

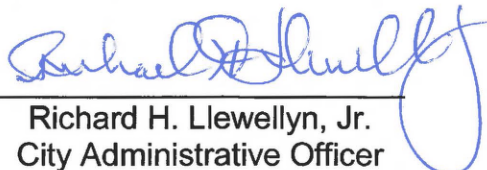
0220-05151-0057

TRANSMITTAL

TO The City Council	DATE 10-26-18	COUNCIL FILE NO. 18-0628
FROM Richard H. Llewellyn, Jr., City Administrative Officer	COUNCIL DISTRICT ALL	

At its October 25, 2018 meeting, the Homeless Strategy Committee (HSC) considered recommendations from the Office of the City Administrative Officer (CAO) relative to the attached report regarding the Homeless Emergency Aid Program (HEAP) Grant Status and Funding Requests.

The HSC recommends that the Council, subject to approval of the Mayor, approve the recommendations in the attached report.


Richard H. Llewellyn, Jr.
City Administrative Officer

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: October 24, 2018

CAO File No. 0220-05151-0056

Council File No. 18-0628

Council District: All

To: The Homeless Strategy Committee

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: State of California Homeless Emergency Aid Program

Subject: **Homeless Emergency Aid Program (HEAP) Grant Status and Funding Requests**

RECOMMENDATION

That the Homeless Strategy Committee review the following recommendations and forward to the City Council for consideration:

1. Approve the following uses of Homeless Emergency Aid Grant funds:
 - a. \$100,000 for a contract with the County Department of Health Services for real estate evaluation and rehabilitation services related to privately owned buildings proposed as bridge housing facilities;
 - b. \$1,600,000 for the Department of Public Works Bureau of Engineering for consultant services to perform California Environmental Quality Act (CEQA) analysis and design services for proposed bridge housing facilities;
 - c. \$363,072 for the General Services Department for staffing, consultant and equipment costs associated with implementing approved bridge housing facilities; and
 - d. \$11,066 for the City Administrative Officer for 12 months of overtime for accounting transactions.
2. Authorize the Controller to:
 - a. Transfer \$100,000 from the Homeless Emergency Aid Program Grant Fund No. 60P/10, AC-3 Programs and Services to the Office of the City Administrative Officer Fund No. 100/10, Account No. 003040 Contractual Services;
 - b. Transfer \$1,600,000 from the Homeless Emergency Aid Program Grant Fund No. 60P/10, AC-1 – Capital and Operating Support to a new account in the Engineering Special Services Fund No. 682, Department No. 50, entitled "Crisis Bridge Housing Facilities - Various Engineering Services;"
 - c. Transfer \$124,612 from the Homeless Emergency Aid Program Grant Fund No. 60P/10, AC-5 Administrative Costs to the General Services Department Fund No. 100/40, Account No. 001010 Salaries General;
 - d. Transfer \$238,460 from the Homeless Emergency Aid Program Grant Fund No.

60P/10, AC-1 – Capital and Operating Support to the following accounts; and

Fund/Department	Account Number	Account Title	Amount
100/40 General Services Department	003040	Contractual Services	\$ 50,000
100/40 General Services Department	003180	Construction Materials	\$ 114,000
100/40 General Services Department	001010	Salaries General	\$ 74,460

- e. Transfer \$11,066 from the Homeless Emergency Aid Program Grant Fund No. 60P/10, AC-5 Administrative Costs to the Office of the City Administrative Officer Fund No. 100/10, Account No. 001090 Overtime General.

3. Authorize the City Administrative Officer, or designee, to make any technical and/or accounting corrections or clarifications to the above instructions in order to effectuate the intent of this report, and authorize the Controller to implement these instructions.

