

HOUSING AND HOMELESSNESS COMMITTEE REPORT relative to proposed Second Amendment to Contract No. C-135654 with BAE Urban Economics, Inc. (BAE) to increase funding by \$30,000, for a new total of \$160,000; extend the contract term by three months to April 30, 2024; and amend the Scope of Work to include the completion of a Land Use Fee Study.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, LAHD, or designee, to execute the Second Amendment to Contract C-135654 with BAE to:
 - a. Increase funding by \$30,000, for a new total of \$160,000.
 - b. Extend the contract term by three months to April 30, 2024.
 - c. Amend the Scope of Work to include the completion of a Land Use Fee Study, in substantial conformance to the draft document attached to the October 3, 2023 LAHD report, attached to the Council File and subject to approval by the City Attorney as to form and in compliance with the City's contracting requirements.
2. FIND that the services to be performed by BAE are for the performance of professional, scientific, expert, technical, or other special services of a temporary and occasional character for which competitive bidding is not practicable or advantageous and that the work can be performed more economically or feasibly by independent contractors than by City employees in accordance with Charter section 1022.
3. AUTHORIZE the Controller to transfer/appropriate an amount of \$30,000 within the Municipal Housing Finance Fund No. 815 from Appropriation No. 43Y411-Unallocated to Appropriation No. 43Y844 Technical Services, to fund the completion of a Land Use Fee Study under the second amendment of City Contract No. C-135654 with BAE and to expend funds upon written demand of the General Manager, LAHD, or designee.
4. AUTHORIZE the General Manager, LAHD, or designee, to prepare Controller instructions and make any necessary technical corrections that are consistent with the Mayor and Council actions on this matter, subject to the approval of the City Administrative Office (CAO); and, REQUEST the Controller to implement these instructions.

Fiscal Impact Statement: The LAHD reports that there is no impact on the General Fund. The additional \$30,000 will be funded through the Municipal Housing Finance Fund, into which the current Land Use fee revenues are deposited.

Community Impact Statement: None submitted.

TIME LIMIT FILE – DECEMBER 25, 2023

(LAST DAY FOR COUNCIL ACTION – DECEMBER 15, 2023)

Summary:

On November 29, 2023, your Committee considered an October 3, 2023 LAHD report relative to proposed Second Amendment to Contract No. C-135654 with BAE to increase funding by \$30,000, for a new total of \$160,000; extend the contract term by three months to April 30, 2024; and amend the Scope of Work to include the completion of a Land Use Fee Study. According to the LAHD, it is seeking authority to execute a second amendment to Contract No. C-135654 with BAE to increase the contract amount by \$30,000, extend the contract term by three months to April 30, 2024, and amend the scope of work to include a Land Use fee study.

The fees for the Affordable Housing Land Use Covenant program currently cover the costs of preparing, amending, and monitoring the affordable housing covenants that restrict rents in mixed-income projects with up to 50% affordable units. These fees were established in 2016 via an amendment to Section 19.14 of the Los Angeles Municipal Code (Council File No. 13-0413). Since that time, the State has passed significant new housing development legislation that the Land Use section is responsible for, including Senate Bills (SB) 8 and 330; and Assembly Bill (AB) 2556, the successor to AB 2222. This has created a need to update the Land Use Covenant fee schedule ordinance to account for the additional work required to implement state law. Since BAE has successfully assisted the department on other fee studies over the past five years, LAHD is requesting authority to increase the amount and extend the term of BAE's existing contract; and to amend the LAHD Second Amendment to modify the scope of work so that BAE can conduct a fee study to assess the Land Use program's current work. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the LAHD report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Housing and Homelessness Committee

COUNCILMEMBER	VOTE
RAMAN:	YES
BLUMENFIELD:	YES
HARRIS-DAWSON:	ABSENT
RODRIGUEZ:	YES
LEE:	YES

ARL

11/29/23

-NOT OFFICIAL UNTIL COUNCIL ACTS-