

Community Development Commission/ Housing Authority of the County of Los Angeles

RE

# Fiscal Year 2019 ANNUAL BUDGET

## BOARD OF SUPERVISORS COUNTY OF LOS ANGELES



## HILDA L. SOLIS FIRST SUPERVISORIAL DISTRICT

## MARK RIDLEY-THOMAS

SECOND SUPERVISORIAL DISTRICT

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THIRD SUPERVISORIAL DISTRICT

## **JANICE HAHN**

FOURTH SUPERVISORIAL DISTRICT

# KATHRYN BARGER

## Community Development Commission/ Housing Authority of the County of Los Angeles



## Annual Budget Fiscal Year 2018-2019 Adopted June 6, 2018

Submitted By: Monique King-Viehland, Executive Director

# **Our Mission Statement:**

We Build Better Lives and Better Neighborhoods

# **Our Vision Statement:**

We provide innovative programs that position the agency to end generational poverty and homelessness, encourage community development, and empower Los Angeles County residents and businesses to reach their full potential.

# **Our Core Values:**

## Collaboration

Leverage collective genius and engage with dignity and respect.

## Passion

Commit in heart and mind to this agency's vision and the people we serve and use that commitment to energize, engage, and inspire others.

## Empathy

Give value, intentionally, to other perspectives and lived experience, and let that value permeate how we work together and for our clients.

# Integrity

Be consistently open, honest, ethical, and genuine.

# Ingenuity

Seek innovative and unexpected approaches to solving complex problems while recognizing ever shifting dynamics and externalities.

## Transparency

Treat open information sharing as a tool for empowering our workforce, our partners, and our agency to better serve our clients.



## GOVERNMENT FINANCE OFFICERS ASSOCIATION

## Distinguished Budget Presentation Award

PRESENTED TO

## Los Angeles County Community Development Comm. California

For the Fiscal Year Beginning

July 1, 2017

Christophen P. Monill

Executive Director



### TRANSMITTAL LETTER

#### & BUDGET HIGHLIGHTS

This section includes the Board Letter approved by the Board of Commissioners on June 6, 2018 and the highlights of the Fiscal Year 2018-2019 budget

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The Agency Overview includes the annual message from the Executive Director as well as agency statistics, goals for the new FY, and a brief overview of the agency structure, including a summary of staffing levels.

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## COMMUNITY DEVELOPMENT COMMISSION/ HOUSING AUTHORITY

of the County of Los Angeles

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Hilda L. Solis Mark Ridley-Thomas Sheila Kuehl Janice Hahn Kathryn Barger Commissioners

Monique King-Viehland Executive Director

June 06, 2018

The Honorable Board of Commissioners Community Development Commission County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

The Honorable Board of Commissioners Housing Authority of the County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012 ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

1-H June 6, 2018

CELIA ZAVALA ACTING EXECUTIVE OFFICER

Dear Commissioners:

### FISCAL YEAR 2018-2019 BUDGETS OF THE COMMUNITY DEVELOPMENT COMMISSION AND HOUSING AUTHORITY (ALL DISTRICTS) (3 VOTE)

## SUBJECT

The Fiscal Year (FY) 2018-2019 recommended Budgets of the Community Development Commission of the County of Los Angeles (CDC) and the Housing Authority of the County of Los Angeles (HACoLA) total \$515,690,700, an increase of \$58,630,700 or 12.83% from the FY 2017-2018 budget of \$457,060,000.

The increase is largely due to the timing and completion of construction projects that CDC is administering on behalf of the County, primarily in the Second and Fourth Supervisorial Districts. The increase is also due to the enactment of several Homeless Initiatives/Measure H strategies the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) will be administering. Lastly, a major factor for the increase from FY 2017-2018 to FY 2018-2019 is the allocation of Department of Mental Health (DMH) funds for the Mental Health Housing Program (MHHP) administered by the CDC.

These increases have been offset primarily by reductions in the Housing Choice Voucher (HCV)

The Honorable Board of Commissioners 6/6/2018 Page 2

program in both Housing Assistance Payments (HAP) and Administrative Fees, postponement of the Nueva Maravilla projects, and a decrease in Community Development Block Grant (CDBG) federal funding.

Although the CDC/HACoLA has been faced with inevitable challenges in preparation of the Fiscal Year 2018-2019 budget, we continue to identify further improvements and optimal ways of managing available resources in order to accomplish our goals. It is our intent to create a financially sound budget while ensuring effective service delivery to the residents and businesses of the County of Los Angeles.

## IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Adopt and instruct the Chair to sign a Resolution (Attachment A) approving the \$515,690,700 FY 2018-2019 Budget, which includes \$158,237,600 in CDC funding and \$357,453,100 in HACoLA funding.

2. Instruct the Executive Director, or her designee, to implement the CDC's FY 2018-2019 Budget and take all related actions for this purpose, including execution of all required documents.

3. Authorize the Executive Director, or her designee, to execute or amend a Funding Agreement with the County of Los Angeles (County) and all required documents necessary to accept \$102,000 in Centro Estrella Rent funds and \$700,000 in South Whittier Resource Center funds into the CDC's FY 2018-2019 Budget.

4. Find that the approval of the CDC's FY 2018-2019 Budget is not subject to the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.

IT IS RECOMMENDED THAT THE BOARD, ACTING AS THE GOVERNING BODY OF THE HOUSING AUTHORITY:

1. Adopt and instruct the Chair to sign a Resolution (Attachment B) approving HACoLA's FY 2018-2019 Budget, which includes revenues and expenditures of \$357,453,100.

2. Adopt and instruct the Chair to sign the Transmittal Resolution (Attachment C) certifying submission of HACoLA's FY 2018-2019 Budget, by your Board, to the United States Department of Housing and Urban Development (HUD).

3. Instruct the Executive Director, or her designee, to implement HACoLA's FY 2018¬-2019 Budget and take all related actions for this purpose, including execution of all required documents.

4. Authorize the Executive Director, or her designee, to execute or amend Funding Agreements with the County and all required documents necessary to accept \$475,000 for the Cooperative Extension Program, \$1,007,000 for the Community Policing Program, and \$425,000 for South County Family Sites into HACoLA's FY 2018-2019 Budget.

5. Find that the approval of HACoLA's FY 2018-2019 Budget is not subject to CEQA because the activities are not defined as a project under CEQA.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

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The purpose of the recommended actions is to establish new FY appropriation authority for the CDC/HACoLA for operations and activities.

## **FISCAL IMPACT/FINANCING**

The combined FY 2018-2019 Budgets include \$108.7 million in County funds, which represents an increase of \$67.3 million from FY 2017-2018. The \$108.7 million includes but is not limited to: \$42.2 million related to various capital projects in the First, Second, Fourth and Fifth Supervisorial Districts; \$23.5 million comes from DMH's funding for development of permanent supportive housing through the NOFA funding process; \$22.9 million supports multiple homeless initiative strategies approved through Measure H funding; \$6.2 million is dedicated for the development of affordable and Homeless-Special Needs housing units; \$5.3 million will provide for county economic development initiatives such as RENOVATE and Wilmington/118th Road Improvement projects. The remaining County funds will support the Community Policing Program, the University of California Cooperative Extension Program and other countywide initiatives.

A total of \$25.4 million in reserves is being budgeted for FY 2018-2019, primarily from \$21.1 million County capital funds received in previous fiscal years for active construction projects that the CDC is administering on behalf of the District Offices. The Public Housing program is projecting to use \$3.4 million of unrestricted reserves for administration.

## **BUDGET OVERVIEW:**

The combined FY 2018-2019 Budgets include \$158.2 million for the CDC and \$357.5 million for HACoLA. The Budgets consist primarily of federal funding provided by HUD for housing and community development programs. More than half of the budget is in support of the HCV program for low-income families, seniors, persons with disabilities and veterans. Local revenue sources include County funds, public housing rental income, and other grants received in support of housing.

The 2018 Omnibus Bill passage provides a 10% increase to Transportation, Housing and Urban Development (T-HUD); however, we remain cautious and prudent with our budgeting as the final HUD allocation and proration levels remain unknown. The five federally funded programs impacted by the bill are Public Housing Operating Fund, Public Housing Capital Fund, Section 8 HAP and Administrative Fees, CDBG, HOME programs. Although the CDC and HACoLA budgets exclude the Omnibus due to its late passage, CDC/HACoLA is prepared to return to the Board during FY 18-19 within the first six months to submit an amended budget with final Measure H and Federal funds if necessary.

## COMMUNITY DEVELOPMENT COMMISSION:

In FY 2018-2019, the CDC programs will be supported by three primary funding sources: CDBG funds, State and County Revenue (inclusive of reserves from Construction Projects and DMH), and HOME Grants.

The FY 2018-2019 CDBG Program is budgeted at \$25.1 million, which includes funds for the CDC, 47 participating cities, five County departments, 26 community-based organizations, and other public agencies. The CDC estimates a FY 2018-2019 allocation of \$21.4 million.

State and County revenue is budgeted at \$76 million, which includes \$23.5 million in DMH funds in support of permanent supportive housing for homeless or chronically homeless individuals with a

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mental illness and their families. Also included in State and County revenue is \$21 million for the Earvin "Magic" Johnson Park project. \$13.8 million will be budgeted for various Measure H programs approved by the County. \$3 million is allocated for State Emergency Grant Solutions, which is used to rehabilitate and operate emergency and transitional shelters, provide essential social services, and prevent homelessness. Other County funds include \$2.6 million to support the Traffic Administration Services Program, which is funded by revenues generated at courthouses throughout Los Angeles County. \$2.2 million is budgeted for the RENOVATE program that improves the appearance of buildings and entire commercial centers. In addition, \$9.9 million in State and County funds are in support of various economic development, affordable housing, and state programs.

The Residential Sound Insulation Program provides grants to eligible property owners to sound insulate residential homes and rental units from noise caused by aircraft arriving and departing the Los Angeles International Airport. The total budgeted for this program is \$12.5 million.

HOUSING AUTHORITY:

HACoLA is the second largest Housing Authority in Southern California. Operating with a \$357.5 million budget for more than 25,000 Housing Choice Vouchers/Certificates and 3,229 Public and Affordable Housing Units, HACoLA provides affordable rental housing for low income families and elderly persons.

In FY 2018-2019, HACoLA's programs will be supported by two major funding sources: Housing Assistance Revenue and Public Housing Program Funds.

The Housing Assistance Revenue is budgeted at \$310.1 million, and will be used to administer more than 25,000 rental subsidies for eligible individuals and families, seniors, veterans, and persons with disabilities living in the unincorporated area of Los Angeles County and 62 participating cities. With federal funds received from HUD, rental payments are made directly to private landlords for participants in the following programs: HCV, Veterans Affairs Supportive Housing, Shelter Plus Care/Continuum of Care, Moderate Rehabilitation, and Housing Opportunities for Persons with Aids.

The Public Housing Program funding is budgeted at \$24.3 million, and is comprised primarily of \$13.3 million in rent revenues, \$8.2 million in operating subsidies, and \$2.8 million in CDBG funds. These funds are used to manage and maintain 3,229 public and affordable housing units. The Housing Management Division also manages the Capital Fund Program, which funding is budgeted at \$6.9 million and scheduled to be used for construction and carryover projects throughout Los Angeles County to rehabilitate housing units and perform site improvements.

The HACoLA budget also includes Affordable Housing Development Funds of \$483,200 for the development of housing for low-income individuals, families, and special needs populations and \$15.7 million in County General Funds which includes but is not limited to the support of the University of California Cooperative Extension Program, South County Family sites, the Community Policing Program, and homeless initiatives including Measure H and Homeless Prevention.

The combined CDC/HACoLA's budgets include 555 Full Time Equivalent (FTE) employees, with 547 regular and eight contract positions. There was a net decrease of 25 FTE from FY 2017-2018. However, it is important to note that the net decrease in positions were vacant positions due to attrition over the course of FY 2017-2018.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In January 2001, the CDC/HACoLA, with the concurrence of the County Auditor-Controller, developed an administrative policy for establishing a Capital Budget. FY 2018-¬2019 marks the 17th year that HACoLA will submit a Capital Budget that details ongoing and future projects. The FY 2018 -2019 operating budget includes \$8.7 million in HACoLA budget for 13 projects.