SUMMARY

The City of Los Angeles received \$85,013,607 from the State of California's Homeless Emergency Aid Program (HEAP). The City executed its grant agreement with the State on October 3, 2018, and received the funding on October 22, 2018. The grant has strict commitment and expenditure deadlines: 50 percent of funds must be obligated by January 1, 2020; and 100 percent must be expended by June 30, 2021. This report provides the status of fund commitments and expenditures by activity category and requests approval of new funding requests.

MAYOR AND COUNCIL APPROVED ACTIONS

The Mayor and Council approved two motions (Attachments 1 and 2) for bridge housing sites that directed our Office to use HEAP funds if these became available prior to the start of the construction on the sites instead of funds from the Unappropriated Balance (UB). HEAP funds have been transferred for these projects as follows:

1. 1533 Schrader Boulevard (Council District (CD) 13) – This site will house 70 individuals in the Council District 13 in Hollywood. \$1,669,861 of HEAP funds was approved for this site (C.F. 18-0352).
2. Veterans Administration (VA) Westwood Campus (CD 11) – In partnership with the VA and the County of Los Angeles, the City is funding a bridge housing facility for 100 homeless veterans. \$2,184,989 of HEAP funds was approved for this site (C.F. 18-0510-S1).

The third action approved for HEAP funding, (C.F. 16-0345-S6), is a \$450,000 allocation to Los Angeles LGBT Center for the Anita May Rosenstein Campus Youth Supportive Housing in Council District 4, from Activity Category 4, Attachment 3.

NEW FUNDING REQUESTS

1. Motion (Koretz – Harris-Dawson; C.F. 18-0841-S1) requesting HEAP funds in the amount of \$100,000 from Activity Category 3 for an agreement with the County Department of Health Services for real estate evaluation and rehabilitation services related to privately owned buildings proposed as bridge housing facilities (Attachment 4). We recommend approval of this request.
2. Bureau of Engineering (BOE) – The City's BOE is a critical part of the Bridge Home Program. The BOE is responsible for assessing site feasibility, conducting California Environmental Quality Act (CEQA) analysis and designing the sites. At this time, we recommend funding of \$1.6 million from Activity Category 1 for the following:
 - a. \$400,000 for CEQA analysis for four (4) new sites, estimated at \$100,000 per site;
 - b. \$200,000 for the feasibility studies for four (4) new sites, estimated at \$50,000 per site;
 - c. \$1,000,000 for the design of six (6) sites for which the CEQA analysis has been completed or will be shortly, estimated at \$150,000 per site and at \$250,000 for the larger site.
3. General Services Department (GSD) – The City's GSD is also critical to the success of the Bridge Home Program (Program). GSD's Construction Forces Division (CFD) is responsible for constructing all of the sites; Real Estate Services Division (RESO) for negotiating and executing the leases between the City, other public agencies, private-owners, and service providers; and Supply Services Division (SSD) for supporting the procurement process to obtain construction materials, equipment, and furniture required within each shelter and processing the related invoices. CFD received authorization to fill seven positions but needs funding for dedicated construction tools for the Program and vehicles to transport staff and construction materials to the various sites. This Office recommends funding in the amount of \$74,000 to lease seven vehicles and \$50,000 for the purchase of construction tools. This Office further recommends funding and the activation of substitute authority positions for one Senior Real Estate Officer and one Supply Services Payment Clerk to address the temporary increase in workload in RESO and SSD. Contracted funds are recommended to support the Supply Services Division manager with consultant services to conduct research on best practices and available existing governmental contracts that may expedite the City's procurement process for the Program.

The CAO recommends:

- a. \$124,612 from Activity Category 5 to support one substitute authority for a Senior Real Estate Officer;
- b. \$238,460 from Activity Category 1 for the following:
 - i. \$74,460 to support one substitute authority for a Supply Services Payment Clerk;
 - ii. \$50,000 for consultant services to support SSD;
 - iii. \$74,000 for the annual lease cost of seven (7) vehicles; and
 - iv. \$40,000 to purchase construction tools.

