

TRANSMITTAL

To:

THE COUNCIL

Date: 12/05/2016

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.



(Ana Guerrero)

ERIC GARCETTI
Mayor

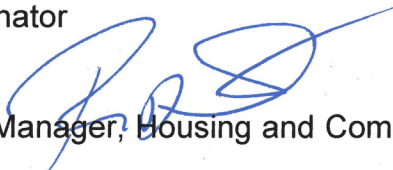
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

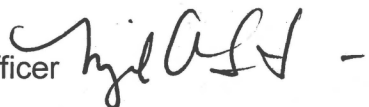
Council File: New

Date: December 01, 2016

To: Honorable Eric Garcetti, Mayor, City of Los Angeles

Attn: Mandy Morales, Legislative Coordinator

From: Rushmore D. Cervantes, General Manager, Housing and Community Investment Department 

Miguel A. Santana, City Administrative Officer 

Subject: **REQUEST FOR AUTHORITY TO CARRY OUT AN ACCESSIBLE HOUSING PROGRAM TO IMPLEMENT THE SETTLEMENT AGREEMENT BETWEEN THE PLAINTIFFS IN INDEPENDENT LIVING CENTER OF SOUTHERN CALIFORNIA V. CITY OF LOS ANGELES, ET AL., UNITED STATES (U.S.) DISTRICT COURT CASE NO. CV12-0551**

SUMMARY

This transmittal outlines the plan to create an Accessible Housing Program (AChP) that meets the Independent Living Center of Southern California Settlement Agreement approved by the City Council on August 30, 2016 and concurred by the Mayor on September 5, 2016 (CF 12-0014-S23). This transmittal requests the position authorities, contracting resources and oversight structure to ensure the program's success.

On January 13, 2012, several organizations -- the Independent Living Center of Southern California ("ILCSC"), the Fair Housing Council of San Fernando Valley ("FHCSFV") and the Communities Actively Living Independent and Free ("CALIF") -- filed a Complaint against the City of Los Angeles (City) alleging deficiencies in the physical accessibility of housing developments and their property management policies and procedures. These Plaintiffs then filed a Second Amended Complaint on August 20, 2012. This Complaint alleged that the City and the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) engaged in a pattern or practice of discrimination against people with disabilities, in violation of federal and state law, by failing to ensure that multifamily rental housing funded, developed or otherwise assisted by the City and/or the CRA/LA was accessible and made available to people with disabilities.

For approximately a year and a half, the City negotiated with the Plaintiffs on a remedial plan to bring the City and the properties into compliance. The City negotiating team was led by the City Administrative Officer (CAO) and the Chief Deputy City Attorney. There have been many

meetings with the Plaintiffs' attorneys, which culminated in a Settlement Agreement (SA) with the Plaintiffs.

The program the City is required to undertake is extraordinarily complex, but achievable with the appropriate resources, oversight and cooperation from the City's developer partners. The term of the SA is ten (10) years from the date of execution (Effective Date) or when the target number of accessible units is achieved, whichever is later.

During that period the City is required to:

- Commit \$200 million over 10-years on the program's implementation;
- Survey all named properties (727) in the SA, to determine if they meet the requisite federal accessibility standards;
- Build or retrofit 4,000 units to make them accessible to individuals with mobility impairments and/or hearing/vision impairments;
- Ensure that all properties in the Los Angeles Housing and Community Investment Department (HCIDLA) affordable housing portfolio enact and carry out policies and procedures that meet federal and state accessibility regulations;
- Develop a website that can be utilized by individuals with disabilities to apply for housing, particularly, accessible housing units;
- Ensure that individuals with hearing/vision disabilities obtain auxiliary aids; and
- Provide annual training for housing development staff in approximately 800 properties in nondiscrimination laws in regards to people with disabilities and in effective communications skills.

In the SA, the City has committed to invest \$200 million over ten (10) years. This commitment includes the administrative costs for implementing the program and the investment in rehabilitation and new construction the City makes to meet the 4,000 unit commitment. This would include many new accessible units that will be created as a result of funding made available from the recent approval of Proposition HHH. The Mayor and Council, through the First Financial Status Report (FSR) for Fiscal Year 2016-17, set aside \$3.0 million in the Unappropriated Balance, Accessible Housing Settlement Account (CF 16-0600-S167) to begin the first year implementation of the SA. Although many of the implementation expenses remain unknown, should additional resources be required this fiscal year, the CAO will report back with funding options.

The impact of the SA will be a change in culture within many housing developments in the HCIDLA portfolio since many developer/owners are not knowledgeable about how to implement policies that support the fundamental rights of residents with disabilities to have equal access to affordable housing funded by and through City programs. The City will promote this cultural change by ensuring that affordable housing developers automatically incorporate accessible housing construction requirements and tenant policies into their plans and by engaging the disability community to verify that their needs are being met.