On May 22, 2018, the Board of Supervisors approved the FY 2018-2019 One Year Action Plan (Action Plan) for the allocation of federal funds, which includes the planned use of CDBG, HOME, and Emergency Solutions Grant funding by CDC, HACoLA, County departments, participating cities, community-based organizations, and other public agencies. The Action Plan was created with citizen input, as required by federal regulations. The recommendations approved as part of the Action Plan are reflected in the proposed FY Budgets.

Adoption of the attached Resolutions approving the FY 2018-2019 Budgets is necessary to establish new fiscal year appropriation authorities for the CDC/HACoLA, to receive funding. HUD Form 52574 must also be approved by the Board of Commissioners to certify HACoLA's operating budget. This letter also recommends authority for the Executive Director to execute any other documents for implementation of the budget, such as financial reports, audit requests and related documents required by HUD or any other governing bodies.

County Counsel has approved the attached Resolutions as to form and on April 25, 2018, the Housing Commission recommended approval of HACoLA's FY 2018-2019 Budget and related actions.

## **ENVIRONMENTAL DOCUMENTATION**

Approval of the CDC/HACoLA's FY 2018-2019 Budgets is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because they involve administrative activities that will not have a physical impact or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378(b) because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the FY 2018-2019 Budgets will enable the CDC/HACoLA to conduct program activities to benefit low- and moderate-income residents of the County and participating cities.

The Honorable Board of Commissioners 6/6/2018 Page 6

Respectfully submitted,

Mayneting Willm

MONIQUE KING-VIEHLAND Executive Director

MKV:jf

Enclosures

### ATTACHMENT A

### RESOLUTION APPROVING THE 2018-2019 FISCAL YEAR BUDGET OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES

WHEREAS, it is necessary for the Board of Commissioners of the Community Development Commission of the County of Los Angeles to adopt an annual budget.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Community Development Commission of the County of Los Angeles, hereby adopts the following budgeted revenues and appropriations for the Community Development Commission of the County of Los Angeles for the 2018-2019 Fiscal Year, as set forth in the Annual Budget.

Estimated Funding:

<u>\$515,690,700</u>

Expenditure and Reserve Appropriations:

\$515,690,700

APPROVED AND ADOPTED by the Board of Commissioners of the Community Development Commission of the County of Los Angeles on this 6 day of June, 2018.

ATTEST:

CELIA ZAVALA Acting Executive Officer-Clerk of the Board of Commissioners

herman Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM County Counsel

SHETLA KUEHL Chair, Board of Commissioners By:



## ATTACHMENT B

#### RESOLUTION APPROVING THE FISCAL YEAR 2018-2019 BUDGET OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

WHEREAS, the Board of Commissioners of the Housing Authority of the County of Los Angeles has received the Budget for Fiscal Year 2018-2019 and has found:

- 1. That the proposed expenditures are necessary for the efficient and economical operation of housing programs for the purpose of serving low-and very-low income families.
- 2. That the budget is reasonable in that:
  - (a) It indicates a source of funding adequate to cover all proposed expenditures.
  - (b) It does not provide for use of federal funding in excess of that payable under the provisions of 24 Code of Federal Regulations Part 990.
- 3. That all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contracts with the U.S. Department of Housing and Urban Development.
- 4. That no employee serving in a variety of positions is reflected in the operating budget as serving an aggregate amount of time exceeding 100 percent.
- 5. That the U.S. Department of Housing and Urban Development requires that the use of Section 8 Operating Reserve funds for other housing purposes, in the amount of \$50,000 or greater, must be approved by the Board of Commissioners.

WHEREAS, it is necessary for the Board of Commissioners of the Housing Authority of the County of Los Angeles to adopt an annual budget.

NOW, THEREFORE, the Board of Commissioners of the Housing Authority of the County of Los Angeles hereby resolves as follows:

- 1. The above recitals are true and correct.
- 2. The Housing Authority of the County of Los Angeles adopts the following budgeted revenues and appropriations for Fiscal Year 2018-2019, as set forth in the Annual Budget for the Housing Authority of the County of Los Angeles:

**Estimated Funding** 

\$357,453,100

Expenditure and Reserve Appropriations:

\$357,453,100

- 3. That the use of Section 8 Operating Reserve funds for other housing purposes, in the amount of \$50,000 or greater, must be approved by the Board of Commissioners.
- 4. This Resolution shall take effect immediately.

APPROVED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles on this  $\underline{leth}$  day of  $\underline{June}$ , 2018.

Bv

ATTEST:

CELIA ZAVALA Acting Executive Officer-Clerk of the Board of Commissioners

mithema-Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM County Counsel

By:



SHEILA KUEHL Chair, Board of Commissioners **PHA Board Resolution** 

Approving Operating Budget

U.S. Department of Housing and Urban Development Office of Public and Indian Housing -Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026 (exp. 04/30/2016)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing Authority of The County of Los Angeles PHA Code: CA002

PHA Fiscal Year Beginning: July 1, 2018

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

Board Resolution Number:

- X Operating Budget approved by Board resolution on:
- Operating Budget submitted to HUD, if applicable, on:
- Operating Budget revision approved by Board resolution on:
- Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

- 1. All statutory and regulatory requirements have been met;
- 2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
- 3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
- 4. The budget indicates a source of funds adequate to cover all proposed expenditures;
- 5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
- 6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

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Print Board Chairperson's Name:	Signature:	Date:
	merk, mult	06/06/2018
Sheila Kuehl	ATTEST: CELIA ZAVALA	
Previous editions are obsolete	ACTING EXECUTIVE OFFICER	form HUD-52574 (04/2013)
	CLERK OF THE BOARD/OF SUPERVISORS	
	By achille Amitheman	



DATE

06/06/2018

### **BUDGET HIGHLIGHTS**

### Fiscal Year 2018-2019 Funding

The total Community Development Commission of the County of Los Angeles (Commission) and The Housing Authority of the County of Los Angeles (Housing Authority) collectively, "CDC/HACoLA" adopted Fiscal Year (FY) 2018-2019 budget is \$515.6 million, an increase of \$58.6 million from the FY 2017-2018 budget. The increase is primarily due to the increase in funding coming from Measure H, County External Construction projects in the 2<sup>nd</sup> Supervisorial District, and additional funding from the Department of Mental Health (DMH) for the development of permanent supportive housing for persons with mental illness. These increases are being offset by the reduction in revenues related to the Housing Choice Voucher (HCV) Program coupled with the postponement of the Nueva Maravilla Rehabilitation projects.

The budget is predominantly Federally funded for Housing and Community Development programs, most of which are provided by the U.S. Department of Housing and Urban Development (HUD). Local revenue sources include Public Housing Rental Revenue, County general funds and funding from the Los Angeles World Airport funds.

The major funding sources for FY 2018-2019, totaling \$477.3 million, are detailed below:

- Total Housing Funds are \$357.5 million, comprised of \$310.1 million for Assisted Housing, \$39.4 million for Housing Management, \$6.9 million in Capital Fund, and \$1.0 million in Other Housing programs. This includes Section 8 Rental Subsidy and Administration budgeted at \$295.5 million; in addition, \$8.3 million in prior years' reserves will be utilized. Conventional Public Housing Rent Revenue funds are budgeted at \$13.3 million and program Operating Subsidy is budgeted at \$8.2 million. These funds assist in providing quality affordable housing to more than 28,000 residents. Public Housing Capital Fund revenue is used to improve and rehabilitate public housing units. These funding amounts are subject to change based upon the next Federal Fiscal Year budget allocation or a continuation of the sequestration cuts.
- State and County funds are budgeted at \$91.8 million. The majority of these funds are comprised of County General funds. \$21.0 million is related to various capital projects in the 2<sup>nd</sup> Supervisorial District. \$22.9 million is in support of various Measure H strategies to combat homelessness. \$23.5 million is for development activity related to Housing for Homeless Individuals with mental illness, \$.7 million is budgeted for the South Whittier Community Resource Center for continued operational expenditures. \$2.6 million is budgeted for Resident Services and \$2.1 million is budgeted for South Scattered Sites Rehabilitation. The remaining \$1.9 million is in support of Community Policing, the University of California Cooperative Extension Program, and other countywide initiatives.

• Community Development Block Grant funds are budgeted at \$28 million. These funds are comprised of the annual Federal allocation, joint applicant funds with the City of Cerritos and the City of Torrance, carryover funds, and projected program income that will be used by the Housing Authority, the Commission, 47 participating cities, five (5) County departments, 26 community-based organizations and other public agencies.

Table 1 summarizes the CDC/HACoLA's budgeted sources and uses of funds for FY 2018-2019.

Table 1			
CDC/HACoLA			
SUMMARY OF SOURCES AND USES			
	2017-18	2017-18	2018-19
	APPROVED	ESTIMATE	APPROVED
SOURCES	BUDGET		BUDGET
Rent Revenue	12,959,300	13,350,000	13,940,600
Operating Subsidy	7,901,200	8.455.900	8,247,400
Housing Assistance	270,422,500	292,086,300	271,996,400
Housing Assistance Admin Fee	28.156.700	26.381.100	23.520.800
Capital Fund Modernization	6,732,000	3,173,600	7,834,900
CDBG	30,227,300	23,648,300	27,945,800
Loan Collection Principal	6,464,600	6,904,700	5,171,900
Sound Attenuation Grants	8,303,900	1,632,500	12,515,800
State/County Revenue	38,255,300	30,861,400	91,773,600
Fees and Charges	1,049,400	727,300	840,500
Interest Earnings	5,270,900	6,974,300	5,666,600
Section 8 Reserves	337,300	787,900	8,341,900
General Fund Reserves	4,459,900	2,858,400	1,337,200
Other Reserves	26,126,500	7,625,500	25,388,600
Affordable Housing Funds	379,500	131,300	269,000
HOME Program	4,966,200	5,243,600	7,530,000
Other Federal Grants	2,196,000	2,876,400	2,396,000
Other Income	2,851,500	2,694,900	973,700
TOTAL	457,060,000	436,413,400	515,690,700
USES			
Salaries & Benefits	45,688,100	39,429,700	51,038,200
Services & Supplies	32,353,900	28,492,000	31,015,000
Subventions/Disbursements	330,714,100	334,370,100	363,018,400
Capital Outlay	41,122,600	27,048,800	61,235,200
Transfers	7,181,300	7,072,600	9,383,900
		i	· · ·
TOTAL	457,060,000	436,413,200	515,690,700

## FY 2018-2019 Priorities and Goals

CDC/HACoLA will continue to provide a wide range of housing, community, and economic development services during the coming FY, including the major goals listed below:

- CDC/HACoLA will continue to lead the implementation of several of the County's Homeless Initiatives to include full utilization of Federal housing subsidies, expanding affordable housing opportunities, coordinating funding for special needs housing, and creating solutions that remove jurisdictional boundaries to combat homelessness as a unified region.
- The Economic and Housing Development Division (EHD) will continue to facilitate a strong, diverse, and sustainable economy in Los Angeles County. As part of the County's Economic Development Initiative, EHD will lead the implementation of several programs aimed at supporting small business, investing in emerging sectors, targeting catalytic projects and attracting foreign investment. Programs include RENOVATE, technical assistance, facade improvements, revolving loan funds, and business incubation. In FY 2018-2019, EHD anticipates expending approximately \$3.5 million from various funding sources to promote long-term economic growth and job development.
- EHD will issue NOFA 24 for Affordable Housing projects up to \$96.6 million utilizing Affordable Housing Trust, Measure H, and DMH funds.
- Housing Management (HM) will manage and maintain 2,962 public housing units and 267 affordable housing units. HM also plans on completing 30 construction contracts at various housing sites, and closing out the FY 2015-2016 Capital Fund Program Grant for the agency.
- The Assisted Housing Division will continue to exceed its goals and enhance the administration of the Section 8 Program in the areas of productivity, customer service, performance assessment, and automation.
- The Grants Management Unit will ensure the quality and effectiveness of the CDBG program within the county.
- EHD to complete 247 units within the Residential Sound Insulation Program to property owners who live in, or rent housing units that are directly beneath the flight path of the Los Angeles International Airport.
- Community Development Division (CDD) to start construction of Magic Johnson Park – Phase IA.
- CDD to complete construction of Youth Athletic League refurbishment project.

### FY 2018-2019 Staffing

CDC/HACoLA administers a flexible at-will personnel structure, utilizing a combination of regular and contract positions to meet service demands and respond to new funding opportunities and challenges. For FY 2018-2019, CDC/HACoLA is budgeting 547 regular positions and eight (8) contract positions for a total of 555 positions. This is a reduction of 25 positions from FY 2017-2018 primarily due to the decreased funding in HCV programs. Only vacant positions were decreased.

