

# CLA Memorandum

TO: Office of the City Clerk

FROM: Sharon M. Tso   
Chief Legislative Analyst

Assignment No. 20-12-1089

## **Memorandum: Overview of Establishing a Youth Development Office or Department**

On behalf of the Office of Councilwoman Monica Rodriguez, we are requesting the attached informational memorandum, prepared by the Chief Legislative Analyst and the City Administrative Officer regarding an *Overview of Establishing a Youth Development Office or Department*, be uploaded to C.F. 16-0596-S2.



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Xochitl Ramirez  
Analyst

CC: Councilwoman Monica Rodriguez, Council District 7  
Richard H. Llewellyn, City Administrative Officer

Attachments: 1. CAO/CLA Youth Development Memo

SMT:xr


**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05772-0000

Date: October 7, 2020

To: Councilmember Monica Rodriguez  
Council District 7

From: Sharon M. Tso   
Chief Legislative Analyst

  
Richard H. Llewellyn Jr.  
City Administrative Officer

Subject: **OVERVIEW OF ESTABLISHING A YOUTH DEVELOPMENT OFFICE OR DEPARTMENT**

## SUMMARY

As requested, by Olivia McGovern of your office, we have prepared the following informational memorandum relative to the components for establishing a new department or office dedicated to youth development as well as related matters. This memorandum identifies legislative and policy options for creating a department or office, the process for identifying a department or office's mission and goals, the differences between an office and a department, the estimated cost of two budgetary models, potential funding options, and oversight structure.

The estimated cost of two budgetary models provided herein are for informational purposes only and provide a general range of funding and positions that may be deployed, depending on the scope and type of services provided by a new office or department. In order to develop an actual budget, the specific role and comprehensive responsibilities of the proposed youth development office or department are needed, including a final youth development strategy. Additionally, the two budgetary models provided herein assume the establishment of a new and separate City office or department, not a new division within an existing City department. Establishing a new office within an existing City department could potentially result in cost savings and other efficiencies as the new youth development office could use the existing administrative structure in place within an existing department.

## DISCUSSION

In 2018, City departments were requested to submit information to the Health, Education, and Neighborhood Councils Committee regarding youth programs they provided during Fiscal Year 2017-18 (CF No. 16-0596-S1). A total of 26 City departments submitted responses. These responses revealed that in Fiscal Year 2017-18, the City offered a total of 133 youth programs with an approximate funding level of \$178.1 million. These programs served approximately 2.3 million youth in the City. The types of programs and the age range of the youth served varied significantly.

On December 11, 2019, the City Council approved the establishment of the Youth Development Task Force (CF No 16-0596-S1). The Task Force was charged with formulating a Citywide Youth Development Strategy. Since April 2020, the Task Force has met twice a month. The ultimate goal of the Task Force is to submit recommendations for establishing a new department or office dedicated to youth development programming.

### **Creation of Department or Office – Ordinance or Charter Amendment**

The City Council can create a department or office dedicated to youth development programming by ordinance or Charter amendment. Pursuant to City Charter Section 214, the Council may, by ordinance, create additional departments, offices, and boards whenever the public necessity or convenience may require. Through this option, the City Council can request the City Attorney draft an ordinance that establishes a department or office dedicated to youth development. An ordinance may be amended through legislative action from time to time, so departments, offices, and boards established by ordinance may be modified or eliminated by future City Council and Mayor action.

Another option the City Council may employ to establish a department or office is through the adoption of a Charter amendment. Under this approach, the City can place a measure, containing the Charter amendment language establishing the department or office, on a ballot for consideration by the voters. If the measure is approved by a majority of the voters, the department or office is formally established by City Charter. Modifications to or elimination of departments, offices, and boards established by City Charter are subject to the Charter provisions that established them.

The summary of legislative deadlines for placing a Council-sponsored measure on the ballot will not be released until April 2021. However, should the City Council decide to place a measure on the ballot during the next Primary Election scheduled to take place on March 8, 2022, the City Council has until 125 days before the election (November 3, 2021) to request the City Attorney prepare a ballot resolution and title. It is important to note that placing a measure on the ballot requires additional time for the City Council to consider the viability of a proposal. In addition, there are election costs associated with placing a measure on the ballot. These expenses range from \$1 million (if bundled with other measures) to \$10 million (sole measure on the ballot), and the City would have to identify funds to support these costs.

An issue to consider regarding the above dates is that they are subject to change due to the adoption of SB 970 (Umberg) by the State Legislature and Governor. The adoption of SB 970 would change the date of the statewide direct primary to the first Tuesday after the first Monday in June in even-numbered years in which there is no presidential primary (June 7, 2022). The City Clerk is in the process of determining the effect of SB 970 on City elections scheduled in 2022, including potential changes to legislative deadlines associated with placing a measure on the ballot.