Both the BOE and GSD requests were made directly to the CAO as part of our weekly meeting on the status of the Bridge Housing Program.

4. City Administrative Officer (CAO) – As the HEAP Grant Administrator, the CAO is responsible for managing the overall grant and transferring the approved allocations to the respective departments. At this time, because the number of transactions is unknown we are requesting \$11,066 for 12 months (November 2018 – October 2019) to cover any needed overtime for CAO staff providing the accounting support for HEAP transactions, from Activity Category 5.

STATUS OF FUNDING BY ACTIVITY CATEGORY

The chart below summarizes HEAP allocations to each approved activity category and committed funds, based on Mayor and Council approved actions and new funding requests outlined in this report.

	Activity Category	Amount	Funds Committed	Funds Expended	Uncommitted Funds Remaining
1	Capital and Operating Support for Short Term Housing Interventions and Capital for Permanent Housing	\$45,000,000.00	\$5,693,310.00	\$0.00	\$39,306,690.00
2	Capital and Operating Support for Short Term Housing Interventions, Capital for Permanent Housing, and Homeless Services in the Skid Row Area of Los Angeles	\$20,000,000.00	\$0.00	\$0.00	20,000,000.00
3	Capital and Operating Support for Short Term Housing Interventions, Homeless Prevention and Diversion Programs, General Homeless Services and Hygiene Services	\$11,512,246.30	\$100,000.00	\$0.00	\$11,412,246.30
4	Homeless Services for Youth or Youth at Risk of being homeless (min of 5%)	\$4,250,680.35	\$450,000.00	\$0.00	\$3,800,680.35
5	Administrative Costs (capped at 5%)	\$4,250,680.35	\$135,678.00	\$0.00	\$4,115,002.35
	Total	\$85,013,607.00	\$6,378,988.00	\$0.00	\$78,634,619.00

FISCAL IMPACT

There is no impact to the General Fund as a result of approving the recommendations in this report. The approved recommendations will be funded with State HEAP grant funds.

Attachments

1. Budget and Finance Committee Report relative to the proposed Crisis and Bridge Housing facility at 1533 Schrader Boulevard
2. Homelessness and Poverty Committee Report relative to Bridge housing on the U.S. Department of Veterans Affairs (VA), West Los Angeles Campus
3. Report from the City Administrative Officer and Chief Legislative Analyst relative to Gap Funding in the amount of \$450,000 for the Los Angeles LGBT Center Anita May Rosenstein Campus.
4. Motion (Koretz – Harris-Dawson; C.F. 18-0841-S1) relative to an agreement with the County Department of Health Services for real estate evaluation and rehabilitation services.

BUDGET AND FINANCE COMMITTEE REPORT relative to a possible Crisis and Bridge Housing facility located at 1533 Schrader Boulevard.

Recommendations for Council action, as initiated by Motion (O'Farrell - Harris-Dawson),
SUBJECT TO THE APPROVAL OF THE MAYOR:

1. DETERMINE that the use of Los Angeles Department of Transportation (LADOT) Lot 649, at 1533 North Schrader Boulevard as a bridge housing facility is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article 19, Sections 15301, Class 1 Existing Facilities, 15303 Class 3(c) New Construction of Small Structures, 15304 Class 4(a)(b)(e) Minor Alterations to Land, and 15332 Class 32 Infill Development Projects. The project is also categorically exempt under the City of Los Angeles CEQA Guidelines, Article III, Section 1, Class 1(12) Existing Facilities, Class 4(1)(3)(6) Minor Alterations to Land.
2. APPROVE the use of LADOT Lot 649, at 1533 Schrader Boulevard as a bridge housing facility for up to 36 months.
3. INSTRUCT the Department of General Services (GSD), working with the LADOT and the City Attorney, to negotiate and execute any necessary license or other appropriate agreement with the Los Angeles Homeless Services Authority, or another nonprofit entity, to enter the property at 1533 Schrader Boulevard for the purpose of providing the services required to operate the proposed bridge housing facility thereon.
4. APPROVE funds in the amount of \$3,003,194 to develop a bridge housing facility on the LADOT Lot 649, at 1533 Schrader Boulevard. Funds to be appropriated from the Crisis and Bridge Housing Fund line item within the General City Purposes Fund No. 100/56 and the Unappropriated Balance Fund No. 100/58, Homeless Services Program. If the City of Los Angeles' allocation of State of California Homeless Emergency Aid Program grant funds are approved by the State of California, allocate funds from the California Homeless Emergency Aid Program grant instead of the General City Purposes Fund No. 100/56 and the Unappropriated Balance Fund No. 100/58, Homeless Services Program.
5. ESTABLISH a new account within the Capital Improvement Expenditure Program Fund No. 100/54, entitled *Bridge Housing – 1533 Schrader* and APPROPRIATE the amount of \$2,253,194.
6. AUTHORIZE the Controller to appropriate the amount of \$3,003,194 to develop a Crisis and Bridge Housing site in Council District 13, as follows:
 - a. Appropriate \$1,333,333 from the General City Purposes - Fund No. 100/56, Account No. 000931, Crisis and Bridge Housing Fund as follows:
 - i. Transfer \$583,333 from the General City Purposes - Fund No. 100/56, Account No. 000931, Crisis and Bridge Housing Fund to the Capital Improvement Expenditure Program Fund No. 100/54, account entitled *Crisis and Bridge Housing - 1533 Schrader*.

- ii. Transfer the total of \$750,000 from the General City Purposes - Fund No. 100/56, Account No. 000931, Crisis and Bridge Housing Fund to the following accounts:

<u>Fund/Dept.</u>	<u>Account</u>	<u>Title</u>	<u>Amount</u>
100/40 General Services Department	001101	Hiring Hall Construction	\$100,000
100/40 General Services Department	001121	Hiring Hall Benefits Construction	\$100,000
100/40 General Services Department	003180	Construction Materials	\$250,000
100/78 Bureau of Engineering	001010	Salaries General	\$300,000

- b. Transfer \$1,669,861 from the Unappropriated Balance, Fund No. 100/58 Account No. 580272, Homeless Services Program to the Capital Improvement Expenditure Program Fund No. 100/54, account entitled *Bridge Housing - 1533 Schrader*.

7. DIRECT the City Administrative Officer (CAO) to prepare any additional Controller instructions or make any necessary technical adjustments consistent with Mayor and Council action in this matter; and, AUTHORIZE the Controller to implement these instructions.
8. DIRECT the CAO to prepare any additional Controller instructions to reimburse the Bureau of Engineering and GSD for their accrued labor and material cost related to this project from the Bridge Housing - 1533 Schrader account consistent with Mayor and Council action on this matter; and AUTHORIZE the Controller to implement these instructions.
9. INSTRUCT the City Homeless Coordinator to coordinate with Los Angeles County to identify funds for interim housing operations at this site, including, but not limited to County Measure H revenue.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes.

For: Hollywood Studio District Neighborhood Council
Central Hollywood Neighborhood Council

SUMMARY

At its regular meeting held on September 17, 2018, the Budget and Finance Committee considered Motion (O'Farrell - Harris-Dawson) relative to approval of the CEQA analysis and Categorical Exemption from CEQA for the proposed site located at 1533 Schrader Boulevard as a bridge housing facility. The Motion states that the City owns the site in Council District 13 that has approximately 21,000 square feet of available space and requests that the site be

evaluated for possible crisis and bridge housing for individuals experiencing homelessness, and funding be identified to effectuate such housing.

A representative of the CAO provided the Committee with a brief overview of the matter. During the briefing the CAO representative also reported that Homeless and Poverty Committee previously considered the matter at it's meeting of September 5, 2018 and had approved the Motion with various amendments. However, it was necessary to update those recommendations and the CAO representative submitted into the record substitute recommendations with revised CEQA language and appropriations / transfer information, and described the content of the substitute recommendations.