The decrease notwithstanding, CDC/HACoLA will continue to maintain the same high quality service in all of its programs and serve as a resource to the Board offices and other County departments to respond to service demands.

 SUMMARY OF PERSONNEL

 REGULAR AND CONTRACT FULL-TIME POSITIONS

 REGULAR FULL-TIME POSITIONS

 2017-18

 2017-18

 PUDGET

 ESTIMATE

Table 2 summarizes all regular and contract personnel within CDC/HACoLA.

REGULAR FULL-TIME POSITIONS	2017-18 BUDGET	2017-18 ESTIMATE	2018-19 BUDGET
Economic Housing Development	55.75	46.23	59.00
Grants Management Unit	28.70	27.28	27.70
Assisted Housing	208.00	186.00	190.33
Housing Management	103.10	95.60	126.50
Public Housing Modernization	2.90	2.90	2.50
Traffic Administration Services	22.00	21.25	22.00
Executive Office	7.00	6.00	8.00
Exec Office of Budget	12.00	5.50	6.00
HR/Risk Mgmt/IT/Communications	33.52	34.05	34.97
Communications and Public Affairs	2.00	3.00	3.00
Central Services	14.48	13.20	13.20
Construction Management	33.80	28.13	29.80
Facilities Management	2.50	1.00	2.00
Fleet Management	0.50	1.00	1.00
Financial Management	22.00	20.75	20.75
SUB-TOTAL REGULAR	<u>548.25</u>	<u>491.89</u>	<u>546.75</u>
Economic Housing Development	0.00	0.75	0.00
Grants Management Unit	0.50	0.50	0.50
Assisted Housing	1.00	0.83	2.00
Communications and Public Affairs	1.00	0.00	0.00
Housing Management	27.65	27.87	3.20
HR/Risk Mgmt/IT/Communications	1.00	1.00	1.00
Public Housing Modernization	0.00	0.70	0.70
SUB-TOTAL CONTRACT	<u>31.15</u>	<u>31.65</u>	<u>7.40</u>
GRAND TOTAL	579.40	547.78	554.15

CDC/HACoLA is pleased to submit the FY 2018-2019 Budget, structured to fund successful existing programs and initiate new efforts to provide housing, community, and economic development in Los Angeles County.



# AGENCY OVERVIEW

S MOSAIC GARDENS

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FY 2019 Annual Budget



## MESSAGE FROM THE EXECUTIVE DIRECTOR: Monique King-Viehland



I am honored to present to you The Community Development Commission of the County of Los Angeles' (CDC) and The Housing Authority of the County of Los Angeles' (Housing Authority) collectively, "CDC/HACoLA" adopted Fiscal Year (FY) 2018-2019 Annual Operating Budget. The total balanced budget reflects a combined annual operating budget of \$515,690,700, with 555 full-time employees. It is our intent to create a financially sound budget while ensuring effective service delivery to the residents and businesses of the County of Los

Angeles. The FY 2018-2019 proposed budget reflects an increase of \$58.6 million or 12.80% from FY 2017-2018. The increase is primarily due to the implementation of Measure H funds that have been received by the agency along with an increase in construction projects that the Commission is administering on behalf of the County.

On March 23, 2018, the Federal Fiscal Year (FFY) 2018 Omnibus Bill was released, which reflected an increase of the U.S. Department of Housing and Urban Development (HUD) budget by 10% compared to FFY 2017. While we do expect this increase to have a positive impact on our budget and the Agency as whole we will not know the extent of the impact until the final allocation and actual proration levels are released by HUD. Therefore, given the end of FY 1018-2019 proposed budget does not reflect final impact of the FFY 2018 Omnibus.

As one of the lead agencies of the County's Homeless Initiative, the Housing Authority not only continues to provide services for Los Angeles County residents through its Housing Choice Voucher (Section 8) and Public Housing Programs, but also strives to continuously implement innovative programs to assist and empower our most vulnerable populations, such as the chronically homeless, veterans, persons with disabilities, and seniors.

This past year, the Housing Authority housed hundreds of homeless individuals and families. The Housing Authority continues to receive national recognition awards and maintains HUD's high performer status. By utilizing local resources to augment our federally funded programs we hope to continue along this path and accomplish our vision of disrupting the cycle of generational poverty and homelessness despite our fiscal challenges.

Our Section 8 Housing program administers more than 25,000 certificates and vouchers, which provide affordable housing for low-income individuals, families, senior citizens, and persons with disabilities. Our Public Housing program has 2,962 conventional units and 267 affordable housing units available throughout Los Angeles County. The Housing Authority is the second largest in Southern California and also one of the largest in the nation.

CDC/HACoLA also administers the largest Urban County Community Development Block Grant program in the nation and consistently receives awards for its programs with exemplary ratings from HUD.

Despite the uncertainties of our Federal funding levels, our management team and employees continue to push forward never losing sight of the overarching goal they hope to achieve. Due to their hard work, dedication, and commitment, our agency has accomplished continued success. Our staff continues to provide the highest level of service, strive to streamline workflows, reduce paper use, and lower overall administrative costs.

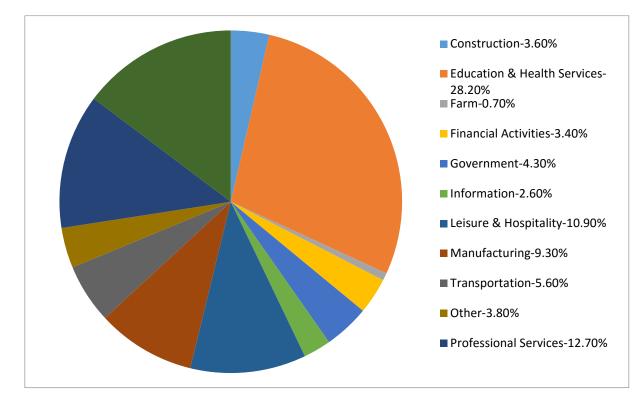
Our plan for FY 2018-2019 is built upon our enduring commitment to improve the quality of life for County residents by increasing the affordable housing stock, providing rehab loans for homeowners, continuing to offer a first time home buyers program, and maximizing the voucher lease up for Section 8 participants. These programs focus on resources to help some of the most vulnerable people in our County such as the homeless, low-moderate income families, seniors, persons with disabilities and veterans who reside within the County of Los Angeles.

CDC/HACoLA's mission of **Building Better Lives and Better Neighborhoods** is fundamental as we continue investing in our neighborhoods through building and maintaining affordable housing and by encouraging and creating healthy and vital communities. We are more committed than ever to bringing crucial housing opportunities to the most vulnerable in our society and to improving the quality of life of the people in the County of Los Angeles. Our ongoing initiatives have been able to meet these goals and promise to do the same as we continue to move forward into the future.

## LOS ANGELES COUNTY FACTS & FIGURES

- Incorporation February 18, 1850
- ✤ 2015 Population 9,818,605
- Area
   4,084 square miles

- Cities
   88 cities covering 1,435 square miles
- 2016 Median Income \$64,800
- Largest/Smallest City LA City with 3,831,868 residents Vernon with 112 residents



## LA County 2015 Employment by Industry

## **Major Employers**

- \*American Honda Motor Co Inc.
- \*California Institute of Technology
- \*California State University-Northridge
- \*Cedars Sinai Medical Center
- \*Fox Networks LLC
- \*Kaiser Permanente
- \*LAC & USC Medical Center
- \*Long Beach City Hall

- \*Long Beach Memorial Medical
- \*Los Angeles County Sheriff
- \*Los Angeles Police Department
- \*Nestle USA
- \*Sony Pictures Entertainment
- \*UCLA Health System
- \*Walt Disney Co

## Los Angeles County Board of Supervisors







Hilda Solis 1<sup>st</sup> District

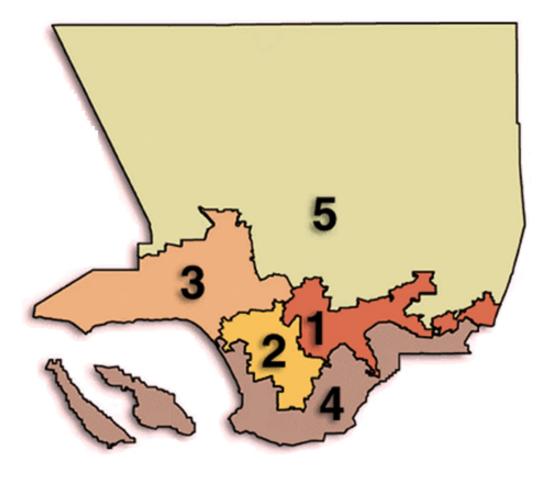
Mark Ridley-Thomas 2<sup>nd</sup> District

Sheila Kuehl 3<sup>rd</sup> District



Janice Hahn 4<sup>th</sup> District

Kathryn Barger 5<sup>th</sup> District



## CDC/HACoLA FACTS & FIGURES

- Established
   1982 by the Board of Supervisors
- Fiscal Year
   July 1 June 30
- Executive Director
   Monique King-Viehland

## \* Governing Body

LA County Board of Supervisors 1<sup>st</sup> District – Hilda Solis 2<sup>nd</sup> District – Mark Ridley-Thomas 3<sup>rd</sup> District – Sheila Kuehl 4<sup>th</sup> District – Janice Hahn 5<sup>th</sup> District – Kathryn Barger

## Housing Commissioners (Board Appointees)

- 1<sup>st</sup> District Takao Suzuki
- 2<sup>nd</sup> District Henry Porter, Jr.
- 3<sup>rd</sup> District Vanessa Luna
- 4<sup>th</sup> District Vacant
- 5<sup>th</sup> District James Brooks

## \* Tenant Commissioners

Zella Knight (Formerly Homeless) Gesele McBroom-Marsh (Section 8 Tenant) Vacant (Public Housing to Section 8) Mary Canoy (Section 8) Marnell Banks (Section 8) Pamela Williams (Section 8) Ruthie Myers (Public Housing)

- FY 2018-2019 Budget \$515,690,700
- Commission Budget \$158,237,600
- Housing Authority Budget \$357,453,100

## FY 2018-2019 Budgeted Positions

547 Regular positions 8 Contract positions

## FY 2018-2019 Major Funding Sources

\$278m - Section 8 Rental Assistance HAP & Admin
\$104.3m - State & County
\$28.0m - CDBG
\$14.0m - Rent Revenue
\$12.5m - Sound Attenuation
\$8.2m - Operating Subsidy
\$7.8m - Capital Fund Program
\$7.5m - HOME Program
\$7.5m - HOME Program

Assisted Housing (Section 8) Housing Management Community Development Division Economic and Housing Development

#### Rental Assistance Vouchers and Certificates 25,479

 Public/Affordable Housing Units 3,229 units (68 sites)



Marina Manor

## \* Service Area

4,084 square miles of Los Angeles County

## CDC/HACoLA ALHAMBRA BUILDING



## CDC/HACoLA LOCATIONS



### BACKGROUND

In 1982, the Los Angeles County Board of Supervisors consolidated three County entities – the Housing Authority, the Community Development Department and the Redevelopment Agency into a single entity in order to form the Community Development Commission (Commission). As of 2012, the Redevelopment Agency has been dissolved. The Commission administers programs throughout the unincorporated area of the County and in cities that have contracted for program services.

The Board of Supervisors currently serves as the Commissioners of the Commission - which includes serving as the Commissioners of the Housing Authority of the County of Los Angeles (Housing Authority) who set policy for the agency. The Housing Authority also has a Housing Commission, which is comprised of five appointees by the Board of Supervisors and seven "tenant" commissioners, one representative who lives in the Commission's public housing sites, five who are Section 8 participants, and one homeless or formerly homeless representative.

Today, CDC/HACoLA continues to serve as the County's affordable housing, community, economic, and housing development agency. The wide-ranging programs administered benefit residents and business owners throughout the unincorporated County areas and in a variety of incorporated cities that participate in various programs (these cities are referred to as "participating cities"). Approximately one million of the County's ten million residents live in unincorporated areas.

CDC/HACoLA serves residents in the 4,084 square miles of Los Angeles County (County), one of the largest and most culturally rich and diverse counties in the United States.