The Office of Public Accountability (OPA) and the Department of Cannabis Regulation (DCR) are two recent examples of Charter amendments that took place to establish an office or department. In 2011, the OPA was established by voter-approved Charter Amendment I

(adopted March 8, 2011) to shed greater light on the Department of Water and Power's operations and finances, and to serve as an independent watchdog charged with analyzing proposed increases in water and power rates on a timely and continuous basis. Subsequently, in 2017 Measure M passed giving the City Council the full authority to regulate cannabis-related activity within the City. With that authority, the Department of Cannabis Regulation was established by ordinance in July 2017.

### **Mission/Parameters of Operation/Oversight**

Whether the City Council decides to establish a department or office through the adoption of an ordinance or through the adoption of a voter-approved Charter amendment, certain governance elements should be identified as part of its establishment. This includes identifying the mission and goals of the department or office. A mission is a general objective intended to provide guidance on the direction of the department or office. In the matter of youth development, this may consist of a mission which seeks to ensure services and opportunities to improve the quality of youth services in the City.

The next governance element which should be identified as part of the creation of a department or office concerns the parameters of operation of the department or office. The parameters of operation set forth how the department or office will go about achieving its mission and goals. A department or office focused on youth development matters may pursue its mission by monitoring and promoting existing youth services programs in the City. It may also provide policy advice to City departments that operate these programs in order to maximize benefits to City youth. In this case, these auxiliary-oriented components form the basis for the department/office's parameters of operation.

In another case, a department or office may have a more expanded parameter of operation whereby it directly administers a youth development program or series of programs. This department or office is directly involved in the delivery of services and ensuring associated outcomes, such as at the Department of Recreation and Parks and the Housing and Community Investment Department.

In City practice, the parameters of operation also determine whether the entity is an office or department. If the parameters of operation are moderate in scope and staffing, then the entity is generally established as an office. An example of this type of office is the Office of Community Beautification that provides a variety of services and programs such as graffiti abatement, volunteer programs, public right-of-way cleanups, the adopt-a-median program, and the sidewalk rebate program. On the other hand, if the parameters of operation call for greater scale to conduct its functions, then it is generally established as a department. City departments are characterized by a variety of program scopes and commensurate staffing levels to support them. This distinction should be considered as it is determined whether to establish an office or a department.

### **Budget**

The sample budgets below are provided for informational purposes only and provide a general range of funding and positions that may be deployed, depending on the scope and type of services provided by a new office or department. In order to develop an actual budget, the

specific role and comprehensive responsibilities of the proposed youth development office or department are needed, including a final youth development strategy. The examples below assume the establishment of a new and separate office or department, not a new division within an existing department. Establishing a new office within an existing department could potentially result in cost savings and other efficiencies as the new youth development office could use the existing administrative structure in place within an existing department.

The examples to follow are based on current year cost estimates which are subject to revision for the 2021-22 Fiscal Year. These estimates do not include potential office space expenses such as lease costs or costs associated with alterations and improvements. In order to provide office space cost estimates, the Department of General Services requires specific information about the new proposed department, including number and classification of employees and the type of office space needed. The estimates below do not include information technology costs such as computers, telephones, and networks. Both department budget examples below utilize the current salary of the General Manager of El Pueblo de Los Angeles as an estimate for the head of the new department. The final salaries for new position classifications, including heads of new City departments, are determined by the City Administrative Officer Employee Relations Division in conjunction with the City Executive Employee Relations Committee (EERC). Upon recommendations from the EERC, the establishment of new position classifications requires an ordinance drafted by the City Attorney. The salary cost estimates for the other positions in the examples below are based on the current middle step (Step 7) salary of those classifications. The salary related costs estimates were calculated using the Controller's draft Cost Allocation Plan Rate 42 for El Pueblo de Los Angeles as a placeholder. Related costs consist of employee benefits and City administrative expenses.