BACKGROUND

For governmental entities, like the City of Los Angeles, the federal nondiscrimination laws regarding disability are:

- Section 504 of the Rehabilitation Act of 1973 (Section 504) and its Uniform Federal Accessibility Standards (UFAS). Section 504 applies to federally-assisted rental housing constructed on or after July 11, 1988;
- The Americans with Disabilities Act of 1990 (ADA) Title II for non-federal governmental entities and its 2010 ADA Accessibility Standards (2010 Standards). The ADA Title II applies to programs, services, or activities of non-federal governmental entities that took place on or after January 26, 1992; and
- Title VIII of the Civil Rights Act of 1968 as amended in 1988 (the Fair Housing Amendments Act [FHAct]), which applies to all new rental or for-sale multifamily housing developed for first occupancy on or after March 13, 1991.

Projects in HCIDLA's housing portfolio built after these dates are considered "covered properties" that must comply with these regulations. They include projects with federal, CRA/LA, and bond financing.

Section 504 and the ADA require that new rental housing developments with five or more units and substantially rehabilitated rental housing developments with 15 or more units have a minimum of:

- Five percent of the total dwelling units or at least one unit, whichever is greater, accessible for persons with mobility impairments; and
- An additional two percent of the units or at least one unit, whichever is greater, accessible for persons with hearing and/or vision (HV) impairments.

The site and common areas of the housing development must also be accessible to people with disabilities.

The FHAct requires that covered multifamily housing meet certain adaptability and accessibility requirements (e.g., the width of hallways and doors, reinforced walls for grab bars). Every unit is covered in a building with an elevator, and every ground floor unit is covered in buildings without an elevator.

In a Letter of Findings, the United States Department of Housing and Urban Development (HUD) pointed out that it is the City's responsibility, as the recipient of HUD funds, and the CRA/LA's responsibility, as an agency using federal funds, to monitor housing developments and enforce compliance with Section 504. Similarly, it is the City and CRA/LA's responsibility, as non-federal governmental entities, to monitor and enforce compliance with ADA Title II and

the FHAct. Although the City and CRA/LA included language that required compliance with federal regulations in Owners' Loan and Regulatory Agreements, HUD determined that the housing developments were not in compliance and that the City and CRA/LA failed to monitor and ensure that compliance.

After receiving the Letter of Findings, HCIDLA began to put into place updated policies and procedures to monitor and ensure that newly constructed housing met the federal requirements. Today, HCIDLA has a process that requires all developers to obtain the services of a State of California Certified Access Specialist (CAsp) to work with the developer and project architect from the planning stage through Certificate of Occupancy to ensure that projects are in structural compliance.

Why Wasn't the City in Compliance with Federal Laws?

The Los Angeles Department of Building and Safety (DBS) uses the Los Angeles Building Code, which incorporates the California Building Code (CBC), to check plans and to inspect all properties, including HCIDLA's portfolio properties, before issuing a Certificate of Occupancy. Like many housing departments throughout California, HCIDLA believed that the CBC provided greater accessibility than federal law. The State General Services Administration, Division of the State Architect (DSA), makes this point in the Questions and Answers about Accessibility posted on its website (www.dga.ca.gov/dsa). The DSA website makes it appear that the CBC meets the requirements of federal law.

However, after receiving HUD's Findings, this issue was researched and it was discovered that the CBC, Chapter 11A (new residential construction) or its predecessor was not considered by HUD or the Department of Justice as a "safe harbor" for any federal accessibility regulations. In fact, a review of revisions to the 2013 CBC, which was done in part to incorporate the federal accessibility laws, indicates that there remain areas where the CBC differs from the current ADA accessibility standards.

RECOMMENDATIONS

The General Manager of the Los Angeles Housing + Community Investment Department (HCIDLA) and the Office of the City Administrative Officer (CAO) respectfully requests that:

1. Your Office schedule this transmittal before the appropriate committee(s) of the City Council at the next available meeting(s), and forward it to the City Council for consideration and approval immediately thereafter; and
2. The Mayor and Council:
 - A. AUTHORIZE the implementation of an Accessible Housing Program (AChP) to carry out the requirements of the Settlement Agreement (SA);
 - B. AUTHORIZE resolution position authority for the following 17 positions within HCIDLA and one position within the City Attorney (as detailed in the attached organizational chart) for the period of January 1, 2017 through June 30, 2017, subject to position allocation by the Personnel Department, and pay grade determination by the CAO:

Housing + Community Investment Department		
No.	Class Code	Class Title
1	9182	Chief Management Analyst (Exempt)
2	9171-1	Sr. Management Analyst I
1	1538	Sr. Project Coordinator (Exempt)
12	9184-2	Management Analyst II
1	1569-2	Rehab Construction Specialist II
17	Total	

