

TRANSMITTAL

To:

THE COUNCIL

Date: 07/20/2016

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.

A handwritten signature in blue ink, appearing to read "Eric Garcetti", is written over a faint circular official seal.

(Ana Guerrero)

ERIC GARCETTI
Mayor



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

June 14, 2016

Council File: 14-1662
Council Districts: 1, 2, 7, 8, 9 and 10
Contact Persons: Richard Caudillo (213) 808-8581
Mark Gandara (213) 808-8677
Vasken Djansezian (213) 808-8978
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

COUNCIL TRANSMITTAL: REQUEST TO UTILIZE \$525,000 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) currently owns housing assets that were transferred from the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA). HCIDLA requests authority to expend up to \$525,000 in program income generated from former CRA/LA activities for 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 \$525,000 in program income received from CRA/LA projects to pay invoices submitted for property management costs such as security, electricity, water, fire service charges, signage, and maintenance for all CRA transferred properties;

B. Authorize the Controller to:

- i. For FY 2016-17, establish new accounts and appropriate within Fund No. 55J Low and Moderate Income Housing as follows:

Account	Title	Amount
43N140	General Services	\$146,000
43N143	HCIDLA	\$26,000
43N447	Security	\$353,000
	Total	\$525,000

- ii. For FY 2016-17, appropriate \$146,000 within Fund No. 100/40 as follows:

Account	Title	Amount
001014	Construction Salaries	\$88,000
003180	Construction Materials	\$58,000
	Total	\$146,000

- iii. For FY 2016-17, appropriate \$26,000 within Fund No. 100/43 Account No. 003340 Water and Utilities.
- 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 is currently responsible for securing, maintaining, and managing 22 vacant housing assets formerly owned by CRA/LA (see Attachment).

Through active property management of the 22 vacant 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 criminal activities at the various properties. In addition to security services, the funds will also be utilized to pay Los Angeles Department of Water and Power (LADWP) invoices for electricity, water, and fire service charges and for maintenance of the 22 properties. HCIDLA has utilized approximately \$500,000 on security, utilities and maintenance expenses from June 2015 to May 2016.

HCIDLA proposes to utilize up to \$525,000 in program income within the Low and Moderate Income Housing Fund for the cost of utilities, site maintenance and security for all 22 housing assets.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The recommendations in this report will allow for an amount not to exceed \$525,000 in program income from the Low and Moderate Income Housing Fund to pay for utilities, site maintenance and security expenses related to the property management of HCIDLA-owned housing assets.

Prepared by:



RICHARD CAUDIO
Management Assistant

Reviewed by:



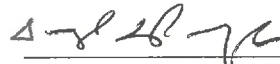
MARK GANDARA
Financial Development Officer II

Reviewed by:



VASKEN DJANSEZIAN
Community Housing Program Manager

Reviewed by:



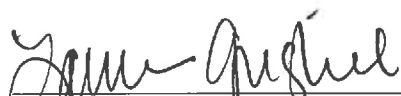
DOUGLAS SWOGER
Director of Housing

Reviewed by:



HELMİ 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