### MISSION AND OBJECTIVES

Our goal is to **Build Better Lives and** Better Neighborhoods. This mission is accomplished through the leadership of our Executive Management Team and the contributions of each employee. Together, we strive to provide excellent customer service to Los Angeles County residents. The new strategic vision is to go beyond "building better lives and better neighborhoods," and to become a forward thinking, industry leader in the provision of services aimed at disrupting the cycle of generational poverty and homelessness and in developing cross-functional programs that don't just create a safety net, but rather a springboard for our clients.

The primary objectives of CDC/HACoLA are:

 Provide rental assistance to low and very low-income persons residing in privately-owned housing units. The Assisted Housing Division assesses tenant eligibility, distributes, and monitors more than 25,000 rental assistance vouchers and certificates to provide rental assistance to low and very low-income persons.

- Through elimination of blight and structural improvements, develop and rehabilitate target neighborhoods, provide lowinterest loans to home owners for rehabilitation, and provide infrastructure improvements with Federal Community Development Block Grant (CDBG) and HOME Funding.
- Manage and maintain public housing and low income housing sites throughout unincorporated Los Angeles County and contracting cities. The Housing Management Division owns and/or manages 3,229 public and affordable housing units in the County. The Public Housing Capital Fund Program upgrades existing units.
- Promote economic growth, foster job growth, and revitalize communities through various economic development programs such as RENOVATE, Community Business Revitalization, Revolving Loan, Catalytic Development, and Business Incubator programs.
- Provide for the planning, management, administration, and oversight of County General funds awarded as loans for eligible costs for the pre-development, acquisition, construction, renovation and/or permanent financing of affordable and special needs housing units.
- Provide revenue bonds, construction financing, and permanent financing for singlefamily homes and multi-family housing development. The Bond

Program originates new mortgages through Southern California Home Financing Authority (SCHFA).

Oversee the distribution of CDBG funds in compliance with federal requirements and provide administrative services and support to participants including: participating cities, Community-Based Organizations, Commission Divisions, and several County Departments. Administrative support includes completion of the U.S. Department of Housing and Urban Development's (HUD) application and reporting requirements, as well as contract development, technical assistance to the operating agencies to facilitate contract planning, agency project implementation, and monitoring of sub-recipients to ensure program compliance and timely expenditure of funds.

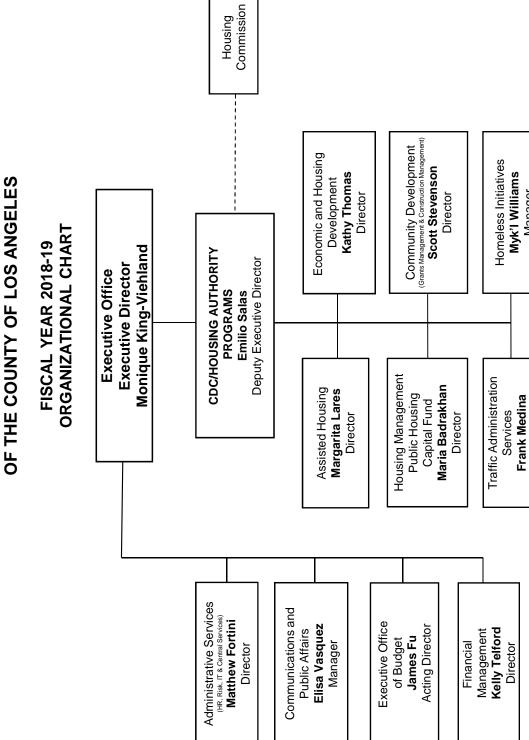
### ORGANIZATION

CDC/HACoLA is divided into administrative units, internal service departments, and operational divisions. The administrative units provide administration for the agency, the internal service departments provide services such as fleet, communications, and information technology to the administrative departments and the operational divisions. Each operational division administers programs throughout Los Angeles County. An overview of each division, along with individual program summaries, is provided beginning on page 4.1 (Sections 4 through 13).

The administrative departments consist of Executive Office, with the Executive Director overseeing the agency and one Deputy Executive Director over the Commission and the Housing Authority. It also includes the Executive Office of Budget, Financial Management, Communications and Public Affairs, and Human Resources. Costs for the administrative departments are charged to the operational divisions based on an allocation methodology consistent with the 2 CFR 200 (Uniform Administration Requirements, cost principles, and audit requirements for Federal awards), Appendix V and Appendix VII.

The internal service units consist of Central Services (which includes Procurement, Facilities, Emergency Preparedness, and Mailroom), Risk Management, Printing, Information Technology, Telecommunications, Fleet, and Construction Management. All costs incurred by the internal service units for services provided are charged to the administrative departments and operational divisions based on various direct and indirect billing methodologies.

The operational divisions are Assisted Housing division, the Housing Management division, the Traffic Administration Program, the Community Development Division, Economic and Housing Development, and Homeless Initiatives. Each of these divisions administers a variety of programs throughout unincorporated Los Angeles County.



Manager

Manager

COMMUNITY DEVELOPMENT COMMISSION/HOUSING AUTHORITY

	-		
	2017-18	2017-18	2018-19
REGULAR FULL-TIME POSITIONS	BUDGET	ESTIMATE	BUDGET
Economic Housing Development	55.75	46.23	59.00
Grants Management Unit	28.70	27.28	27.70
Assisted Housing	208.00	186.00	190.33
Housing Management	103.10	95.60	126.50
Public Housing Modernization	2.90	2.90	2.50
Traffic Administration Services	22.00	21.25	22.00
Executive Office	7.00	6.00	8.00
Executive Office of Budget	12.00	5.50	6.00
HR/Risk Mgmt/IT	33.52	34.05	34.97
Communications and Public Affairs	2.00	3.00	3.00
Central Services / Printshop	14.48	13.20	13.20
Construction Management	33.80	28.13	29.80
Facilities Management	2.50	1.00	2.00
Fleet Management	0.50	1.00	1.00
Financial Management	22.00	20.75	20.75
SUB-TOTAL REGULAR	<u>548.25</u>	<u>491.89</u>	<u>546.75</u>
	2017-18	2017-18	2018-19
CONTRACT POSITIONS	BUDGET	ESTIMATE	BUDGET
Economic Housing Development	0.00	0.75	0.00
Grants Management Unit	0.50	0.50	0.50
Assisted Housing	1.00	0.83	2.00
Communications and Public Affairs	1.00	0.00	0.00
Housing Management	27.65	27.87	3.20

## SUMMARY OF PERSONNEL

CONTRACT POSITIONS	BUDGET	ESTIMATE	BUDGET
Economic Housing Development	0.00	0.75	0.00
Grants Management Unit	0.50	0.50	0.50
Assisted Housing	1.00	0.83	2.00
Communications and Public Affairs	1.00	0.00	0.00
Housing Management	27.65	27.87	3.20
HR/Risk Mgmt/IT/Communications	1.00	1.00	1.00
Public Housing Modernization	0.00	0.70	0.70
SUB-TOTAL CONTRACT	<u>31.15</u>	<u>31.65</u>	<u>7.40</u>
GRAND TOTAL	<u>579.40</u>	<u>523.54</u>	<u>554.15</u>





# BUDGET PROCESS AND POLICIES



FY 2019 Annual Budget

#### ANNUAL BUDGET PROCESS

CDC/HACoLA submits a balanced budget where the projected expenditures are equal to or less than the projected revenue. CDC/HACoLA administers budget control; the organization cannot spend funds unless the required budgetary authority and revenues are available. CDC/HACoLA permits the transfer of budgeted funds from one project or department to another via a budget amendment only with the appropriate approvals. In addition, the Board of Commissioners may grant mid-year budgetary increases for specific program needs. CDC/HACoLA ensures the balanced budget structure is maintained on an ongoing basis in order to protect its fiscal integrity.

The primary objective of the annual budget process is to provide a clear and comprehensive plan for CDC/HACoLA's funding agreements and program operations. In addition, the budget identifies the scope and direction of CDC/HACoLA's activities for the upcoming FY. The budget process is made unique by the type of funding CDC/HACoLA receives and its role in the application process for Federal funds. CDC/HACoLA receives the largest portion of its funding through Federal grants and funding agreements. These agreements are developed and executed throughout the FY as funding becomes available. The agreements between CDC/HACoLA and the funding agencies (primarily HUD) define the sources and uses of funds for its programs.

Preparation of the annual budget starts in October with the distribution of the budget manual. This manual details the specific performance goals, and financial information required for each program budget proposal. The first step for most divisions is for the program staff to vie for available CDBG funding. After the funding for each program is established, a detailed budget proposal is prepared by project, and then consolidated by department and division.

The Housing Authority portion of the budget is first reviewed by the Housing Commission, which is composed of Board-appointed private citizens and housing residents. After this review, and when all other division proposals have received approval from the Executive Director of CDC/HACoLA, an Executive Summary of the combined budget is filed with the Board of Commissioners for approval by resolution. The Board of Commissioners has final authority on program selection and financial appropriation.

In FY 2001-2002, CDC/HACoLA presented its first Capital Budget. The Capital Budget identifies various projects meeting the Capital Policy criteria that was established in compliance with the recommendations made in the CDC/HACoLA management audit conducted in FY 1999-2000. The Capital Budget total for FY 2018-2019 is \$8.7 million, a decrease of approximately \$1.9 million from FY 2017-2018. This decrease is primarily due to the completion of the South Scattered Sites Kitchen Rehabilitation. For a complete listing of capital projects, please refer to Section 14.1. The capital projects outlined in Section 14 are all included within CDC/HACoLA's FY 2018-2019 annual operating budget.

CDC/HACoLA administers the annual CDBG entitlement for the Urban County of Los Angeles. The Urban County consists of 47 participating cities, five county departments, 26 community-based organizations and other public agencies, and two (2) Commission divisions. Two (2) of the cities are joint applicants with the Urban County.

The CDC/HACoLA CDBG funding process is referred to as the **Community Resource Investment** Strategy (CRIS). The CRIS identifies how funding is allocated in each Supervisorial District and dispersed to projects in unincorporated County areas. The CRIS provides a community profile of each unincorporated area in the County where more than 51% of the residents have low- or moderate-incomes. Included in the profile is the demographics of the community, specific public and private investment needs, and historical public investment activity.

In addition, each area is assigned a resource needs level in relation to other areas of the County. The funding needs are determined through planning sessions held with each Board Office and community outreach meetings. Community meetings are held annually in various unincorporated areas to solicit input from residents, community organizations, and local interest groups. Attendees are asked to describe existing resources in the community, resources that needed improvement or which did not exist, and their top priorities for future funding. The CDC/HACoLA uses that input in developing the Action Plan and the Consolidated Plan.

The CRIS is similar to the capital improvement strategy used by many municipalities, however, it not only contains capital projects, but public service and other non-capital projects that are CDBG eligible as well. The CDBG application process begins in November. HUD notifies CDC/HACoLA of the amount of the CDBG funding available for projects in the unincorporated communities, which is then allocated by formula among the five (5) County Supervisorial Districts. County departments, CBOs and the operational units of CDC/HACoLA then submit project proposals for funding from each Supervisorial District allocation. These proposals are then ranked by priority using policies outlined by the CRIS.

After each Supervisorial District Office has reviewed and approved project funding recommendations, all project proposals from the CRIS are consolidated into a single One-Year Action Plan that also includes projects from the 47 participating cities. The Action Plan is subject to a public hearing before the Los Angeles County Board of Supervisors prior to submission to HUD for consideration.

In order to receive HUD funding for each new Fiscal Year, the One-Year Action Plan must be approved by the Los Angeles County Board of Supervisors on May 22 of the current fiscal year.

Operational units of CDC/HACoLA receiving CDBG funding incorporate this revenue into their budget proposals. The remainder of the CDBG funding is subvented to participating cities, County departments and community based organizations and is

#### CDC/HACoLA ANNUAL BUDGET 2018-2019

reflected as subventions in CDC/HACoLA's budget.

The Public Housing Capital Fund Program is the only program in which capital outlay projects are owned and maintained by the Housing Authority. HUD provides funding and has specific guidelines for the use and drawdown of these funds.

#### ANNUAL PLAN

On October 21, 1998, the Quality Housing and Work Responsibility Act mandated that all housing authorities submit an Annual Plan to HUD. The Annual Plan identifies goals, major program policies, and financial resources for both the Conventional Public Housing Program and the Section 8 Tenant-Based Program. It also updates information on housing needs, waiting lists, housing strategies, deconcentration and income mixing plans, income analyses, and other program and management data. The Annual Plan must be updated and submitted to HUD each year.