City Attorney		
No.	Class Code	Class Title
1	0535-0596	Deputy City Attorney III

- C. AUTHORIZE the following two positions included in Recommendation 2B, above, to be exempted from the Civil Service provisions of the City Charter, pursuant to City Charter Section 1001(b) due to the need for specialized expertise:

No.	Class Code	Class Title	Role
1	9182	Chief Management Analyst	AchHP Administrator
1	1538	Sr. Project Coordinator	Education and Outreach Team Leader

- D. ESTABLISH a new Fund within Department 43 called the Accessible Housing Fund;
- E. APPROPRIATE \$3,000,000 from the Unappropriated Balance, Accessible Housing Settlement Account to HCIDLA, Department 43, Accessible Housing Fund (Fund No. TBD) and establish accounts within Fund No. TBD as necessary, subject to the approval of the CAO, to carry out the Accessible Housing Program;
- F. DIRECT the Department of General Services to report to the Municipal Facilities Committee on what actions are required to secure up to 5,000 square feet of additional office space at HCIDLA Headquarters (1200 W. 7th Street/Garland Building) for the AchP, including any necessary tenant improvements (estimated at \$363,000); and
- G. AUTHORIZE the General Manager, HCIDLA, or designee to:
- 1) Issue a Request for Qualifications (RFQ) for an Expert Accessibility Consultant to be approved by the Plaintiffs and to report back with funding requirements and request for authority to execute a contract;

- 2) Issue a RFQ for as many architects with experience in designing projects for people with disabilities as may be necessary, on a part-time basis, to serve as Expert Architects under the Expert Accessibility Consultant, and to provide architectural drawings and plans for retrofit alterations as necessary to make the projects and units accessible for persons with mobility and/or hearing/vision impairments, pursuant to state and federal accessibility laws and regulations, and report back with funding requirements and request authority to execute contracts;
- 3) Enter into a Sole Source contract with a Court Monitor for up to ten years, as required by the Settlement Agreement, at a first year cost not to exceed \$850,000, subject to the review and approval of the City Attorney as to form;
- 4) Transfer \$250,000 to Fund 100/59, Account 009798 - Miscellaneous Liability Payouts, so that the City Attorney may pay Plaintiffs' Counsel the monitoring fee, as prescribed by the SA.
- 5) Issue a RFQ to create a list of qualified licensed and bonded General Contractors to retrofit apartment units so that they are accessible for persons with mobility and/or hearing/vision impairments, pursuant to the SA, and state and federal accessibility laws and regulations, and report back with funding requirements and authority to execute contracts;
- 6) Enter into a Sole Source contract with Emphasys Computer Solutions, Inc. (formerly SocialServe.com) for the period of December 1, 2016 through November 30, 2017, with two optional one-year renewals, to modify and expand the existing Affordable Housing Website, developed jointly with Los Angeles County, to include updated information on accessible, affordable housing units in the City of Los Angeles, allow tenants with disabilities to apply on-line for available units and get on waiting lists, and to provide a 24-hour call center to assist applicants in applying for accessible, affordable housing, at a first year cost not to exceed \$450,000, subject to the review and approval of the City Attorney as to form, and compliance with the City's contracting requirements;
- 7) Amend Contract No. C-125234 (Amendment No. 3) with Rydek Computer Professionals, and Contract No. C-125235 with 3Di, Incorporated, to add funding totaling \$370,140 each (\$740,280 total) to upgrade the Housing Information Management System (HIMS) to track all of the project stages of the SA to allow staff to meet the significant data recording and reporting requirements, subject to the review and approval of the City Attorney as to form, and compliance with the City's contracting requirements;
- 8) Retroactively execute a Sole Source contract with Ann Bauman for the period of December 15, 2015 through June 30, 2017, with an option to extend another one year, to provide technical expertise to assist HCIDLA and the City in addressing compliance issues related to the implementation of the SA including but not limited to developing policies and procedures, a training curriculum, and systems requirements required under the SA, for an amount not to exceed \$300,000,

subject to the review and approval of the City Attorney as to form, and compliance with the City's contracting requirements; and

- 9) Prepare Controller's instructions for any necessary technical adjustments consistent with the Mayor and Council action on this matter, subject to the approval of the CAO, and authorize the Controller to implement these instructions.

NUMBER AND TYPE OF ACCESSIBLE UNITS REQUIRED UNDER THE AGREEMENT

The table below shows how the number of accessible units that should have been created in projects in the HCIDLA portfolio constructed between 1988 and 2014 were determined. Initially, it was believed that the number of units totaled 4,031, but duplicate projects were included.