After consideration and after providing an opportunity for public comment, Budget and Finance Committee approved the substitute recommendations as detailed in Recommendations No. 1 - 9 above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	ABSENT
KORETZ:	YES
BLUMENFIELD:	YES
BONIN:	YES

REW 9/18/18 FILE NO. 18-0352

-NOT OFFICIAL UNTIL COUNCIL ACTS-

File No. 18-0510-S1

CATEGORICAL EXEMPTION and HOMELESSNESS AND POVERTY COMMITTEE REPORT relative to bridge housing on the U.S. Department of Veterans Affairs (VA), West Los Angeles Campus.

Recommendations for Council action, as initiated by Motion (Bonin - Huizar - Krekorian),
SUBJECT TO THE APPROVAL OF THE MAYOR:

1. DETERMINE that the project to use the West Los Angeles Campus site of the VA as a bridge housing facility is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19, Sections 15301 Class 1(h), 15303 Class 3(c), and 15304 Class 4(a)(b)(e), as well as City of Los Angeles CEQA Guidelines, Article III, Section 1, Class 1(8)(12) and Class 4(1)(3)(6), as set forth in the Notice of Exemption attached to the Council file.
2. AUTHORIZE the City Administrative Officer (CAO) to negotiate and execute an agreement with the County of Los Angeles (County) and the VA outlining the following:
 - a. Roles and responsibilities of the City, County, and VA, including financing, construction, project management, and operating funding.
 - b. Necessary review and approval timeframes to ensure the facility opens on or before February 1, 2019.
 - c. Ownership of temporary structures when facility closes.
3. APPROVE funds in the amount of \$2,184,989 to establish and construct a bridge housing facility on the property at the VA's West Los Angeles campus; funds to be appropriated from the Unappropriated Balance Fund No. 10/58, Homeless Service Program; if the City of Los Angeles' allocation of State of California Homeless Emergency Aid Program (HEAP) grant funds is approved by State of California, allocate funds from the California HEAP grant instead of from the Unappropriated Balance Fund No. 10/58, Homeless Service Program.
4. AUTHORIZE the CAO to negotiate and execute an agreement with the County, or the County's designee, to accept funds in the amount of \$2,500,000 to establish and construct a bridge housing facility on the property at the VA's West Los Angeles campus.
5. ESTABLISH a new account within the Capital Improvement Expenditure Program Fund No. 100/54, entitled Bridge Housing - VA Campus and appropriate the amount of \$3,934,989.
6. AUTHORIZE the Controller to appropriate necessary funds to develop a Crisis and Bridge Housing site at the VA's West Los Angeles campus, as follows:
 - a. Appropriate \$2,184,989 from the Unappropriated Balance Fund No. 10/58, Homeless Service Program as follows:

- i. Transfer \$1,434,989 from the Unappropriated Balance Fund No. 10/58, Homeless Service Program to the Capital Improvement Expenditure Program Fund No. 100/54, account entitled Bridge Housing - VA Campus.
- ii. Transfer the total of \$750,000 from the Unappropriated Balance Fund No. 10/58, Homeless Service Program to the following accounts:

<u>Fund / Department</u>	<u>Account Title</u>	<u>Amount</u>
100/40 Department of General Services (GSD)	001101 Hiring Hall Construction	\$100,000
100/40 GSD	001121 Hiring Hall Benefits Construction	\$100,000
100/40 GSD	003180 Construction Materials	\$250,000
100/78 Bureau of Engineering (BOE)	001010 Salaries General	\$300,000

- iii. Authorize the Controller to transfer funds from the account entitled AC2 - Capital and Operating Support within the HEAP Special Fund to the Capital Improvement Expenditure Program Fund No. 100/54, account entitled Bridge Housing - VA Campus instead of the Unappropriated Balance Fund No. 10/58, Homeless Service Program, if the State of California has approved the City of Los Angeles' application for HEAP grant funds at the time the funds are needed.