### **Budgetary Model 1 – Coordination of Current Youth Services**

The first model assumes a new Office of Youth Services (OYS) limited to coordinating existing youth services within the City as part of the youth services strategy, providing some coordination with regional agencies and providers of youth services, and serving as a central source of information to the public regarding these services. This model assumes that staff in the Office of the City Clerk will provide City accounting and related administrative support, the costs of which are subject to determination and not included in this estimate. The OYS department model includes five positions consisting of one Executive Director, two Management Analysts, and two Administrative Clerks. The responsibilities of the Executive Director would include, but not be limited to, managing the operation of the OYS, coordinating and working with other City departments in implementing the youth development strategy on a citywide basis, and responding to City management including elected officials. The Management Analysts would be responsible for coordinating with other City departments to maintain comprehensive knowledge of all City youth programs, coordinating with agencies, providers, and other entities outside the City, proactive outreach to potential target recipients of services, and responding to public inquiries. The Administrative Clerks would provide clerical and administrative support to both the Executive Director and Management Analysts. The twelve-month cost for salaries, non-salary expenses, and related costs is \$881,920. Non-salary expenses were calculated based on a standard per employee cost formula used by the Department of Building and Safety for new employees and with the inclusion of a multiplying factor for small, new departments. The actual costs and staffing level for a new youth development office may vary based on the work to be performed.

Please see the projected cost breakdown below:

**Twelve-Month Cost Estimate for Coordinating Office of Youth Services**

<b>Staffing</b>	<b>Annual Salary</b>	<b>Count</b>	<b>Cost</b>
<b>Executive and Administrative Staff:</b>			
Executive Director / General Manager	\$ 173,262	1	\$ 173,262
Administrative Clerk	49,381	2	98,762
<b>Youth Programs Coordination Staff:</b>			
Management Analyst	92,164	2	184,328
<b>Position Total</b>		<b>5</b>	<b>\$ 456,352</b>
Related Costs Estimate			\$ 325,698

<b>Total Position Cost</b>	<b>\$ 782,050</b>
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<b>Expense Account</b>	<b>Account Number</b>		<b>Cost</b>
Printing and Binding	2120		\$ 1,650
Contractual Services	3040		16,620
Transportation	3310		3,000
Office and Administrative	6010		77,100
Operating Supplies	6020		1,500
<b>TOTAL EXPENSE COST</b>			<b>\$ 99,870</b>

<b>GRAND TOTAL</b>	<b>\$ 881,920</b>
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**Budgetary Model 2 – New or Enhanced Direct Youth Services**

The second model builds on Budgetary Model 1 by providing an outline of a new department with program support staff for direct youth development programs in addition to the coordination of services within the City and other jurisdictions. The second model adds five additional positions consisting of one Senior Accountant I, one Accounting Clerk, and, for program support, one Project Coordinator, one Management Analyst, and one Management Assistant for various new or expanded direct youth development services for the City's youth. The department can assign each staff to a specific direct service program, or have the staff work as a team in coordinating multiple direct programs. This department budget model consists of 10 positions. The total 12-month cost for salaries, non-salary expenses, and related costs is \$1,713,363. Of the total \$133,240 in the Contractual Services Account, \$100,000 is included for the support of three additional new or expanded youth program services. The actual costs and staffing level



for the new department may vary based on the programs contemplated for inclusion in the new department.

### **Twelve-Month Cost Estimate for Youth Development Department**

<b>Staffing</b>	<b>Annual Salary</b>	<b>Count</b>	<b>Cost</b>
<b>Executive and Administrative Staff:</b>			
Executive Director / General Manager	\$ 173,262	1	\$ 173,262
Management Analyst	92,164	2	184,328
Administrative Clerk	49,381	2	98,762
Senior Accountant I	83,979	1	83,979
Accounting Clerk	64,331	1	64,331
<b>Youth Program Staff:</b>			
Project Coordinator (Program A)	85,318	1	85,318
Management Analyst (Program B)	92,164	1	92,164
Management Assistant (Program C)	65,626	1	65,626
<b>Position Total</b>			
		<b>10</b>	<b>\$ 847,770</b>
Related Costs Estimate			605,053
<b>TOTAL POSITION COST</b>			<b>\$ 1,452,823</b>
<b>Expense Account</b>	<b>Account Number</b>		<b>Cost</b>
Printing and Binding	2120		\$ 3,300
Contractual Services	3040		133,240
Transportation	3310		6,000
Office and Administrative	6010		115,000
Operating Supplies	6020		3,000
<b>TOTAL EXPENSE COST</b>			<b>\$ 260,540</b>
<b>GRAND TOTAL</b>			<b>\$ 1,713,363</b>

### **Changes to Current City Youth Programs**

Different considerations and discussions are required before transferring current City youth development programs to a new youth development department. Many current City youth services are supported by various Special Funds, including federal and other grants, which may have different restrictions and requirements regarding oversight of the funds. For example, the federal legislation governing workforce development grants requires oversight by the local Workforce Development Board regarding budget, expenditure, and programs of the grant. In

these situations, it may be advisable to keep the program with the department associated with the required oversight entity.