Table 1.
Number of Accessible Units Required for Properties Built Between 1988 and 2014

Type of Project	Number of Projects	Total Number of Units	Number of 5% Mobility Units	Number of 2% HV Units	Total
Federal Funds (includes projects that also have Bond and/or CRA funds) since 1988	472	25,292	1,490	747	2,237
Residential Mortgage Revenue Bonds or Bonds and CRA Funds since 1992	126	11,962	658	291	949
Only CRA Funds since 1992	129	9,606	536	262	798
Total	727	46,860	2,684	1,300	3,984

Due to the federal law requirement to round up, the number of accessible units shown in Table 1 above is greater than if these percentages were applied to the portfolio as a whole.

The SA requires that existing housing developments be surveyed to determine how many accessible units are currently in the developments since they were not being tracked previously. The City will receive credit for those units against the 4,000 unit target. The remaining units will be produced by retrofitting units in existing projects and/or creating

additional accessible units in future housing developments beyond the 5 percent mobility and 2 percent HV, as specified below.

Accessible Units Required in Future Housing Developments

HUD, under its Section 504 authority, has prescribed 8% mobility and 3% HV units as the requirement for future residential construction assisted by the City of Los Angeles. In 2015, the state of California Tax Credit Allocation Committee, which provides tax credit funding to a majority of HCIDLA projects, required that projects receiving tax credits provide 10% mobility and 4% hearing/vision units. To be consistent with the tax credits, HCIDLA proposed under the SA that future housing developments that will begin construction after the Effective Date of the SA, will contain 10% mobility and 4% HV, for a total of 14% accessible units. This will maximize the percentage of accessible units that can be constructed in each development.

PROPOSED ACCESSIBLE HOUSING PROGRAM TO IMPLEMENT THE TERMS OF THE SA

The Agreement requires the City to:

- Invest \$200 million over 10-years (an average value of \$20 million per year) and hire staff, architects, contractors, consultants, and experts in accessibility standards to implement the program;
- Produce 4,000 units of accessible rental housing (Target Number of Accessible Units) by retrofitting existing housing developments and providing additional units in current and future projects, which include multifamily mortgage bond projects and properties transferred to the City from the CRA/LA;
- Ensure that all construction fully complies with Section 504, the ADA, the FHAct, and the CBC and, when those requirements conflict, use that part of the code that provides the greatest accessibility;
- Ensure that non-discriminatory rental occupancy policies, developed in partnership with and approved by the Plaintiffs, are adopted and implemented by owners and property management agents for their developments in the HCIDLA rental housing portfolio;
- Redesign the City's rental housing website, www.Housing.LACity.org, to provide individuals with disabilities the opportunity to be notified of vacant units and apply for housing online;
- Develop and implement a special program for people with hearing and vision impairments to provide enhanced accessibility features and auxiliary aids;

- Annually train City staff, owners and their property managers in federal and state laws relating to nondiscrimination in regards to people with disabilities;
- Respond to concerns and resolve grievances by people with disabilities in a timely manner;
- Ask within 75 days, in coordination with the Plaintiffs, the District Court to appoint a Court Monitor to ensure the SA is implemented effectively and to assist the Court in monitoring the City's compliance;
- Pay the cost of the Court Monitor, which is capped at \$850,000 per year for the first three years, \$650,000 per year for the fourth through sixth year, and \$375,000 per year for the seventh through tenth year, for a total cost of \$6 million; and
- Pay the cost for Plaintiffs' Counsel to monitor the SA, which is capped at \$250,000 per year the first three years, \$156,000 per year for the fourth through sixth year, and \$135,000 per year for the seventh through tenth year, for a total cost of \$1,758,000.
- Provide detailed semi-annual reports to the Plaintiffs, the Court Monitor, and City management regarding all of the activities undertaken to carry out these requirements.

ACCESSIBLE HOUSING PROGRAM OVERSIGHT

The SA calls for a level of external oversight from the Court Monitor to ensure that the City complies with the terms and conditions of the Agreement. Additionally, HCIDLA and the CAO recommend that an internal working group monitor the City's progress and ensure all of the Department's within the City are working collaboratively and cooperatively to successfully implement the SA within the very tight time frames identified in the Agreement. The role of these various levels of oversight is discussed below.

Expert Accessibility Consultant and Expert Architects

To ensure that affordable housing units are constructed to meet all applicable accessibility requirements, the SA requires that the City contracts with Experts, one of whom will serve as an Expert Accessibility Consultant, approved by the Plaintiffs, who will oversee the technical aspects of the AChP and certify that the projects are in compliance. The City will also hire Expert Architects who will be trained by the Expert Accessibility Consultant to carry out the accessibility inspections, write scopes of work, develop architectural plans, and report on project compliance to the Expert Accessibility Consultant.

The Experts must be architects with the requisite specialized knowledge, skills, experience, and expertise in accessibility to perform the functions outlined in the Settlement Agreement. HCIDLA and the CAO propose the issuance of an expedited Requests for Qualifications for the Expert Accessibility Consultant and as many Expert Architects as may be necessary to complete the specific tasks identified in the SA. Once the procurement is completed, HCIDLA

will report back to the Mayor and City Council requesting the required funding and contract authority.