Also included in the Annual Plan is the updated Capital Fund Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy (ACOP) for the Conventional Public Housing Program, the Public Housing Lease Agreement, and the Section 8 Tenant-Based Program Administrative Plan. The ACOP and Public Housing Lease Agreement set guidelines to determine eligibility for admission and continued occupancy. The purpose of the Section 8 Administrative Plan is to set forth the policies and procedures that govern the Housing Authority's administration of this program.

The 2018 Capital Fund Annual Statement summarizes the Housing Authority's plan to use modernization funds to rehabilitate 2,197 housing units at 11 Conventional Public Housing Program developments throughout the County. Included are proposed work items, estimated costs, and an implementation schedule for the work to be completed. Also provided is a list of funding for nonmodernization activities, including various training programs for compliance and maintenance, resident initiatives programs, technology upgrades, and program staffing.

As authorized by HUD, the Executive Director may amend the Capital Fund Annual Statement as necessary to respond to needs such as housing emergencies, to safeguard property or protect health and safety, or to implement other changes that are in the best interests of the Housing Authority and public housing residents. The Executive Director may also implement changes in response to changes in federal funding.

#### LONG-TERM FINANCIAL PLAN

The long-term financial outlook of CDC/HACoLA is constantly being monitored. The CDC/HACoLA staff is conversant on budget decisions coming out of Congress and closely scrutinizes any legislative actions taken to determine potential gains or losses in funding streams. The majority of CDC/HACoLA 's funding is from Federal grants and contracts; as such, any changes in the legislation can have a significant impact on the short and long-term objectives and goals of the agency. CDC/HACoLA continues to identify new revenue opportunities and looks within the legislation for ways to establish guaranteed funding sources. Business processes are constantly analyzed to streamline operations and ensure maximum use and efficiency of available resources. CDC/HACoLA administers numerous programs for housing residents, which are closely examined each year during the budget process to determine those programs that are optimal and those that are no longer financially feasible for it to operate.

The agency analyzes what resources are available long-term and translates this into future qualitative planning activities in the Five-Year Public Housing Authority Plan and the Five-Year Consolidated Plan. Included in this analysis are Federal Funding Changes, Economic Growth Rates, Legislative Analysis, Assessment of existing needs, Housing Market Analysis, Projection of Future Housing Needs, Barriers to Affordable Housing, Homeless and People with HIV/AIDs, and Emancipated Youth. The future cost of Public Employees Retirement System, benefit liabilities and funding forecasts are also considered with respect to long-term planning as these costs have an impact on the budget process. Financial trends are closely analyzed during the budget process, and funding forecasts are adjusted to reflect the financial impact of legal and regulatory changes within legislative policies. The implementation of action plan committees further enhances CDC/HACoLA's process of evaluating and modifying existing programs and assessing the feasibility of undertaking new programs and funding.

#### **BUDGETARY CONTROL**

CDC/HACoLA employs formal budgetary control for its General, Special Revenue, Internal Service, and Proprietary Funds. The annual budget adopted by the Board of the Commissioners provides for the general operation of the CDC/HACoLA. It includes proposed expenditures and estimated revenues for the aforementioned governmental funds.

The Executive Director is authorized by the Board of Commissioners to transfer appropriations within a budget unit level (Housing Authority or Commission). The transfer of budget appropriations between a budget unit level requires approval by the Board of Commissioners. Additionally, the Board of Commissioners must approve any budget revisions that increase the total expenditures of any budget unit level.

Budgets for the governmental fund types are adopted on a basis consistent with the United States of America generally accepted accounting principles. The agency employs the modified accrual basis of accounting when preparing the budget.

#### **INTERNAL CONTROLS**

CDC/HACoLA also uses internal accounting controls. These controls employ best practices specific to government accounting. They are designed to provide reasonable assurance for the safeguarding of assets against loss from unauthorized use or disposition, and reliability of financial records for preparing financial statements while maintaining accountability for assets.

The concept of reasonable assurance used by CDC/HACoLA recognizes that the cost of control should not exceed the benefits likely to be derived from it; and the evaluation of costs and benefits requires estimates and judgments by management.

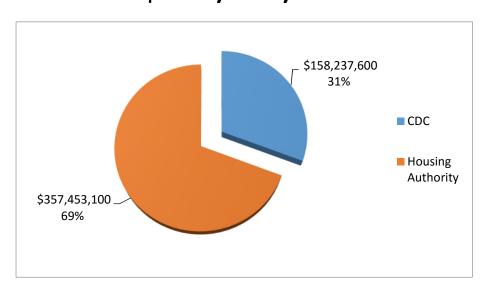
CDC/HACoLA internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

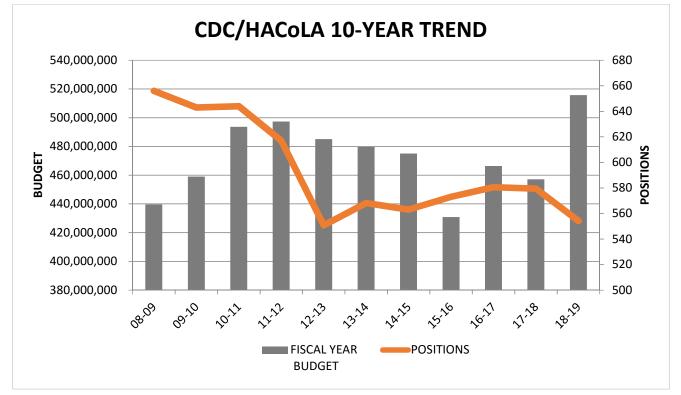


# FINANCIAL SUMMARIES

FY 2019 Annual Budget

### CDC/HACoLA FY 2018-2019 BUDGET \$515,690,700





The financial operations are organized on a program level. Programs are financed by one or more funding sources. Expenditure details for each program are located in Sections 4 through 13. This section contains financial schedules that provide consolidated information on sources and uses of funds for the agency.

#### FUNDS

CDC/HACoLA is comprised of two separate legal entities, the Housing Authority and the Commission, both of which are independent from the County of Los Angeles. CDC/HACoLA is primarily Federally funded, and its budget includes a total of \$108.2 million in County Funds for FY 2018-2019. \$42.2 million is for capital projects the Commission is administering on behalf of the 1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, and 5<sup>th</sup> Supervisorial Districts, \$24.1 million of these funds are used for various Measure H strategies to combat homelessness, in Economic Development activities totaling \$5.3 million, \$2.1 million for Public Housing in the South Scattered Sites areas, \$2.6 million for Resident Services and the balance is for miscellaneous programs related to Cooperative Extension, Community Policing, and the South Whittier Resource Center. CDC/HACoLA uses two (2) primary fund categories: Governmental and Proprietary. The budget is employed as a management control device for all funds except for other grants. Expenditures for other grants are controlled by various grant agreements, and budgetary authority is approved individually by the Los Angeles County Board of Commissioners.

#### MAJOR GOVERNMENTAL FUNDS

General Fund – The General Fund accounts for all general revenues and other receipts that are not appropriated by law or contractual agreement to specific funds. Expenditures of this fund include general operating expenditures, which are not paid through specific funds. The General Fund is comprised of Housing Choice Voucher programs of contracting cities and service fees from mortgage revenue bonds. Affordable Housing Trust Fund and Condo Conversion fees are restricted to support housing activities.

Other Major Governmental Funds – Other major governmental funds include Federal Housing and Community Development, Other Federal, Local Housing and Community Development, and Low-Moderate-Income Housing Asset. These funds are used to account for revenues derived from specific sources, which are usually required by law or administrative regulation to be accounted for in separate funds.

#### **BUDGET BASIS**

The budget (Governmental Fund) is prepared based on the modified accrual method of accounting. In modified accrual accounting, revenues are recognized as soon as they are both measurable and available. Expenditures are recorded when they are incurred, as under accrual accounting. The Housing budget (Proprietary Fund) is prepared based on the full accrual method. In full accrual accounting, revenues are recognized when they are earned. Expenditures are recorded when the liability is incurred. The basis of budgeting is consistent with the basis of accounting.

CDC/HACoLA employs formal budgetary control and internal accounting controls. These controls employ best practices to specific government accounting.

#### MAJOR SOURCE OF FUNDS

The FY 2018-2019 is budgeted at \$515.7 million, including \$357.5 million in Housing Authority Funds. CDC/HACoLA's primary funding source is through Federal grants and contracts and approximately 71% of its FY 2018-2019 funding will come from HUD. Major funding sources by program are as follows:

- The Section 8 Housing Assistance revenue is budgeted at \$310.1 million in funding for FY 2018-2019. This represents 60.13% of CDC/HACoLA 's FY 2018-2019 budget. The Assisted Housing Division administers the Housing Choice Voucher program, and revenues are budgeted based on existing program vouchers allocated from HUD, and include administrative fees related to those vouchers. The Section 8 program includes \$7.5 million in prior year's reserves in order to maximize the amount of families served.
- State and County revenue is budgeted at \$91.8 million and is comprised primarily of \$21 million for the Magic Johnson Park, \$23.5 million in Housing Development funds from the Department of Mental Health, and \$22.9 million in Measure H funding. Additional funding includes \$2.6 million in Traffic Administration Services, \$.7 million for the South Whittier Resource Center, \$.5 million

for the Cooperative Extension program, \$.1 million for Centro Estrella and \$1 million for the Community Policing program, \$2.6 million in Resident Services and \$2.1 million for the Public Housing South Scattered Sites area. This funding accounts for 20% of CDC/HACoLA's FY 2018-2019 budget.

- 3. The CDBG Program is budgeted at \$28 million for FY 2018-2019. These funds are comprised of the Forty Fourth Year annual allocation of \$21.4 million, joint applicant funds with the City of Cerritos and the City of Torrance, projected program income, and carryover funds from prior years. This represents 5.42% of CDC/HACoLA's FY 2018-2019 budget.
- 4. The Public Housing Program funding is budgeted at \$39.3 million, and is comprised primarily of \$13.3 million in rent revenue and \$8.2 million in operating subsidies. These funds are used to manage and maintain 3,229 public and affordable housing units, and to provide resident services. In total, these funds represent 8% of the CDC/HACoLA's FY 2018-2019 budget.
- 5. Sound attenuation grants are budgeted at \$12.5 million for FY 2018-2019 to be used for the sound attenuation program in the Lennox Community, thereby, preserving the air quality of existing housing in the community impacted by aircraft noise from the Los Angeles International Airport. These funds represent 2% of the FY 2018-2019 budget. The remainder of the funding is derived from various grants or contracts with HUD, other entities, prior year reserves, and the California State Department of Housing and Community Development.

# CDC/HACoLA SUMMARY OF SOURCES AND USES OF FUNDS

SOURCES	2016-17 APPROVED BUDGET	2016-17 REVISED BUDGET	2016-17 ACTUALS	2017-18 APROVED BUDGET	2017-18 ESTIMATE	2018-19 APPROVED BUDGET
Rent Revenue	12,163,600	12,163,600	13,900,000	12,959,300	13,350,000	13,940,600
Operating Subsidy	8,375,200	8,375,200	8,893,200	7,901,200	8,455,900	8,247,400
Housing Assistance	253,336,500	262,336,500	291,385,100	270,422,500	292,086,300	271,996,400
Housing Assistance Admin Fee	25,714,000	25,714,000	27,141,800	28,156,700	26,381,100	23,520,800
Capital Fund Modernization	6,472,300	1,492,300	5,683,700	6,732,000	3,173,600	7,834,900
CDBG	29,022,100	29,022,100	20,827,800	30,227,300	23,648,300	27,945,800
Loan Collection Prin & Prog Income	3,015,000	3,015,000	9,672,900	6,464,600	6,904,700	5,171,900
Sound Attenuation Grants	10,426,200	10,426,200	(7,718,600)	8,303,900	1,632,500	12,515,800
State/County Revenue	42,694,800	48,659,300	57,460,000	38,255,300	30,861,400	91,773,600
Fees and Charges	1,111,100	1,111,100	1,157,000	1,049,400	727,300	840,500
Interest Earnings	5,650,700	5,650,700	8,773,000	5,270,900	6,974,300	5,666,600
Section 8 Reserves	12,126,400	12,126,400	0	337,300	787,900	8,341,900
General Fund Reserves	7,800,400	7,800,400	1,027,000	4,459,900	2,858,400	1,337,200
Other Reserves	39,394,500	39,394,500	(21,856,000)	26,126,500	7,625,500	25,388,600
Affordable Housing Funds	583,700	1,693,700	1,083,700	379,500	131,300	269,000
HOME Program	4,929,200	4,929,200	13,487,800	4,966,200	5,243,600	7,530,000
Other Federal Grants	2,361,000	2,361,000	3,017,400	2,196,000	2,876,400	2,396,000
Other Income	1,190,400	1,190,400	3,589,600	2,851,500	2,694,900	973,700
TOTAL	466,367,100	477,461,600	437,525,400	457,060,000	436,413,400	515,690,700
USES			l			
Salarios & Ronafits	43 640 000	43 914 000	40 015 600	45 688 100	30 429 700	51 038 200
	000,010,01	000/1-0/01	000,000	10,000,100	00,120,00	007,000,10
Services & Supplies	31,848,600	35,824,500	26,829,600	32,353,900	28,492,000	31,015,000
Subventions/Disbursements	327,520,900	337,630,900	336,731,300	330,714,100	334,370,300	363,018,400
Capital Outlay	56,166,500	52,911,000	26,764,500	41,122,600	27,048,800	61,235,200
Transfers	7,181,200	7,181,200	7,184,400	7,181,300	7,072,600	9,383,900

\*\* Section 8 Reserves are held by HUD and offset the revenues that HUD provides our Agency.