- b. Upon receipt from the County, or the County's designee, authorize the Controller to deposit \$2,500,000 to the Capital Improvement Expenditure Program Fund No 100/54, account entitled Bridge Housing - VA Campus.

7. INSTRUCT the CAO to prepare any additional Controller instructions or make any necessary technical adjustments consistent with the Mayor and Council action in this matter; and, AUTHORIZE the Controller to implement these instructions.
8. INSTRUCT the CAO to prepare any additional Controller instructions to reimburse the BOE and the GSD for their accrued labor and material costs related to this project from the Bridge Housing - VA Campus account consistent with the Mayor and Council action on this matter; and, AUTHORIZE the Controller to implement these instructions.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

(Budget and Finance Committee waived consideration of the above matter)

Summary:

At a regular meeting held on October 3, 2018, the Homelessness and Poverty Committee considered Motion (Bonin - Huizar) regarding bridge housing at the VA's West Los Angeles campus. Councilmember Bonin provided an overview of the Motion and the site that is available for bridge housing. The Homeless Coordinator read into the record, the CEQA analysis and

requested to amend Recommendation No. 2 of this report, to enter into an agreement rather than a Memorandum of Understanding with the County of Los Angeles and the VA. After an opportunity for public comment, the Committee recommended to approve the CEQA and the Motion, with the amendment to Recommendation No. 2. This matter is now submitted to the Council for consideration.

Respectfully Submitted,



HOMELESSNESS AND POVERTY COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
HARRIS-DAWSON	YES
RODRIGUEZ	YES
HUIZAR	YES
BONIN	YES
PRICE	YES

SD

-NOT OFFICIAL UNTIL COUNCIL ACTS-

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05151-0045

Date: September 7, 2018

To: The Council

From: Richard H. Llewellyn, Jr., City Administrative Officer

Sharon M. Tso, Chief Legislative Analyst

Subject: **ITEM No. 26, COUNCIL AGENDA SEPTEMBER 7TH, 2018, CONTINUED CONSIDERATION OF THE BUDGET AND FINANCE REPORT RELATIVE TO THE MOTION (RYU - KREKORIAN) PROPOSING GAP FUNDING IN THE AMOUNT OF \$450,000 FOR THE LOS ANGELES LGBT CENTER ANITA MAY ROSENSTEIN CAMPUS C.F.16-0345-S6**

SUMMARY

On August 27, 2018 the Budget and Finance Committee (Committee) instructed the Office of the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA) to prepare a report in response to the attached Motion (Ryu - Krekorian), which proposes to allocate \$450,000 from the Homelessness Services line item in the Unappropriated Balance to the Los Angeles LGBT Center (LA LGBT Center) to fund 25 units of supportive housing for youth at the Anita May Rosenstein Campus (AMRC) located at 1136 N. McCadden Place in Council District 4 (C.F. 16-0345-S6). The Committee instructed the CAO and CLA to report whether funding proposed in the Motion is appropriate and whether other sources of funds are available for this project.

RECOMMENDATIONS

That the Council amend the Motion (C.F. 16-0345-S6) and replace the recommendations therein as follows, subject to approval of the Mayor:

1. APPROVE funds in the amount of \$450,000 from the City of Los Angeles' allocation of State of California Homeless Emergency Aid Program grant funds, subject to State of California approval of the City's application for these funds, for the Los Angeles LGBT Center Anita May Rosenstein Campus Youth Supportive Housing project to allow this project to begin construction in September 2018. If the State funds are not approved, funds should be allocated funds from the Homelessness Services line item in the Unappropriated Balance;
2. INSTRUCT the Housing and Community Investment Department to amend the contract with the Los Angeles LGBT Center to include these funds; and
3. AUTHORIZE the City Administrative Officer to prepare any controller instructions or make any necessary technical adjustments consistent with the Mayor and Council action on this matter and authorize the Controller to implement these instructions.

