

Ann Sewill, General Manager
Tricia Keane, Executive Officer

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 866.557.7368

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

housing.lacity.org

Karen Bass, Mayor

April 26, 2024

Los Angeles City Council
City of Los Angeles, c/o the City Clerk
Room 395, City Hall
200 N. Spring Street
Los Angeles, CA 90012

**FOR CITY COUNCIL CONSIDERATION: LOS ANGELES HOUSING DEPARTMENT REQUEST
FOR AUTHORITY TO EXECUTE A FIRST AMENDMENT TO CITY CONTRACT C-144272 WITH
CHICAGO TITLE COMPANY TO INCREASE THE TOTAL CONTRACT COMPENSATION**

The Los Angeles Housing Department (LAHD) respectfully submits the attached transmittal, with included ED3 waiver confirmation, for City Council consideration.

Please feel free to contact LAHD with any questions or concerns.

Sincerely,

Ann Sewill
General Manager

TRANSMITTAL

TO
Los Angeles Housing Department

DATE
04/24/2024

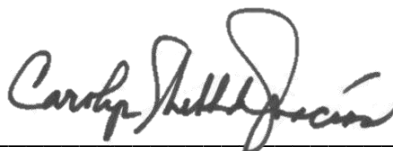
COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT

REQUEST FOR AUTHORITY TO EXECUTE A FIRST AMENDMENT TO CITY CONTRACT C-144272 WITH CHICAGO TITLE COMPANY TO INCREASE THE TOTAL CONTRACT COMPENSATION

Approved, ED3 Waived, and Transmitted for further processing.



MAYOR
(Carolyn Webb de Macias for)

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

City of Los Angeles



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

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March 11, 2024

Council File: 22-1205-S1
Council Districts: Citywide
Contact Persons: Kameron Golden (213) 922-9667
Mark Gandara (213) 272-1424

The Honorable Karen Bass
Mayor, City of Los Angeles
Room 300, City Hall
200 North Spring Street
Los Angeles, CA 90012

Attention: Heleen Ramirez, Legislative Coordinator

COUNCIL TRANSMITTAL: LOS ANGELES HOUSING DEPARTMENT REQUEST FOR AUTHORITY TO EXECUTE A FIRST AMENDMENT TO CITY CONTRACT C-144272 WITH CHICAGO TITLE COMPANY TO INCREASE THE TOTAL CONTRACT COMPENSATION

SUMMARY

The General Manager of the Los Angeles Housing Department (LAHD) respectfully requests that your office review and approve this transmittal and forward it to the City Council for further consideration. Through this transmittal, LAHD requests authority to execute a first amendment to increase the total compensation for LAHD's title report services contract with Chicago Title Company (Chicago Title), City Contract No. C-144272. This is necessary for LAHD to fund foreclosure services Chicago Title is undertaking on LAHD's behalf, in excess of the amounts anticipated when the contract was established.

RECOMMENDATIONS

- I. That the Mayor review this transmittal and forward to the City Council for further action;
- II. That the City Council, subject to the approval of the Mayor:
 - A. AUTHORIZE the General Manager of LAHD, or designee, to execute a first amendment to Contract No. C-144272 with Chicago Title Company. This amendment will increase the contract amount by \$200,000 for a revised total contract amount not to exceed \$240,000 to provide title report services, subject to contractor's performance, in substantial conformance to the draft document attached, and subject to approval of the City Attorney as to form (See Attachment A);

- B. Authorize the General Manager of LAHD, or designee, to disencumber \$334,504.82 in unexpended funds from City Contract No. C-142865 with KKOL, INC. dba GSG Protective Services funded by Fund No. 44G – Affordable Housing Trust Fund Appropriation No. 43W221.
- C. AUTHORIZE the Controller to transfer/appropriate an amount of \$200,000 within Fund No. 44G - Affordable Housing Trust Fund from Appropriation No. 43W221 to a new appropriation account 43Y722 – Technical Contracts to fund the increase in foreclosure services Chicago Title is undertaking on LAHD's behalf.
- D. AUTHORIZE the General Manager of LAHD, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and instruct the Controller to implement the instructions.

BACKGROUND

Repurposing of Funds Allocated for GSG Protective Services

Council File No. 23-0321 authorized \$700,000 to be used to provide security services at properties in the Skid Row Housing Trust (SRHT) portfolio during the period prior to the receivership being put into place. Of this \$700,000, a balance of \$334,504.82 remains unexpended and is no longer needed for SRHT security services due to those services being provided through the receivership. LAHD's request is to repurpose this funding to make it available for other eligible uses of the Asset Protection Account. These eligible uses include protection of City assets through property management, emergency repairs, abatement, security, force-placed insurance, and other uses of funds that protect the well-being of projects and residents. \$200,000 of the \$334,504.82 will be added to contract C-144272 for Chicago Title Company due to that company's role in protection of the Skid Row Housing Trust Portfolio.