515,690,700

436,413,400

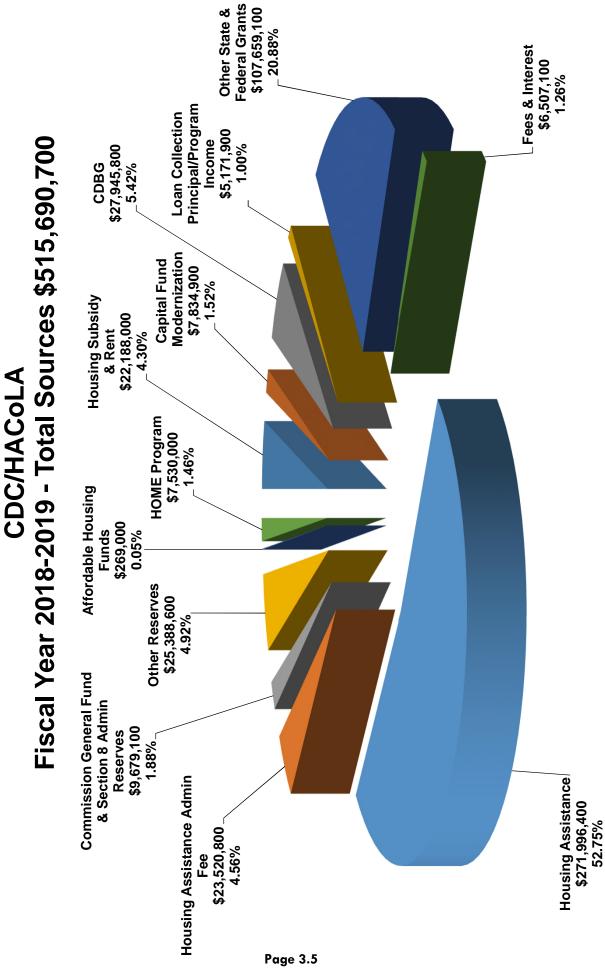
457,060,000

437,525,400

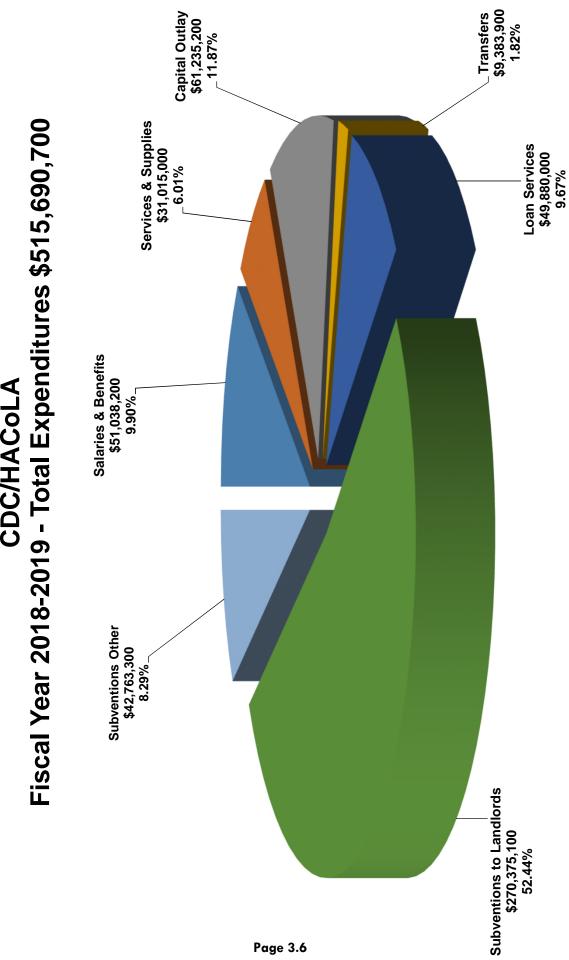
477,461,600

466,367,100

TOTAL



Sources of Funds by Category



# **Uses of Funds by Category** CDC/HACoLA

SUMMARY OF SOURCES AND USES OF FUNDS HOUSING AUTHORITY PROGRAMS ONLY

sources	2016-17 APPROVED BUDGET	2016-17 REVISED BUDGET	2016-17 ACTUALS	2017-18 APPROVED BUDGET	2017-18 ESTIMATE	2018-19 APPROVED BUDGET
Rent Revenue	11.849.900	11.849.900	12.987.700	12.369.600	12.899.200	13.343.400
Operating Subsidy	8,375,200	8,375,200	8,893,200	7,901,200	8,455,900	8,247,400
Housing Assistance	253,336,500	262,336,500	291,385,100	270,422,500	292,086,300	271,996,400
Housing Assistance Admin Fee	25,714,000	25,714,000	27,141,800	28,156,700	26,381,100	23,520,800
Capital Fund Modernization	6,472,300	1,492,300	5,683,700	6,732,000	3,173,600	7,834,900
CDBG	704,500	704,500	736,700	1,657,200	1,338,500	2,785,900
State/County Revenue	6,861,800	8,626,300	1,941,600	8,306,700	6,164,900	16,268,200
Fees and Charges	238,300	238,300	165,700	148,600	-11,300	91,900
Interest Earnings	2,675,300	2,675,300	2,714,900	625,500	411,000	315,100
Section 8 Reserves**	12,126,400	12,126,400	0	337,300	787,900	8,341,900
General Fund Reserves	262,000	262,000	-270,500	267,500	181,300	7,500
Other Reserves	5,791,000	5,791,000	-21,828,600	9,870,800	1,754,000	3,988,700
Affordable Housing Funds (COI)	583,700	1,693,700	1,083,700	379,500	131,300	269,000
Other Federal Grants	411,000	411,000	241,300	246,000	246,000	246,000
Other Income	119,500	119,500	1,467,400	122,900	225,600	196,000
TOTAL	335,521,400	342,415,900	332,343,700	347,544,000	354,225,300	357,453,100

Salaries & Benefits	28,476,500	28,476,500	28,311,100	30,777,600	29,320,800	35,772,900
Services & Supplies	23,447,000	23,487,000	19,107,900	26,031,500	23,062,200	24,231,100
Subventions/Disbursements	267,742,600	277,852,600	278,435,400	272,344,100	289,466,200	279,861,300
Capital Outlay	11,024,300	7,768,800	1,282,000	13,611,400	7,758,200	11,574,200
Transfers	4,831,000	4,831,000	5,207,300	4,779,400	4,617,900	6,013,600
TOTAL	335,521,400	342,415,900	332,343,700	347,544,000	354,225,300	357,453,100

\*\* Section 8 Reserves are held by HUD and offset the revenues that HUD provide our Agency.

SUMMARY OF SOURCES AND USES OF FUNDS CDC PROGRAMS ONLY

SOURCES	2016-17 APPROVED BUDGET	2016-17 REVISED BUDGET	2016-17 ACTUALS	2017-18 APPROVED BUDGET	2017-18 ESTIMATE	2018-19 APPROVED BUDGET
Rent Revenue CDBG Loan Collection Prin & Prog Income Sound Attenuation Grants State/County Revenue Fees and Charges Interest Earnings General Fund Reserves Other Reserves Other Reserves Other Federal Grants Other Income	313,700 28,317,600 3,015,000 10,426,200 35,833,000 872,800 2,975,400 7,538,400 33,603,500 4,929,200 1,950,000 1,950,000	313,700 28,317,600 3,015,000 10,426,200 40,033,000 872,800 2,975,400 7,538,400 33,603,500 4,929,200 1,950,000 1,950,000	912,300 20,091,100 9,672,900 (7,718,600) 55,518,400 991,300 6,058,100 1,297,500 13,487,800 2,776,100 2,122,200	589,700 28,570,100 6,464,600 8,303,900 8,303,900 8,303,900 8,303,900 8,303,900 8,303,900 900,800 4,645,400 4,192,400 4,1956,200 1,950,000 2,728,600	450,800 22,309,800 6,904,700 1,632,500 738,600 6,563,300 6,563,300 5,871,500 5,871,500 5,243,600 5,469,300 2,630,400 2,630,400	597,200 25,159,900 5,171,900 12,515,800 75,505,400 748,600 5,351,500 1,329,900 7,530,000 2,150,000 2,150,000 2,150,000
TOTAL	130,845,700	135,045,700	105,181,700	109,516,000	82,188,100	158,237,600
USES						
Salaries & Benefits Services & Supplies Subventions/Disbursements Capital Outlay Transfers	15,173,400 8,401,600 59,778,300 45,142,200 2,350,200	15,437,500 12,337,500 59,778,300 45,142,200 2,350,200	11,704,500 7,721,700 58,295,900 25,482,500 1,977,100	14,910,500 6,322,400 58,370,000 27,511,200 2,401,900	10,108,900 5,429,800 44,904,100 19,290,600 2,454,700	15,265,300 6,783,900 83,157,100 49,661,000 3,370,300

158,237,600

82,188,100

109,516,000

105,181,700

135,045,700

130,845,700

TOTAL

# HOUSING/ NON HOUSING PROGRAMS





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TRALIGATING SAMPLING

#### MESSAGE FROM THE DEPUTY EXECUTIVE DIRECTOR: Emilio Salas



CDC/HACoLA operates the largest Urban County Community Development Program in the Country and is one of the largest public housing authorities in the nation. CDC/HACoLA continues to be a recognized leader as an effective administrator of federal programs and is also gaining recognition as a forward thinking organization that seeks to develop and implement new ideas and approaches to address complex issues.

This past year, CDC/HACoLA was immersed in one of the County's main goals centered around ending homelessness and increasing the supply of affordable housing for County residents. This effort included taking a lead role in implementing numerous Homeless Initiatives in partnership with other County Departments, the non-profit community, philanthropic groups, and even our local business community. In the coming year, we are excited to see many of these initiatives evolve from the planning stage to full implementation. Other initiatives, such as our Homeless Incentive Program, will evolve from full implementation to rapid expansion beyond our organization. Additionally, the agency will continue to oversee the revitalization of community facilities such as parks, libraries, and community and senior centers. None of this would be possible without our talented staff with years of experience in key programmatic areas such as housing, property management, asset management, and economic and community development. It is the effort of this team that has resulted in bringing the agency and our Board of Supervisors' vision to reality, for the benefit of the residents of Los Angeles County.

Additionally, this past year we also witnessed positive results of our advocacy efforts to direct more resources to the County of Los Angeles as evidenced by CDC/HACoLA being awarded the largest allocation in the nation of new housing vouchers for homeless veterans. We remain committed to advocating for funding at the State and Federal levels to affect change within our County.

As one of the nation's foremost agencies in Housing, Economic, and Community Development, I am extremely proud of our accomplishments, but I am also humbled by the huge tasks that still lie<del>s</del> ahead and the trust that the public has placed in us to tackle them all. It is my privilege to ensure that CDC/HACoLA continues to meet its mission of **Building Better Lives and Better Neighborhoods.** 



# ASSISTED HOUSING





#### AN OVERVIEW FROM THE DIRECTOR: Margarita Lares



The Assisted Housing Division is proud to administer over 25,000 rental subsidies for eligible individuals and families, seniors, veterans, and persons with disabilities living in the unincorporated area of Los Angeles County and 62 participating cities.

