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July 29, 2026

Council File:	24-0069-S3
Council Districts:	Citywide
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Honorable Members of the City Council
City of Los Angeles
c/o City Clerk, City Hall
200 N. Spring Street
Los Angeles, CA 90012

COUNCIL TRANSMITTAL: LOS ANGELES HOUSING DEPARTMENT AND THE BUREAU OF CONTRACT ADMINISTRATION REPORT BACK ON THE TRANSITION PLAN FOR STAFF AND PROGRAMS RELATED TO CONSOLIDATING PREVAILING WAGE MONITORING STAFF

SUMMARY

On March 25, 2026, the City Council instructed the Los Angeles Housing Department (LAHD) and Bureau of Contract Administration (BCA) to report back on a transition plan for staff and programs related to consolidating Prevailing Wage Monitoring staff to BCA. LAHD also received questions regarding this during budget hearings in Budget and Finance Committee on April 28, 2026.

On July 1, 2026, LAHD and BCA will start a Pilot Program to transition the duties of prevailing wage monitoring and enforcement on LAHD affordable housing projects from LAHD to BCA. The purpose of this Pilot Program is to ensure a seamless transition of the prevailing wage monitoring duties on LAHD affordable housing projects from LAHD to BCA.

RECOMMENDATIONS

- I. That the City Council, subject to the approval of the Mayor:
 - A. Note and File this Transition Plan.

BACKGROUND

LAHD oversees housing projects across different programs and funding sources including, but not limited to Proposition HHH (HHH), Measure JJJ (JJJ), Affordable Housing Linkage Fee, and United to House Los Angeles (ULA). These projects are typically subject to prevailing wage, and may also be subject to Project Labor Agreements. In accordance with the City's Administrative Code, the BCA is the City's authority to administer its Labor Compliance Program that is certified under the California Code of Regulations, and is responsible for enforcing applicable state and federal prevailing wage statutes.

BCA currently has an agreement with LAHD to monitor and enforce the payment of prevailing wage, employment of apprentices, as well as the PLA on HHH and ULA projects where the PLA is applicable. However, in order to streamline cooperation between the two departments to monitor and enforce the payment of prevailing wages and apprenticeship, LAHD and BCA have explored a gradual transition of all monitoring and enforcement duties pertaining to the payment of prevailing wages and other Labor Compliance requirements on housing projects under the administration of the LAHD. This would include education and training of staff, developers, contractors, and other stakeholders engaged in the LAHD administered construction, alteration, demolition, maintenance or repair projects in an efficient and cost-effective manner in accordance with established policies and governing statutes and regulations.

Therefore, LAHD and BCA have tentatively agreed to a Pilot Program on July 1, 2026 to begin transitioning some of those projects. Processes that are already in place for BCA to monitor projects on behalf of LAHD will be refined through this transition. The Pilot Program transfers 10-12 active LAHD monitored projects that are not subject to PLAs to BCA within 60 days of July 1, 2026. A comparison of the total potential number of projects to be transferred to BCA was analyzed earlier this year, and at that point in time, there were 60 projects that could ultimately be transferred to BCA.

LAHD will notify all project stakeholders including the owners, the developers, and the general contractors of the transfer of monitoring duties. BCA will monitor all state and federal prevailing wage requirements and will approve requests for payments on construction draws.

LAHD and BCA will use shared data systems to ensure that all documentation is available in a timely manner to all parties. These systems will monitor all contracts, payment requests, and prevailing wage compliance data.

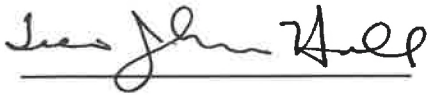
Projects with ULA funding that start after July 1, 2026, will also be monitored by BCA for prevailing wage requirements. All other projects will be designated to either LAHD or BCA for monitoring based on the caseload and resources available of each department. An MOU is currently being drafted which includes this pilot program as well as an overall plan to transfer the duties of prevailing wage monitoring and enforcement from LAHD to BCA on all projects.

Staffing considerations will be requested in the Fiscal Year 2027-28 budget proposal, which will fully transfer the prevailing wage monitoring and enforcement from LAHD to BCA. In the interim, LAHD and BCA continue to discuss staffing to address the Pilot Program, including potential loaning of current staff over to BCA. Long term staffing has yet to be determined.

FISCAL IMPACT

There is no impact on the General Fund.

Approved By:



TIENA JOHNSON HALL
General Manager
Los Angeles Housing Department

Approved By:



JOHN L. REAMER, JR.
Director
PW/Bureau of Contract Administration