BACKGROUND

The Motion states that funding is needed for the AMRC Youth Supportive Housing project due to additional unforeseen costs resulting from required Department of Water and Power (DWP) project components. Since this project's original budget was approved, DWP estimated construction costs have tripled.

This project has been allocated the maximum allowable amount of Proposition HHH funding (C.F. 17-0090), therefore, an additional source of funds is needed. This report recommends that this gap funding be allocated from the State's Homeless Emergency Aid Program (HEAP), or if those funds are not available, the Homeless Services Programs line item in the Unappropriated Balance. The LA LGBT Center reports that the project is ready to begin construction once funds are committed.

The FY 2018-19 Adopted Budget includes \$10 million in the Homeless Services Programs line item within the Unappropriated Balance, described as follows:

"Funding for this item includes, but is not limited to, the following: (a) for Crisis and Bridge Housing; (b) Department of General Services costs to implement Crisis and Bridge Housing Fund programs; (c) Bureau of Engineering costs to implement Crisis and Bridge Housing Fund programs; (d) additional funding for shelter beds in Skid Row, and other areas experiencing homelessness; (e) funding for C3 Partnership Teams; (f) funding to expand Rapid Re-housing; (g) Trash Pick-up Pilot/"Clean Streets Clean Starts" Program; or (h) HOPE Teams."

The Motion's proposed use is not one of the primary goals stated in the description of the Homeless Services Programs line item in the Unappropriated Balance, however, gap financing for Proposition HHH projects is an eligible use of funds proposed for the City's anticipated \$85 million allocation from HEAP. CAO recommendations for the City's HEAP application are pending Council approval (C.F. 18-0628). These recommendations include \$3 million for each City Council District for "Capital and Operating Support for Short Term Housing Interventions and Capital for Permanent Housing". The AMRC Youth Supportive Housing project is an eligible use for these funds.

The State of California Business, Consumer Services and Housing Agency has confirmed that applications will be reviewed within 60 days of submission and funds will be transferred to the City upon approval. Further, funds approved by the City Council and Mayor within State-approved activity categories shall be considered obligated under this program. No further State approval will be required to expend

Therefore, we recommend that the Council approve the use of \$450,000 from Council District 4's portion of HEAP funds within the proposed "Capital and Operating Support for Short Term Housing Interventions and Capital for Permanent Housing" activity category. If HEAP funds are not available for this purpose, the \$450,000 should be allocated from the Homeless Services Programs line item in the Unappropriated Balance.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund as a result of approving the recommendations in this report. The recommendations in this report are in compliance with the City's Financial Policies in that there is no additional cost to the City.

Attachment

RHL:YCMB:SRB:16190006

ATTACHMENT

BUDGET & FINANCE

MOTION

Since 1969 the Los Angeles LGBT Center has cared for, championed, and celebrated LGBT individuals and families in Los Angeles and beyond. The Center's more than 600 employees provide services for more LGBT people than any other organization in the world, offering programs, services, and global advocacy that span four broad categories: Health, Social Services and Housing, Culture and Education, Leadership and Advocacy.

The new Anita May Rosenstein Campus (Campus), scheduled to open in early 2019 includes various services to the homeless population. The campus includes 99 units of affordable housing for seniors, 100 beds for homeless youth, new senior and youth centers, and 25 units of supportive housing for youth. The Campus will include various facilities and services such as drop in showers, laundry, meals, job training, case management and counseling, and addiction recovery services among others. The Anita May Rosenstein Campus will also house the Center's new administrative headquarters.