With Federal funds received from the U.S. Department of Housing and Urban Development (HUD), rental payments are made directly to private landlords for participants in

the following programs: Housing Choice Voucher (Section 8), Veterans Affairs Supportive Housing (VASH), Shelter Plus Care/Continuum of Care, Moderate Rehabilitation, and Housing Opportunities for Persons with Aids (HOPWA).

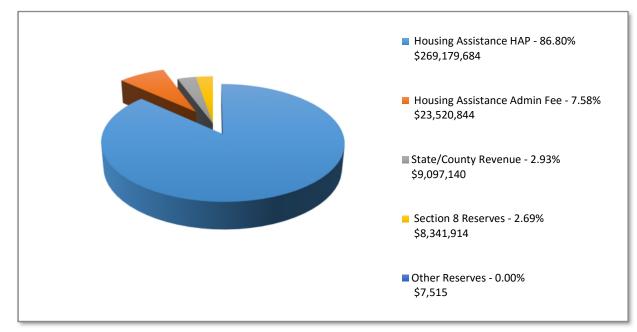
We continue to be a partner with the County's Homeless Initiative, and, through the Homeless Incentive Program (HIP), have led hundreds of individuals move from homelessness to permanent housing. The homelessness crisis and implementing solutions to end it continues to be in the forefront of our work. The Division is also proud to continue to administer the Family Self-Sufficiency (FSS) program, which prepares participants for self-sufficiency. Since its inception, 470 individuals have graduated from the program and \$3.4 million in escrow savings were paid to graduates.

Last year, we suspended leasing activities for approximately eleven months due to the reduction of the Federal funding for the Housing Choice Voucher program. Although we continued to receive funding from HUD to make rental payments for current participants, we could not admit new individuals and families to the program. This action was necessary to ensure that we remained eligible to receive \$6.3 million emergency supplemental funding at the end of the calendar year. Despite the fiscal challenges, we were able to end the year without having to lay off a single employee and remain a high performing agency under HUD's Section Eight Management Assessment Program. We took extraordinary measures to transfer staff to other areas of need and reduced staffing through natural attrition. We made additional organizational adjustments in preparation for another year of possible reductions while minimizing the impact to our clients.

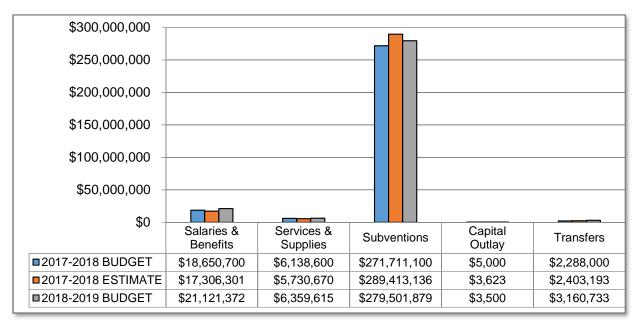
As we continue to assist our participants who are challenged by increasing housing costs and the lack of available housing in our County, we remain focused to accomplish the following: apply for grant opportunities and new sources of revenue; adopt our agencies' new core values of collaboration, passion, empathy, integrity, and transparency; and to collectively go **beyond** *building better lives and better neighborhoods*.

#### DIVISION BUDGET \$310,147,100

#### **Sources of Funds**



**Uses of Funds** 



	2017-18 BUDGET	2017-18 ESTIMATE	2018-19 BUDGET
TOTAL BUDGET	\$298,793,400	\$314,856,900	\$310,147,100
TOTAL EMPLOYEES	209.00	186.83	192.33
Number of Regular Employees	208.00	186.00	190.33
Number of Contract Employees	1.00	0.83	2.00

#### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS, AND MAJOR GOALS

#### HOUSING CHOICE VOUCHER (SECTION 8) PROGRAM

**Mission:** Provide quality housing assistance with care and integrity in Los Angeles County, and continue to improve operations and efficiencies while maintaining high performer status.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$262,571,700	\$279,938,500	\$259,178,300
Number of Employees:	182.86	157.06	158.86

#### FY 17-18 Major Accomplishments:

- Received a High Performer rating under Section Eight Management Assessment Program for FY 2016-2017 and we are on pace to receive the SEMAP High Performer rating again for FY 2017-2018.
- Utilized 95% of allocated vouchers. Expended 97% of annual Housing Assistance Payments (HAP) funding.
- **3.** Earned 20 points for indicator 3, Determination of Adjusted Income, on SEMAP.
- Completed 100% of annual Housing Quality Standards inspections within 12 months of their due date, earning maximum points under SEMAP for this indicator.
- Completed 100% of annual reexaminations prior to the fiscal yearend, earning maximum points under SEMAP for this indicator.

#### FY 18-19 Major Goals:

- **1.** Administer 22,330 tenant and project base vouchers.
- **2.** Maintain a Minimum Standard rating under SEMAP.
- **3.** Maximize voucher/budget utilization by maintaining a 98% or higher voucher or budget utilization rate.
- Continue to improve and streamline customer service and communication through improved web features and portals specifically designed to facilitate access to information for owners and tenants.

#### SHELTER PLUS CARE (S+C)/CONTINUUM OF CARE (CoC) PROGRAM

**Mission:** Provide rental assistance services to low-income individuals with special needs in compliance with HUD regulations.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$13,828,200	\$14,150,200	\$17,522,800
Number of Employees:	6.18	5.35	5.10

#### FY 17-18 Major Accomplishments:

- Administered 35 grants and awarded 2 new grants which assisted 1,344 homeless families with special needs.
- **2.** Reached 85% lease-up rate for existing grants.
- **3.** Completed 100% of annual reexaminations.
- **4.** Draw-downs were completed timely on a monthly basis.

#### FY 18-19 Major Goals:

- Administer 35 Shelter Plus Care/Continuum of Care grants to support 1,344 families.
- 2. Maintain a 90% lease-up rate or greater for active grants, or a 90% budget utilization rate, whichever is greater.
- **3.** Ensure that all draw-downs are completed timely.

#### VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) PROGRAM

**Mission:** Provide rental assistance services to low-income veterans and their families in combination with case management and clinical services through the Department of Veterans Affairs at Veterans Affairs Medical Center (VAMC) supportive services sites.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$18,250,400	\$18,274,400	\$22,285,700
Number of Employees:	9.00	8.00	10.00

#### FY 17-18 Major Accomplishments:

- 1. Leased up 91% of VASH vouchers.
- **2.** Issued 507 VASH vouchers this fiscal year.

#### FY 18-19 Major Goals:

- **1.** Administer 1,754 vouchers.
- **2.** Reach and maintain 90% or better lease-up.
- **3.** Maintain communication with the VA and continue to provide technical assistance to VA staff.

through owner meetings and tenant

briefings.

#### **MODERATE REHABILITATION PROGRAM**

**Mission:** Provide moderate levels of rehabilitation to upgrade and preserve the housing stock. Owners entered into a 15-year Housing Assistance Contract with their local housing authority; and in exchange, the Housing Authority would help repay the owner's loan by subsidizing the rents of low-income participants at a higher-than-fair market rate.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$905,100	\$905,100	\$852,800
Number of Employees:	1.14	1.00	0.95
FY 17-18 Major Accom	plishments:	FY 18-19 Major Goa	ls:
1. Maintained a 98% oc	cupancy rate.	<b>1.</b> Administer 83 Mode units.	erate Rehabilitation
<b>2.</b> Completed 100% of annual re- examinations.		<ol> <li>Maintain a 90% or better occupancy rate.</li> </ol>	
		<b>3.</b> Complete 98% of a examinations on tir	
		<b>4.</b> Continue to provide customer service to Rehabilitation owned	o Moderate

#### FAMILY SELF SUFFICIENCY (FSS) PROGRAM

**Mission:** Provide a five (5) year voluntary program designed for low-income families in the Housing Choice Voucher program to achieve self-sufficiency by providing case management and referrals to supportive social services. Some of these services include career counseling, money management, job searching training, and education.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$816,500	\$779,300	\$829,100
Number of Employees:	9.40	8.00	8.00

#### FY 17-18 Major Accomplishments:

- **1.** Increased FSS enrollment to 88%.
- **2.** Ended the year with 46% rating of FSS participants with escrow accounts.
- **3.** Maintained strong relationships with partnering supportive service agencies and increased partnerships with new agencies through regular participation in the Southern California FSS Collaborative.
- **4.** Received Grant funding for 10 FSS Coordinators.

#### FY 18-19 Major Goals:

- 1. Maintain FSS enrollment at 80% or more.
- **2.** Ensure that at least 30% of FSS participant have escrow balances by the end of the FY.
- **3.** Receive at least 10 points on SEMAP in the Family Self Sufficiency category.
- Increase links and partnerships with supportive service agencies to assist FSS participants in completion of their goals related to self-sufficiency.

#### HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) PROGRAM

**Mission:** Provide rental assistance services to low-income individuals living with AIDS in a professional manner and an atmosphere of care and respect for all clients.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$337,200	\$331,800	\$381,300
Number of Employees:	0.42	0.42	0.42

#### FY 17-18 Major Accomplishments:

- **1.** Leased 16 out of the 34 new HOPWA applicants this HOPWA Program Year.
- **2.** Conversion of all HOPWA participants began at least three (3) months prior to their contract expiration.

#### FY 18-19 Major Goals:

- **1.** Provide assistance to 34 clients.
- **2.** Issue 100% of HOPWA certificates based on current HOPWA Program Year allocation.
- Begin the conversion process for 90% of HOPWA participants three (3) months prior to their HOPWA contract expiration date.

#### HOMELESS INITIATIVE PROGRAM

**Mission:** Provide local funds to help homeless families and individuals with a federal housing voucher to secure subsidized housing, by encouraging landlord acceptance of homeless households with rental subsidies administered by the Housing Authority.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$2,084,300	\$477,600	\$9,097,100
Number of Employees:	0.00	7.00	9.00

#### FY 17-18 Major Accomplishments:

- 1. Attended and/or conducted 29 owner outreach events.
- **2.** Implemented the owner Veterans Incentive Program.
- **3.** Entered into Interagency Agreements with two additional housing authorities within the Los Angeles County area.
- **4.** Implemented the owner HIP incentive program.
- **5.** Housed over 221 formerly homeless veterans and families.

#### FY 18-19 Major Goals:

- **1.** Increase the number of Interagency Agreements with other housing authorities within Los Angeles County.
- **2.** Maximize the HIP program funding.
- **3.** Identify at least 600 rental units to receive the incentive.

#### FAMILY SELF-SUFFICIENCY (FSS) PROGRAM HIGHLIGHT

Families assisted through the HCV program are offered the opportunity to participate in a FSS Program by HUD. Once an eligible family is selected, the head of the household executes a five-year FSS Contract of Participation detailing the goals and services for the family. There are many services offered through the program: transportation, education, job training, counseling, etc. Public housing agencies (PHAs) work with welfare agencies, schools, businesses, and other local partners to develop a comprehensive program that gives participating FSS family members the skills and experience to enable them to obtain employment that pays a living wage, leading to greater economic independence. Any increase to the family's income is deposited into an interest-bearing escrow account established by the PHA. Once a family successfully graduates from the program, they may access the escrow account for any purpose, such as a down payment for a new home. Currently, the Housing Authority has 466 families participating in the program, with 267 families maintaining an escrow balance.



Ms. Ramirez graduated from the FSS Program on April 24, 2018, with an escrow saving balance of approximately \$20,000. She enrolled in the FSS program on September 1, 2013. At that time, she was a single mother of three children. Her only source of income was social security benefits. During the program, Ms. Ramirez obtained her GED, secured full-time employment, and supported her children in pursuing higher education.



This Property is Smoke-Free Thank you for not smoking

FY 2019 Annual Budget

#### AN OVERVIEW FROM THE DIRECTOR: Maria Badrakhan



The Housing Authority has 3,229 public and affordable housing units located throughout Los Angeles County. Our inventory consists of 2,962 public housing units located at 63 sites; 226 units under the Multifamily Program at Kings Road in West Hollywood and Lancaster Homes in Lancaster; and 41 State Rental Housing Construction Program (RHCP) units in Santa Monica.

