

TRANSMITTAL

To: **THE COUNCIL**

Date: **04/20/21**

From: **THE MAYOR**

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.

A handwritten signature in blue ink, appearing to be 'Eric Garcetti', is written over the printed name.

(Ana Guerrero) for

ERIC GARCETTI
Mayor



Eric Garcetti, Mayor
Ann Sewill, General Manager

Community Services & Development Bureau
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March 23, 2021

Council File No.: 18-0968; 19-1204
Council Districts: All
Contact Persons: Abigail Marquez 213-808-8462
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Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall
200 N. Spring Street
Los Angeles, CA 90012

Attention: Heleen Ramirez, Legislative Coordinator

COUNCIL TRANSMITTAL: REQUEST FROM THE LOS ANGELES HOUSING + COMMUNITY INVESTMENT DEPARTMENT FOR AUTHORITY TO REPROGRAM \$114,000 IN HOUSING OPPORTUNITIES FOR PERSONS WITH HIV/AIDS (HOPWA) PROGRAM FUNDING AND AMEND THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES CONTRACT C-135968, AND AMEND AND REPROGRAM \$3,685 FOR THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY CONTRACT C-134027

SUMMARY

The General Manager of the Los Angeles Housing + Community Investment Department (HCIDLA) respectfully requests that your office review and approve this transmittal and forward it to the City Council for further consideration and approval. Through this transmittal, HCIDLA seeks approval to amend the agreement C-135968 and to reprogram \$114,000 in federal funding contracted to the Housing Authority of the City of Los Angeles (HACLA), and amend the Los Angeles County Development Authority (LACDA) contract C-134027 and reprogram funds in the amount of \$3,685 for LACDA's contract for HOPWA services. These proposals to reprogram funds and amend contracts are necessary to avert service disruptions for clients.

Funding for the HOPWA program is provided annually to the City of Los Angeles by the U.S. Department of Housing and Urban Development (HUD) and approved as part of the Consolidated Plan. The HOPWA program provides rental assistance and supportive services countywide for low-income persons living with HIV/AIDS and their families.

RECOMMENDATIONS

- 1) That the Mayor review this transmittal and forward it to the City Council for further consideration;
- 2) That the City Council, subject to the approval of the Mayor:
 - a) AUTHORIZE the General Manager, HCIDLA, or designee, to execute an amendment to the City’s contract with HACLA, C-135968, to reprogram the use of existing funds from the administrative use category to increase the rental assistance use category by \$114,000 from the HOPWA Program Year 45 for the term ending June 30, 2020, for rental assistance provided to clients of the Tenant-Based Rental Assistance (TBRA) Program. (CF No. 18-0968);
 - b) AUTHORIZE the HCIDLA General Manager, or designee, to execute an amendment to the City’s contract with the LACDA, C-134027, to reprogram the use of existing funds from the administrative use category to increase the rental assistance use component by \$3,685 from the HOPWA Program Year 46 for the term ending June 30, 2021, for rental assistance provided to clients of the Tenant-Based Rental Assistance (TBRA) Program. (CF No. 19-1204);
 - c) AUTHORIZE the Controller to:

- i) Transfer appropriations within the HOPWA Fund No. 569 for HACLA C-135968 as follows:

	Account	Account Name	Amount
From	43S332	HOPWA Project Sponsor	\$ 114,000.00
To	43S313	HOPWA Rental Assistance	\$ 114,000.00

- ii) Transfer appropriations within the HOPWA Fund No. 569 for LACDA C-134027 as follows:

	Account	Account Title	Amount
From	43T332	HOPWA Project Sponsor	\$ 3,685.00
To	43T313	Tenant Based Rental	\$ 3,685.00

- d) AUTHORIZE the General Manager of HCIDLA, or designee, to prepare Controller’s instructions and any technical adjustments consistent with Mayor and City Council actions related to this matter, subject to the approval of the City Administrative Officer (CAO), and request the Controller to implement these instructions.

BACKGROUND

The HOPWA program provides housing assistance and related supportive services for low-income persons with HIV/AIDS and their families. The City of Los Angeles has been the countywide administrator of the federal HOPWA grant through the Consolidated Plan since the 1990s. The City’s 20-21 HOPWA grant is \$19.5 million. HCIDLA contracts with 19 service providers, including HACLA and LACDA. These two contractors assess program eligibility, conduct unit inspections for habitability

standards, determine rent reasonableness, and provide TBRA certificates, similar to the Section 8 program, to persons and their families living with HIV/AIDS who are experiencing housing insecurities.

HACLA recently identified an unanticipated funding shortfall in their rental assistance component to permanently house clients until the end of the grant period. As a result, HACLA exceeded the housing subsidy category line item in the 2019-20 budget and requested to move available funding from the allocation for administrative funding to cover the shortfall to their rental assistance program.

Recommendation: Reprogram \$114,000 HACLA HOPWA Service Provider Admin Funds to HACLA TBRA for contract C-135968.

LACDA recently identified an unanticipated funding shortfall that prevents LACDA from transitioning HOPWA TBRA clients to the Housing Choice Vouchers (HCV) program because vouchers were not available. LACDA identified a need for additional HOPWA rental assistance to permanently house clients until the end of the grant period. LACDA's administrative funding category line item exceeds the maximum administrative amount allowable by HUD, so funds are available to reprogram. HCIDLA is requesting to move funding from their administrative category line item to their rental assistance program.

Recommendation: Reprogram \$3,685 LACDA HOPWA Service Provider Admin Funds to LACDA TBRA for contract C-134027.

The above changes will be reported to HUD as required.

FISCAL IMPACT

There is no impact on the City's General Fund. All costs are paid with federal grant funds.