Court Monitor

The Settlement Agreement requires that, within 75 days of execution, the City and the Plaintiffs request the District Court to appoint a Court Monitor for the term of the Agreement. The Court Monitor will be responsible to review, evaluate, and verify written and electronic data and information on progress and completion of the various requirements in the SA. The Court Monitor is required to prepare a written semi-annual report for the Plaintiffs and City, with a copy filed with the Court. The cost of the Monitor, which shall not exceed \$6 million over the life of the Agreement, will be incurred by the City. The first year cost shall not exceed \$850,000. This amount will decrease in subsequent years.

Internal Working Group

The responsibilities under this Agreement are immense and requires the cooperation and coordination of multiple City Departments as well as property owners. An internal working group with representatives from the Office of the City Administrative Officer (CAO), the Office of the Chief Legislative Analyst (CLA), HCIDLA, the Office of the City Attorney, the Department on Disability (DoD), and the Department of Building and Safety (DBS) will be convened, on an as needed basis, to discuss and resolve any coordination, process or resources challenges and to ensure that the City is making appropriate progress toward the successful implementation of the Agreements. The work of this group will inform the required reports to the Mayor and City Council.

ACCESSIBLE HOUSING PROGRAM DESIGN

The requirements of the SA are both extensive and time sensitive. The City is required to complete a great many of the tasks within six months (180 days) of the Effective Date. To carry out the requirements of the SA, HCIDLA and the CAO propose that HCIDLA operate an Accessible Housing Program (AcHP) that will be overseen by the Accessible Housing Program Administrator (AcHA) under the direction of the General Manager of HCIDLA.

Accessible Housing Program Administrator. The SA requires a Settlement Coordinator, which we are calling the Accessible Housing Program Administrator (AcHA). The SA requires that a person be hired for this position and be familiar with the requirements of the SA within 90 days from the Effective Date. This position is responsible for the effective implementation of every aspect of the AcHP, including all compliance activities under the SA, and overall staff management. The AcHA will report to the General Manager and will be the primary liaison between the City and the Expert Accessibility Consultant and Court Monitor.

Because of the expertise required and level of responsibility of the AcHA, HCIDLA and the CAO recommend that the AcHA be exempted from Civil Service in accordance with City Charter Section 1001(b) and be filled at the level of Chief Management Analyst.

The program will contain three components and will require 30 staff in the first year to implement:

1. The Retrofit/Construction Unit will be responsible for all construction-related activities.

2. The Rental Policies and Special Projects Unit will focus on developing, implementing, and monitoring required accessible rental policies and undertaking the special projects described in the SA.
3. The Data and Reporting Unit will carry out the extensive data collection and reporting requirements in the SA and ensure data integrity. These units and their staffing will be described later in this Transmittal.

Tasks and staffing assigned to the individual Units are described in more detail below and a proposed organizational chart is included as Attachment 1.

RETROFIT AND CONSTRUCTION UNIT

Retrofit and New Construction Program

The SA provides the City with flexibility to meet its production goals through a combination of remediation of existing housing units, new construction, substantial alteration, provision of housing units under the Enhanced Sensory Unit Program, and/or certification that existing housing units meet federal and California accessibility standards. The proposed Accessible Housing Program is designed with incentives to ensure that the required 4,000 accessible housing units can be developed over the 10-year term.

To meet the target within the ten year time limit, an average of 100 retrofit and new construction projects will need to be completed each year. Because of the number of properties involved and the degree of precision required by accessibility standards, and HCIDLA's experience working with the numerous different architects and licensed general contractors hired by individual property owners would likely lead to a significant number of projects that do not meet time or accessibility requirements, which would make the City non-compliant with the SA.

To address this risk, HCIDLA and the CAO propose that the City, and not the individual property owners, hire qualified architects and general contractors and pay the associated costs. We expect that hiring and training architects and contractors, and paying for the retrofit costs will eliminate most of the owner resistance to meeting the required standards. Most owners do not have the resources to pay for the retrofit nor are they able to burden their property with another loan. On the City's part, non-compliance requires enforcement actions, including possible sanctions against the owner, and could put the City's federal funding into jeopardy and the lawsuit would proceed.