Discussions to transfer current programs and related staffing into a new youth department as well as other proposed changes to existing City programs would require input from the impacted City Departments to: 1) determine the operational, programmatic and service impacts of such changes; 2) identify which staff and funding sources would need to be transferred; and 3) evaluate the impact of these changes on both departments' mission and structure. This effort would require a comprehensive analysis as to the equitable distribution of resources and funding between the existing and proposed departments. This would help ensure that existing programs retain adequate administrative support and resources and that specific requirements related to Special Funds are fulfilled. As part of this process, the Personnel Department's assistance would be needed to address issues associated with staffing movement between departments and compliance with Civil Service requirements. It should be noted that a decision to move forward with program changes at this time, whether on a small or large scale, would further impact departments facing hard hiring freezes, fiscal restraint efforts, pending employee furloughs and likely budget reductions in response to the City's fiscal crisis.

### **Funding Sources**

A discussion regarding the transfer or use of various Special Funds currently funding City youth programs would require input from the City Departments currently administering those funds.

The Council may choose to allocate General Fund dollars for the establishment of a new office or department with new positions. The Council and Mayor have set aside \$90 million in former Los Angeles Police Department (LAPD) funds in the Unappropriated Balance for disadvantaged communities among other potential uses (C.F. 20-0600). A separate joint report from the Chief Legislative Analyst and the City Administrative Officer is pending regarding the use of these funds. The former LAPD funds are available on a one-time basis and, should they be used to establish a new department or office, additional resources to continue support would need to be requested through the annual City budget development process.

Due to the City's ongoing fiscal crisis and lower than budgeted revenue stemming from the coronavirus pandemic, use of the General Fund to fund new programs and program expansions may be unlikely. As recently reported by the Office of the City Administrative Officer, in addition to furloughs, additional austerity measures will be required for the City to meet its current 2020-21 budget, including possible layoffs. Revenues are expected to be drastically lower than the 2020-21 Budget which all but ensures that current City programs will need to have their funding reduced or eliminated. Any new requests for funding from the General Fund should be made as part of the 2021-22 budget development process so that they can be evaluated along with the City's comprehensive funding priorities.

### **Department/Office Oversight Structure**

An additional element that should be identified as part of the creation of a department or office is the oversight structure. The following section discusses various oversight models that should be considered as part of the formation of a department or office in order to ensure accountability.



**Citizen Commission:** In City practice (City Charter Section 501 and 506), many departments or offices are generally overseen by a citizen commission appointed by the Mayor and confirmed by the City Council. They oversee the general policy and operational direction of a department or office, including the consideration of contracts and personnel matters. In other instances, citizen commissions may be advisory in nature. They have no direct authority over the operations of a department or office; however, they provide guidance on new initiatives and efforts. Some examples include the Department of Transportation's Bicycle Advisory Committee and Pedestrian Advisory Committee. The purpose of the Pedestrian Advisory Committee is to advise the City on important mobility issues that impact people walking. Similarly, the Bicycle Advisory Committee does the same but for mobility issues that impact bicyclists.

**General Manager:** Another oversight approach involves placing an office within an existing department. An office which is contained within an existing department is ultimately overseen by the general manager of the department, and the citizen commission which oversees the department should such a commission be in place. The Office of Petroleum and Natural Gas Administration and Safety is an example of this type of office. It is housed within the Board of Public Works which is overseen by the Public Works Commission.

**Elected Office:** A similar placement option involves placing an office within an office of an elected official such as the Office of the Mayor. The Office of Gang Reduction and Youth Development is an example of this approach.

### **Conclusion and Issues to Consider**

In conclusion, we have discussed the two different ways a department or office may be created, as well as two potential staffing and budgetary models. A department or office may be established by ordinance requiring City Council/Mayor approval or by Charter amendment requiring its placement on a ballot for voter consideration. Consideration of both of these options should be based on the specific goals and parameters of the specific department or office to be created. There are currently many programs that focus on serving the youth across the City. It is critical that a youth development strategy be developed in order to provide the Council a blue print for the potential development and management of a youth department or office. The decision to create new programs or move existing programs into a new department or office is a policy decision that would have significant impacts on departments currently facing staffing, program and funding reductions as a result of the fiscal crisis and the pandemic. Should the City Council decide to move forward with the creation of a department or office, resource allocation and funding should be considered as part of the Fiscal Year 2021-22 budget process and considered as part of the City's overall funding priorities. Ultimately, the department or office would be focused on youth development programming based on the recommendations made by the Youth Development Task Force and the decisions made by the City Council and Mayor.