The Campus is funded through various funding mechanism including but not limited to, Prop HHH and private funding. Currently, there is a gap in funding for the 25 units of supportive housing for the youth due to the loss of a funding source and additional unforeseen costs. In order to continue the project and complete construction of the Campus for a timely opening, the Campus requires \$450,000 to fill a funding shortfall. The Unappropriated Balance in the FY 2018-19 Adopted Budget includes a line item for Homeless Services Programs which may be used for this purpose.

I THEREFORE MOVE that the City Council, subject to the approval of the Mayor approve \$450,000 from the Homeless Services Programs line item in the Unappropriated Balance to fund the 25 supportive housing units in the Anita May Rosenstein Campus for the LGBT Center.

I FURTHER MOVE that the City Council authorize the City Administrative Officer to prepare any Controller instructions or make any necessary technical adjustments consistent with the Mayor and Council action in this matter, and authorize the Controller to implement these instructions.

PRESENTED BY

2017
DAVID RYU

Councilmember, 4th District

SECONDED BY

Paul Kelleher

AUG 15 2018

pa



MOTION**HOMELESSNESS AND POVERTY**

On August 31, 2018, the City Council adopted Motion (Koretz - Blumenfield) instructing City staff to evaluate the property at 741 Gayley Avenue to determine if the property is suitable for development as a crisis and bridge housing facility (C.F. 18-0841).

This property is an existing building owned by Chabad House, which has residential space that may be appropriate for bridge housing. Given that City staff does not have requisite experience and expertise to fully evaluate buildings for rehabilitation purposes, the City needs assistance from a real estate consultant. The Los Angeles County Department of Health Services (DHS), with its consultant partner Brilliant Corners, has expertise and experience working with building owners to evaluate properties and implement the necessary repairs and upgrades to establish new crisis and bridge housing facilities across the County.

The City Administrative Officer has advised that the County, through DHS has agreed to execute an agreement with the City to evaluate 741 Gayley Avenue and manage any rehabilitation or repairs needed to establish a new crisis and bridge housing facility. Given the Council and Mayor's goal to expand the Crisis and Bridge Housing Program in all Council Districts, the agreement with DHS should be expanded to include potential private sites throughout the City. While the Gayley site, if developed, will in-part serve homeless youth, the County real estate service expertise will be used to develop interventions that serve all homeless populations citywide.

The estimated cost for the Citywide real estate consulting services through June 30, 2019 is \$100,000. These consulting services are eligible for funding from the State's Homeless Emergency Aid Program (HEAP) as these activities will address the homeless crisis in Los Angeles. Consistent with Council action (CF 18-0628) any HEAP funding request will be reviewed by the Homeless Strategy Committee and submitted to Council for approval. Note that upon property evaluation, additional funds will be requested at a later date to rehabilitate each individual property.

I THEREFORE MOVE that the City Council:

1. INSTRUCT the City Administrative Officer (CAO) to submit to the Homeless Strategy Committee (HSC) for review the following funding request to utilize State Homeless Emergency Aid Program (HEAP) funds:
 - a. APPROVE funds in the amount of \$100,000 from the HEAP Grant Fund No. 60P/10, AC-3 -- Programs and Services for evaluation and rehabilitation services to be provided by the County of Los Angeles (County) Department of Health Services; and
 - b. AUTHORIZE the CAO to negotiate and execute a Letter of Agreement with the County for real estate services to develop supportive housing and shelter for homeless individuals throughout the City, including at 741 Gayley Avenue, with the following terms:
 - The County will:
 - Partner with the City to identify crisis and bridge housing sites in the City of Los Angeles;
 - Evaluate and procure suitable sites for rehabilitation and development, which includes site and program design, improvements, and land-use permitting;
 - Negotiate lease rates;
 - Provide project management; and
 - Collaborate with all stakeholders to attain project completion.
2. INSTRUCT the CAO to submit HSC's recommendation to Council relative to the use of HEAP funds for County real estate services.

OCT 19 2018

PRESENTED BY:


 PAUL KORETZ
 Councilmember, 5th District

SECONDED BY:

ORIGINAL