For these reasons, we propose that HCIDLA request authority to include in its Request for Qualifications (RFQ) for Expert Architects, who are also required to be licensed, to prepare the architectural drawings and plans for retrofit alterations to make the projects and units accessible for persons with mobility and/or hearing/vision impairments, pursuant to the SA and state and federal accessibility laws and regulations. HCIDLA further requests authority to issue a RFQ for licensed general contractors in sufficient numbers to accomplish the required annual goals. Architects and contractors who meet the qualifications will be required to attend rigorous training by the Expert Accessibility Consultant and must successfully pass a field test meeting accessibility standards to participate in the AChP. No one who has not passed the

field test will be used to undertake construction, and contractors will not be paid in full until all accessibility standards are met. Since these professionals will work under contract to the City and be evaluated after each job, they will be mindful of timelines, production goals, and quality of work. To obtain the next job, evaluations must be positive. To protect the City, each general contractor will be required to carry at least \$1,000,000 liability insurance per job, will be closely supervised by HCIDLA staff, and evaluated during and after each project. In addition to Expert Accessibility Consultant and HCIDLA staff, owners will be invited to participate in the evaluation process.

Staffing Requirements

The Retrofit and Construction Unit will initially consist of 10 staff, who will oversee pre-construction tasks that property managers must perform and the retrofit work undertaken by licensed general contractors. HCIDLA will reassign unfunded vacant positions to perform many of these functions either by transferring the existing authority or requesting a substitute authority until a more permanent position solution can be proposed as part of the 2017-18 Budget development process.

Table 2.
AcHP Retrofit Construction Staff

# Required	# Requested	Class Title	Role/Description	Plan
1	1	Sr. Management Analyst I	Retrofit Program Coordinator	Resolution Authority Requested
1	0	Rehab Construction Specialist III	Retrofit Program Supervisor	Activate Substitute Authority
4	1	Rehab Construction Specialist II	Conduct pre-construction activities with Owners. Manage contractors and provide construction oversight.	Activate 3 Substitute Authorities.
1	1	Management Analyst II	Track and provide monthly analysis of all activities taking place at 650 projects to meet deadlines	Resolution Authority Requested
2	2	Management Analyst II	Contract Administrator for Experts and General Contractors	Resolution Authority Requested
1	0	Sr. Admin Clerk	Appointment scheduling and clerical activities	Internal Transfer
10	5	Total HCIDLA Construction and Retrofit Staff		

RENTAL POLICIES AND SPECIAL PROJECTS UNIT

Rental Policies

In addition to the retrofitting units, developments must comply with federal and state nondiscrimination laws regarding how people with disabilities are treated. At HUD's direction, HCIDLA, Department on Disability, City Attorney staff, and a consultant worked with the Plaintiffs' Attorneys to develop model property management policies and a tenant handbook (together called the Rental Policies) to implement federal and state accessibility requirements. The SA requires that these Policies be adopted and enforced by each housing development in the HCIDLA portfolio. The Rental Policies include, but are not limited to:

- Affirmatively Marketing Policy
- Admissions Policy
- Reasonable Accommodations Policies & Logs
- Animal Assistance Policy
- Effective Communication Policy
- Transfer Policy
- Grievance Procedures
- Lease Addendum

The Rental Policies require that property management staff provide accessibility-related information to tenants and prospective tenants, maintain waiting lists for accessible units, maintain logs of people with disabilities who want to transfer into accessible units and/or request reasonable accommodations/modifications, execute lease addenda, address grievances and complaints, provide auxiliary aids and implement effective communication requirements.

The City is responsible for ensuring and certifying that all covered housing developments are in compliance and remain in compliance over the ten year term through regular desk audits and on-site monitoring of all covered properties. Reports must be provided to the Court semi-annually on all of the compliance efforts. The SA requires that within 180 days of the Effective Date, in consultation with Plaintiffs, the City must develop a monitoring, compliance, and enforcement plan to ensure that Owners and management agents of housing developments in the HCIDLA portfolio comply with policies and procedures to ensure accessibility.

To ensure that the City meets the tight timelines of the SA and can provide property owners and managers with sufficient assistance and information to carry out these requirements, HCIDLA and the CAO propose a Policies and Audits team of eight persons with each team member having a caseload of approximately 100 projects. This includes the 727 projects identified in the SA as well as newly constructed projects that were financed using federal funds since 2015. The Housing Policies and Audit staff will act as the "relationship manager" between the Owners/Property Managers and HCIDLA and will ensure that the

Owners/Property Managers are fully in compliance with the required Rental Policies and other requirements of the SA.

Currently, to comply with HUD occupancy monitoring requirements of federally funded housing, HCIDLA requires property management staff to upload tenant income and rent data to the occupancy monitoring cloud database, administered by HCIDLA's contractor. We propose to expand that database to add the tenant and project data fields required in the SA Rental Policies. To ensure that housing developments are implementing the Policies correctly, property managers will be required to upload various accessibility logs on a monthly basis. HCIDLA Policy and Audit staff will analyze the data and develop reports for its own management and the Courts and conduct onsite compliance visits to all properties.

We anticipate that the number of "relationship managers" will reduce after several years of experience, and adjustments to staffing and resources will be made as part of the annual budget process.