Chicago Title Company Contract C-144272

Chicago Title Company is contracted to provide title report services for the Asset Management Division of LAHD's Housing Development Bureau, including foreclosure services. At this time, Chicago Title is undertaking foreclosure services on 12 properties under the Skid Row Housing Trust receivership. This work was unanticipated at the time the contract was established. The original contract was for \$40,000 utilizing 3 different funding sources (Fund 561: \$20,000, Fund 55J: \$10,000, and Fund 815: \$10,000). However, these amounts were not sufficient to cover this fiscal year's activity, resulting in expenses in excess of the contract amount.

In an average year, the Asset Management Division spends \$30,000-\$40,000 on title report services, primarily consisting of title reports. However, as a result of the need to take foreclosure actions on the 12 properties within the Skid Row Housing Trust portfolio, the FY23-24 expense has increased to more than \$220,000. The

additional \$200,000 requested, for a total contract amount of \$240,000, will cover the foreclosure actions and also ensure the contract has the necessary funds for any additional services required through the end of the fiscal year.

FISCAL IMPACT

There is no impact to the General Fund through the recommendations in this report.

Approved By:

A handwritten signature in cursive script, appearing to read "Ann Sewill", written in dark ink.

ANN SEWILL
General Manager
Los Angeles Housing Department

ATTACHMENT:

Attachment A - Chicago Title_C-144272-1_DRAFT

FIRST AMENDMENT
TO AGREEMENT NUMBER C-144272 OF CITY OF LOS ANGELES CONTRACT
BETWEEN
THE CITY OF LOS ANGELES
AND
CHICAGO TITLE COMPANY

THIS FIRST AMENDMENT to Agreement Number C-144272 of the City of Los Angeles Contract is made and entered into by and between the City of Los Angeles (“City”), a municipal corporation, and Chicago Title Company (“Contractor”), a California for profit corporation.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an agreement wherein Contractor shall provide Title Report Services which have been funded in the Los Angeles Housing Department (“LAHD”) budget by the U.S. Department of Housing and Urban Development Grantor/HUD pursuant to the HOME Investment Partnerships Program, the Municipal Housing Financial Fund, and the Low and Moderate Income Housing Fund, said agreement executed on September 26, 2023, which together with all amendments thereto shall hereinafter be referred to as the “Agreement;” and

WHEREAS, Section 405 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous of amending the Agreement as authorized by the City Council and the Mayor (Council File Number ##-#### adopted by City Council on XXXXXXXX ##, 2024, and concurred by the Mayor on XXXXXXXX ##, 2024), which authorizes the General Manager of LAHD to prepare and execute an amendment to the Agreement for the purpose of: (a) adding additional funds in the amount of **Two Hundred Thousand Dollars (\$200,000)** for a new total of **Two Hundred Forty Thousand Dollars (\$240,000)**; and (b) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Amendment; and

WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under the Agreement.

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended as follows:

[Remainder of page intentionally left blank.]

FIRST AMENDMENT

- §1. Amend the third “WHEREAS” paragraph by deleting it in its entirety, and replacing it with the following:

“WHEREAS, the Title Report Services that are the subject of this Agreement, hereinafter called the Agreement, has been established by the City as one of the above-described programs, and has been funded in the LAHD budget by the U.S. Department of Housing and Urban Development Grantor/HUD pursuant to the HOME Investment Partnerships Program, the Municipal Housing Financial Fund, the Low and Moderate Income Housing Fund, and the Affordable Housing Trust Fund; and”

- §2. Amend Section 102.A, “Representatives of the Parties and Services of Notices,” by deleting it in its entirety and replacing it with the following:

“A. The representative of the City shall be, unless otherwise stated in the Agreement:

Ann Sewill, General Manager
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

With copies to:
Ashley Atkinson, Director of Asset Management
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026”

- §3. Amend Section 301.A, “Compensation and Method of Payment,” by deleting the current total dollar amount of Forty Thousand Dollars (\$40,000) and replacing it with the new total dollar amount of **Two Hundred Forty Thousand Dollars (\$240,000)**.

This amendment adds an additional **Two Hundred Thousand Dollars (\$200,000)**.

- §4. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §5. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original. This Amendment includes three (3) pages which constitute the entire understanding and agreement of the parties. Alternatively, this Amendment may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the LACityClerk Connect website.

[Remainder of page intentionally left blank.]

[Signatures begin on next page.]

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this First Amendment to be executed by their duly authorized representatives.

APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO, City Attorney

Executed this ____ day of _____ 2024

By _____
Deputy/Assistant City Attorney

For: CITY OF LOS ANGELES

ANN SEWILL
General Manager
Los Angeles Housing Department

Date _____

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By _____
Luz C. Santiago
Assistant General Manager

By _____
Deputy City Clerk

Executed this ____ day of _____ 2024

Date _____

For: CHICAGO TITLE COMPANY

By _____
Cheryl Yanez-Williams
Senior Vice President

By _____
W. Joe Goodman
Senior Vice President

City Business License Number: 0002619093-0001-9

Internal Revenue Service ID Number: 36-3341513

Unique Entity Identification Number: RRZ4P7YPLNR8

Council File/CAO File Number: ##-####; Date of Approval: ###/###/####

Said Agreement is Number C-144272 of City Contracts, Amendment 1