) 808-8948
Helmi Hisserich (213) 808-8662

Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
200 N. Spring Street
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

REVISED COUNCIL TRANSMITTAL: REQUEST TO UTILIZE \$550,000 IN PROGRAM INCOME FOR PROPERTY MANAGEMENT EXPENSES RELATED TO SITES TRANSFERRED FROM THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES

SUMMARY

The Los Angeles Housing + Community Investment Department (HCIDLA) requests authority to pay for property management costs related to housing assets currently owned by HCIDLA that were transferred from the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA). HCIDLA proposes to utilize up to \$550,000 in program income generated from former CRA/LA activities to cover ongoing property management expenses such as security, utilities and maintenance.

RECOMMENDATIONS

The General Manager of HCIDLA respectfully requests the following:

- I. That your office schedule this transmittal for consideration at the next available meeting(s) of the appropriate Committee(s) of the City Council and forward it to the City Council for review and approval immediately thereafter;
- II. That the City Council, subject to the approval of the Mayor, take the following actions:
 - A. Use \$550,000 in program income received from CRA/LA projects to pay invoices submitted by the Los Angeles Department of Water and Power (LADWP), the General Services Department (GSD) and G4S Secure Solutions (USA), Inc. (G4S), for maintenance costs

such as security, electricity, water, fire service charges, signage, and maintenance for all CRA properties;

B. Authorize the Controller to:

- i. Establish new accounts and appropriate \$550,000 within Fund No. 55J, Low and Moderate Income Housing Fund as follows:

Account	Title	Amount
43M143	HCIDLA	\$40,000
43M140	General Services	\$130,000
43M447	Security	\$380,000
	Total	\$550,000

- ii. Appropriate \$40,000 within Fund No. 100/43 Housing Account 003340 Water and Utilities.
- iii. Appropriate \$130,000 within Fund No. 100/40 Account No. 001014 Construction Salaries \$78,000 and Account No. 003180 Construction Materials \$52,000.
- iv. Expend funds upon proper demand of the HCIDLA General Manager, or designee.

- C. Authorize the HCIDLA General Manager, or designee, to prepare Controller's Instructions and any necessary technical adjustment(s), consistent with Mayor and City Council actions, subject to the approval of the City Administrative Officer, and authorize the Controller to implement the instructions.

BACKGROUND

In December 2012, the Mayor and Council authorized the Housing Asset Transfer Agreement (Transfer Agreement) authorizing HCIDLA to accept the assets of the former CRA/LA (C.F. 12-0049). As a result of the Transfer Agreement, HCIDLA accepted quitclaim deeds for 22 housing assets and assumed responsibility for securing, maintaining and managing the sites. A detailed list of the 22 housing assets formerly owned by CRA/LA is provided in the Attachment to this report.

Through active property management of the 22 housing assets, HCIDLA staff has documented health and safety concerns at the sites, such as vandalism, trespassing and illegal trash dumping. There is also an ongoing need for security patrol services to prevent crime or unlawful activities at the various properties.

In January 2015, the Mayor and Council authorized the HCIDLA to utilize \$340,000 in program income within the Low and Moderate Income Housing Fund No. 55J to pay invoices from the Los Angeles Department of Water and Power (LADWP), the General Services Department (GSD) and G4S Secure Solutions USA, Inc. (G4S), a security services provider under contract with the Los Angeles Police Department (LAPD), for utilities, site maintenance and security expenses related to the housing assets (C.F. 14-1662). At that time, HCIDLA obtained approval from LAPD to procure services from G4S under the terms of City contract C-122078. G4S was selected by the LAPD as a security services vendor through a Request for Proposals process in 2012.

HCIDLA proposes to utilize up to an additional \$550,000 in program income within the Low and Moderate Income Housing Fund No. 55J for continued security and maintenance of the housing assets transferred by the CRA/LA.

HCIDLA estimates the total cost of utilities, site maintenance and security costs for all 22 housing assets will be \$550,000, consisting of:

- \$40,000 to be invoiced by LADWP to provide power to light up the sites to deter nuisance activity and water to maintain fire sprinklers and fire services to protect the assets in the event of fire;
- \$130,000 to be invoiced by GSD for cleaning and maintenance services; and,
- \$380,000 to be invoiced by G4S for security patrol services.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The recommendations in this report will allow for an amount not to exceed \$550,000 in program income from the Low and Moderate Income Housing Fund 55J to pay for utilities, site maintenance and security expenses related to the property management of HCIDLA-owned housing assets. An estimated \$130,000 will be reimbursed to the General Fund for cleaning and maintenance services to be provided by GSD.

Prepared by:



JENNIFER ING-ARAM
Project Coordinator

Reviewed by:



MARIANA LEM *FOL*
Senior Project Coordinator

Reviewed by:



DOUGLAS SWOGER
Director, Asset Management Division

Reviewed by:



HELMI HISSERICH
Assistant General Manager

Reviewed by:



LAURA K. GUGLIELMO
Executive Officer

Approved by:



RUSHMORE D. CERVANTES
General Manager

Attachment – CRA/LA Housing Asset List

CRA/LA Housing Asset List

#	Property Address	City	Zip Code	Council District	Parcel Size (sq. ft.)	Property Description
1	619, 623, 627, 629 S. Westlake Ave	Los Angeles	90057	1	32,198	Vacant Lot/Bldg
2	1035 & 1039 S. Berendo St	Los Angeles	90006	1	11,802	Vacant Lot
3	1047 & 1053 S. Mariposa Ave	Los Angeles	90006	1	11,799	Vacant Lot
4	5623 & 5633 Elmer Ave	North Hollywood	91601	2	21,749	Vacant Lot
5	13574 W. Foothill Blvd	Sylmar	91342	7	53,489	Vacant Lot
6	1636 W. Manchester Ave	Los Angeles	90047	8	19,502	Vacant Lot
7	6527 S. Crenshaw Blvd	Los Angeles	90043	8	10,742	Vacant Bldg
8	206 E. Washington Blvd	Los Angeles	90015	9	49,521	Vacant Lot/Bldg
9	703 W. 40th Pl (Quit Claim – 601 W. 40th Pl)	Los Angeles	90037	9	7,838	Vacant Lot
10	2600 Hoover St	Los Angeles	90007	9	39,578	Vacant Bldg
11	5215 & 5260 S. Figueroa St	Los Angeles	90037	9	46,322	2 Vacant Lots
12	5828-5936 S. Wall St & 5829-5935 S. Los Angeles St	Los Angeles	90011	9	303,904	Vacant Lot/Bldg
13	5888 – 5910 Crocker St & 5887 – 5879 Crocker St	Los Angeles	90003	9	36,377	2 Vacant Lots
14	6901, 6905, 6909, 6915 S. Main St	Los Angeles	90003	9	19,254	Vacant Lot
15	1808 S. St. Andrews Pl	Los Angeles	90019	10	8,913	Vacant SF Home
16	2375 W. Washington Blvd	Los Angeles	90018	10	40,964	Vacant Lot
17	2444 – 2450 Crenshaw Blvd	Los Angeles	90018	10	16,365	Vacant Lot
18	4314 W. Adams Blvd	Los Angeles	90018	10	15,209	Vacant Lot
19	8431 Geyser Ave	Northridge	91324	12	10,620	Vacant SF Home
20	1816 N. Wilton Pl	Los Angeles	90068	13	7,349	Vacant SF Home
21	557 Crocker Ave	Los Angeles	90013	14	5,645	Parking Lot
22	3551 E. 4th Stt	Los Angeles	90063	14	6,006	Vacant Duplex