Training and Education

The SA has many requirements for training workshops, with initial and refresher training sessions for City staff, as well as owners, property managers and their staff who have tenant contact -- potentially 2,500 people over a twelve month period. In addition, disability rights groups will be invited to the training sessions, pursuant to the SA. New employees are to receive training early in their employment. To make it easier for people to attend, training sessions will be held throughout the City.

Two training and education staff will be required for the ten year term of the SA. HCIDLA and the CAO recommend that the Team Leader, a Senior Project Coordinator, be exempted from the Civil Service provisions of the City Charter, pursuant to City Charter Section 1001 (b) due to the need for specialized expertise with federal and state disability laws.

Website Registry for Accessible Units

The SA requires the City to create a Website Registry for accessible housing with a great number of specified requirements intended to ensure equal access to affordable housing units financed through the City. The City is also required to develop a mechanism for providing information and options equivalent to those on the website for persons with disabilities who do not have internet access or whose disabilities limit their ability to communicate electronically. The information provided via the website must also be made available to the public upon request in alternative formats including foreign languages, large print, Braille, and accessible electronic formats.

Currently, HCIDLA has a Cooperation Agreement with the Los Angeles County and the housing database vendor, Emphasys Computer Solutions, Inc. (formerly known as SocialServe.com) to administer a website (Housing.LACity.org) that lists the City's affordable housing portfolio and its vacancies on the countywide housing locator website. This website will serve as the basis of the Registry since the SA requires that all HCIDLA projects and

vacant units be listed. Since it is not appropriate to terminate its participation in the countywide website and re-create the Housing.LACity.org website in-house, we are requesting authority for a sole source contract with Emphasys Computer Solutions, Inc., for one year and two one-year options to extend, to add modules to the City of Los Angeles' portion of the housing locator website to implement the requirements of and timelines in the SA at a first year cost not to exceed \$450,000. A HCIDLA Website Manager will oversee and monitor the Website Registry and accessible features and also work closely with the disability community to obtain feedback on the website and the various modules prior to going "live." The Website Manager position will be needed for the entire 10 year term of the SA as a full-time position. The need for a full-time position will be re-assessed after the program has been fully implemented.

Enhanced Housing Accessibility Program for People with Sensory Disabilities

The SA requires the City to create a special Enhanced Housing Accessibility Program for People with Sensory Disabilities (Enhanced Sensory Program). The program requires considerable outreach with the disability community and the provision of auxiliary aids and services and enhanced accessibility features in units for individuals with sensory disabilities who reside in covered housing developments.

The Enhanced Sensory program will continue throughout the SA Term. At this time, HCIDLA and the CAO propose one staff person to operate this enhanced program. HCIDLA plans to transfer the vacant position authority from a different function that has lost its grant funding.

AcHP Staffing: Rental Policies and Special Projects Unit

To complete the work of the AcHP Rental Policies and Special Projects unit, HCIDLA plans to reassign two vacant Sr. Admin Clerks, two vacant Management Analyst II, and one vacant Sr. Management Analyst II to this program. Table 3 below describes the required positions for the AcHP Rental Policies and Special Projects Unit.

Table 3.
AcHP Rental Policies & Special Projects Staff

# Required	# Requested	Class Title	Description/Role	Plan
1	0	Sr. Management Analyst II	Manages the Rental Policies, Training, Website and Special Projects program components	Internal Transfer
2	0	Senior Admin Clerk	Section support, audit/monitoring scheduler	Internal Transfer
1	0	Management Analyst II	Website Management, and Coordinates website improvements with website contractor; obtains input from disability community on website.	Activate Substitute Authority

			Lead person resolving complaints	
1	1	Senior Project Coordinator (EXEMPT)	Education & Outreach Team Leader. Coordinates and conducts training	Resolution Authority Requested
1	0	Management Analyst II	Training/Website/Complaint Assistance; Conducts training, assists with the website and with complaints	Internal Transfer
1	0	Management Analyst II	Manages Enhanced Sensory Program	Internal Transfer
1	0	Sr. Management Analyst I	Manager of Rental Policies and Audits Teams	Activate Substitute Authority
8	8	Management Analyst II	Rental Policies & Audits Specialists Lead interface with Owners; conduct audits of housing developments	
13	9	Total HCIDLA Rental Policies & Special Projects Staff		

DATA AND REPORTING UNIT

The City is required to collect extensive data and submit reports to upper management, the City Council and the Court documenting performance and compliance efforts. Reports are due semi-annually. Each report must provide a detailed description (qualitative as well as quantitative) of the compliance efforts made since the last report with respect to each of the substantive terms of this Agreement, reports from the Expert Accessibility Consultant, a list of grievances or complaints that were received by the City through the Grievance System (including copies of any written grievances or complaints) since the last report and actions taken in response, a list of requests for reasonable accommodations/modifications and outcomes, sources and amounts contributed towards the annual average expenditure of \$20 million, and detailed information on any noncompliance with the SA, including steps the City plans to take to resolve noncompliance.

The data collection and reporting staff will also provide project staff and HCIDLA management with quality control information since they have an excellent overview of the entire Accessible Housing Program and can help identify areas that need improvement and those that are successful. We estimate that, at a minimum, two staff will be needed for this function for the ten year term of the SA. These staff will report to the ACHP Administrator.

ACHP Staffing: Data and Reporting

Table 4 below describes the required positions for the data and reporting components.

Table 4.
Staffing for Data and Reporting

# Required	# Requested	Class Title	Description/Role	Plan
1	1	Sr. Management Analyst I	Manager of Data, Reporting and Quality Assurance	Resolution Authority Requested
1	1	Management Analyst II	Prepares and analyzes data & reports; provides input on improvements; data quality assurance	Resolution Authority Requested
2	2	Total – HCIDLA Data		

HCIDLA SYSTEMS ENHANCEMENTS

To implement the provisions of the SA, major modifications are needed to HCIDLA’s Housing Information Management System (HIMS). The changes are necessary to allow HIMS to track all of the project stages to help meet the significant data collection and reporting requirements mandated by the SA. HIMS will be expanded to track and report on the data described above.

To perform this work, we recommend that HCIDLA use four contract programmers for one year for a cost of \$740,280. This includes one contract programmer for report development and three contract programmers for the design and development of HIMS and Owner and project websites. The annual cost for each programmer is \$180,000 or \$720,000 for four programmers. An additional \$20,280 will be needed for the cost of one time hardware and software for four programmers, for a total cost of \$740,280. Due to the very short timeline outlined in the SA, it is critical that this work begin immediately. HCIDLA has existing contracts with Rydek Computer Professionals (C-125234) and 3Di, Incorporated (C-125235) to perform this type of work. An upgraded Housing Information Management System (HIMS) will enable HCIDLA to track all of the project stages of the SA to allow staff to meet the significant data recording and reporting requirements. It is anticipated only two programmers will be needed after the first year for maintenance and report writing.

REQUEST FOR AUTHORITY TO ENTER INTO CONTRACTS WITH EXPERT CONSULTANTS

HCIDLA and the CAO recommend authority for HCIDLA to retroactively enter into a sole source contract with Ann Bauman, for the period of December 15, 2015 through June 30, 2017, at a cost not to exceed \$300,000, with an option to renew for an additional one year. As previously noted, the SA has few precedents in terms of size and complexity. After the City received the HUD findings, Ms. Bauman provided technical assistance to the HCIDLA and the City regarding HUD’s requirements for nondiscrimination and accessibility. During the

negotiations period, she worked closely with the City's outside attorney for disability matters, reviewing and commenting on the SA and developing implementation strategies. Additionally, she was a member of the City team that worked with the Plaintiffs' attorneys to update the HCIDLA's rental occupancy policies for housing developments to meet the requirements of the SA. Ms. Bauman is also an expert on all aspects of the property rehabilitation/retrofit process and founded the Community Rehabilitation Training Center sponsored by HUD. For these reasons and due to the multiple, overlapping activities that will need to be implemented shortly after the Effective Date, it is recommended that Ms. Bauman provide technical assistance to address compliance issues related to the SA, including but not limited to developing policies and procedures, developing a training curriculum and developing systems requirements. Her assistance will be crucial for the initial implementation of the SA.

ADDITIONAL SPACE REQUIREMENTS FOR HCIDLA

With the addition of so many staff, HCIDLA will need to lease additional space at its headquarters facility at 1200 W. 7th Street (Garland Building). Currently there is approximately 5,000 square feet of unoccupied space on the 4th floor which would allow the AcHP team to be located in the same building as HCIDLA management. At this time HCIDLA and CAO recommend that the Mayor and Council direct the Department of General Services to report to the Municipal Facilities Committee on the actions necessary to secure this additional office space for the AcHP. HCIDLA estimates the tenant improvement costs to be approximately \$363,000.

FISCAL IMPACT STATEMENT

The City has made a commitment to invest \$200 million over 10 years to implement this effort. The costs for the recommendations for this report total \$5.1 million, which represents our known costs for Fiscal Year 2016-17. The first FY 2016-17 FSR set-aside \$3 million for this program. If additional resources are needed this fiscal year, the CAO will report back on funding options.

Attachment

KEY
 Black = Retrofit
 Green = Rental Policies
 Blue = 50% Retrofit & 50% Policies
 Dash like-----means close colloration
 Purple = New Projects
 Brown = Senior Management

**ACCESSIBLE HOUSING PROGRAM (AcHP)
 ORGANIZATIONAL CHART**