The Division receives Operating Subsidies and Housing Assistance Payments (HAP) contracts from the U.S. Department

of Housing and Urban Development (HUD). Additional revenue consists of rent receipts, County General Fund and other Federal and State grants. These revenue sources are used to operate and provide modest affordable housing and to provide resident supportive services to families and seniors with limited means.

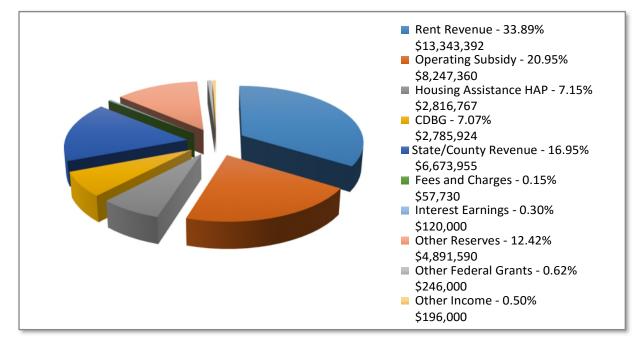
Our Public Housing Program has been rated High Performer for the last eight (8) years. HUD measures our accomplishments through the Public and Indian Housing Information Center (PIC) system. The Public Housing Assessment System (PHAS) Score Report tracks four (4) indicators: Management Operations, Physical Conditions of our properties, Financial Conditions, and timely obligation and expenditure of Capital Funds. The lease up rate for public housing is 99% and the overall Real Estate Assessment Center (REAC) property inspections score is 90.

Capital Fund Program funds received from HUD are utilized for modernization and property improvements. The 2018 Capital Fund Grant award of \$4.8 million will fund eight (8) new construction projects countywide. CDBG funds and County General Funds will also be used for capital improvements. In Fiscal Year 2018-2019 we will renovate kitchens at Carmelitos as part of Phase II, replace windows at Maravilla, and perform balcony repairs at Foothill Villa. Marina Manor site improvements will include kitchen remodeling, exterior stair repairs, and exterior painting. A Physical Needs Assessment is utilized to set priorities for future construction projects.

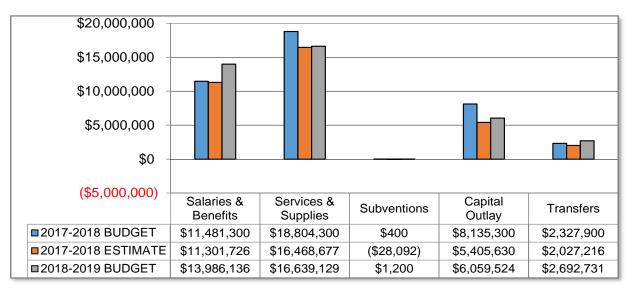
Our partnership with the Los Angeles Housing Services Authority (LAHSA) has housed homeless in South County. County Departments, numerous non-profits, and the resident councils have provided resident support services, such as case management, education, and job training. The Community Development Foundation, our non-profit organization, awards annual scholarships and offers SAT prep classes to residents pursuing higher education. Our Community Policing Program, and the seven-acre Growing Experience Urban Farm, have received numerous awards and national recognition for innovation.

#### **DIVISION BUDGET \$39,378,700**

#### **Sources of Funds**



**Uses of Funds** 



	2017-18	2017-18	2018-19
	BUDGET	ESTIMATE	BUDGET
TOTAL BUDGET	\$40,749,200	\$35,175,200	\$39,378,700
TOTAL EMPLOYEES	130.75	123.47	129.70
Number of Regular Employees	103.10	119.77	126.50
Number of Contract Employees	27.65	3.70	3.20

#### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS, AND MAJOR GOALS

#### HOUSING MANAGEMENT CONVENTIONAL & NON-CONVENTIONAL

**Mission:** Effectively generate and utilize the resources of the Housing Authority to provide quality affordable housing and expand opportunities to improve the quality of life in housing developments through the involvement of employees, residents, and community partners.

#### HOUSING MANAGEMENT CENTRAL OFFICE COST CENTER

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$6,646,300	\$6,347,300	\$7,266,600
Number of Employees:	8.10	8.10	7.50

#### FY 17-18 Major Accomplishments:

- **1.** Provided oversight and administration for all public housing sites and staff.
- **2.** Submitted the HUD Annual Plan and ACOP by the HUD deadline.
- **3.** Provided 12 major staff trainings, and individual programmatic training to include REAC, rent calculation, and management and maintenance training.

#### FY 18-19 Major Goals:

- **1.** Provide oversight and administration for all public housing sites and staff.
- **2.** Submit the HUD Annual Plan and ACOP by the HUD deadline.
- **3.** Provide 12 program and professional development training sessions to staff.

#### **CONVENTIONAL HOUSING**

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$19,322,900	\$17,418,500	\$20,371,500
Number of Employees:	97.42	91.54	95.76

#### FY 17-18 Major Accomplishments:

- **1.** Averaged an annual Occupancy rate of 99%.
- **2.** Collected 99% of rent billed to tenants and limit delinquency to 1.5%.

#### FY 18-19 Major Goals:

- Average an annual Occupancy rate of 98%.
- **2.** Collect 98% of rent billed to tenants and limit delinquency to 1.5%.

2018-2019

- **3.** Abated 100% of emergency work orders within 24 hours.
- Achieved an average score of 90 on annual physical inspection conducted by HUD-REAC.
- **5.** Completed 100% annual unit and building inspections.
- **6.** Completed 100% of annual reexaminations for assisted families.

- **3.** Abate 100% of emergency work orders within 24 hours.
- Maintain an average score of 90 on annual physical inspection conducted by HUD-REAC.
- **5.** Complete 100% annual unit and building inspections.
- **6.** Complete 100% of annual reexaminations for assisted families.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$3,852,100	\$4,105,300	\$4,527,800
Number of Employees:	10.88	10.63	13.38

#### FY 17-18 Major Accomplishments:

- Management and Occupancy Reviews for Kings Road and Lancaster Homes is above average.
- Averaged an annual occupancy rate of 95% at Lancaster Homes and 100% for Kings Road.

#### FY 18-19 Major Goals:

- Receive an "Above Average" rating on the Management and Occupancy Reviews for Kings Road and Lancaster Homes.
- Average an annual occupancy rate of 98% at Lancaster Homes and Kings Road.

#### HOUSING MANAGEMENT SITE IMPROVEMENTS

**Mission:** Improve various housing developments through construction activities using CDBG funds, County General funds, and other program funds.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$8,776,000	\$5,294,000	\$4,845,900
Number of Employees:	0.00	0.00	0.00

FY 17-18 Major Accomplishments:

- Completed six (6) CDBG projects, including the modernization of Arizona & Olympic Kitchens, installation of Orchard Arms Doors, Bright Futures Childcare Rehab, and the Carmelitos Parking Lots, CCTV installation, and Carmelitos kitchen upgrades.
- **2.** Completed construction of 11 ADA kitchens at Lancaster Homes.
- **3.** Completed five (5) construction projects at South County family sites with County General Funds.

#### FY 18-19 Major Goals:

- Complete seven (7) CDBG projects, including the modernization of East County Kitchens, East County Generator installations, Quartz Hill Site Improvements, Quartz Hill Security Cameras, South Bay Gardens Unit Flooring, Maravilla Repiping, and Lancaster Homes Repipe.
- **2.** Complete the Kings Road Roof Replacement project.
- **3.** Complete four (4) construction projects at South County family sites with County General Funds.

#### CRIME & SAFETY UNIT

**Mission:** Ensure compliance with federal regulations and program requirements to reduce the incidence of criminal activity.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$1,966,000	\$1,770,900	\$1,969,200
Number of Employees:	4.85	3.85	2.85

#### FY 17-18 Major Accomplishments:

- Conducted 11,664 criminal background checks for Housing Authority Section 8 and Public Housing, and Housing Authority applicants.
- Operated a countywide Closed-Circuit TV system to prevent and detect crime and risk management incidences at Public Housing locations. Responded to 130 requests to view incidents on CCTV. Upgraded and improved the CCTV system at a total of 35 sites.

#### FY 18-19 Major Goals:

- Conduct criminal background checks for Housing Authority Section 8 and Public Housing, and Housing Authority applicants.
- 2. Operate a countywide Closed-Circuit TV system to prevent and detect crime and risk management incidences at Public Housing locations. Respond to requests to view incidents on CCTV. Upgrade and improve the CCTV system at housing sites.

2018-2019

- **3.** Continued the Implementation of Arrest Data Matching for 645 Housing Authority residents.
- Operated countywide Community Policing Program to reduce crime and responded to 1,615 calls for service incidents of criminal activity at 68 Public and Affordable Housing sites. Maintained overall crime reduction of 70% since program inception.
- **3.** Continue to implement Arrest Data Matching for Housing Authority residents.
- Operate countywide Community Policing Program to reduce crime and respond to calls for service incidents of criminal activity at 68 Public and Affordable Housing sites.

\* The Crime & Safety unit allocates expenses to each of our eight AMPs. Therefore, the CSU budgets are included here for informational purposes only as they are included in the Division's Conventional and Non-Conventional budget. Also note that \$97,750 of the FY 2018-2019 Budget is funded by the Housing Authority of the City of Los Angeles for criminal background checks and it is included in the overall Division budget.

#### **RESIDENT SERVICES PROGRAMS (RSP)**

**Mission:** Provide needs-based services to public housing residents utilizing various grants, and connecting the residents to services available through program providers in the community.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$461,800	\$342,000	\$344,369
Number of Employees:	2.35	1.70	2.56

#### FY 17-18 Major Accomplishments:

- Provided case management assistance services to 183 residents through the Family Resource Center services.
- Partnered with local non-profits to provide educational and recreation services for 315 unduplicated public housing youth in the after school program in the Recreation and Family Learning Centers.
- **3.** Provided on-site computer literacy classes to 275 public housing adult residents by partnering with local non-profit agencies.
- **4.** Provided 340 seniors and persons with disabilities with Quality of Life programs, case management, and clinical services.

#### FY 18-19 Major Goals:

- Provide case management assistance and quarterly workshops to 185 residents through the Family Resource Center services. Provide clinical services through the Department of Mental Health.
- 2. Partner with local non-profits to provide educational services for 320 unduplicated public housing youth participating in the after school programs.
- **3.** Provide on-site computer literacy classes to 300 public housing adult residents by partnering with local agencies.

2018-2019

- Enrolled a total of 86 current participants in the FSS program, 56 of which have active escrow accounts. Graduated 13 participants.
- 6. Provided Assisted Living Waiver Pilot Program services to 46 seniors at South Bay Gardens, Orchard Arms and Lancaster Homes.
- Provide 300 senior and persons with disabilities with Quality of Life programs, case management, and clinical services.
- Enroll an additional 14 FSS families in the program bringing to a total of 100 participants, and 70 will have escrow accounts.
- **6.** Provide Assisted Living Waiver Pilot Program services to 45 seniors at South Bay Gardens, Orchard Arms and Lancaster Homes.

#### JUVENILE JUSTICE CRIME PREVENTION PROGRAM (JJCPA)

**Mission:** Assist at-risk youth and their families in public housing.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$528,800	\$528,800	\$580,500
Number of Employees:	4.15	4.15	4.15

#### FY 17-18 Major Accomplishments:

- Received a 17<sup>th</sup> JJCPA grant to provide the program at four (4) family public housing sites to serve 165 at-risk youth and families.
- Receive an 18<sup>th</sup> JJCPA grant to provide the program at four (4) family public housing sites to serve 185 at-risk youth and families.

#### GROWING EXPERIENCE (GE)

**Mission:** Provide a "green community resource center" at the Carmelitos public housing development.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$245,400	\$257,000	\$337,300
Number of Employees:	3.00	3.50	3.50

#### FY 17-18 Major Accomplishments:

- Developed partnership with Molina Healthcare to integrate CSA and Farm stand offerings into youth wellness program. Obtained grant from Knight Foundation which will support the expansion of the CSA program in central Long Beach.
- Delivered educational programming to JJCPA participants and partnered with local herbalist to deliver educational programming in the food forest during the 2018 Earth Day Celebration.
- **3.** Inputs have stayed consistent while production has increased to include providing produce for the Villages at Cabrillo as well as continued service to Long Beach City College.
- Tracked electrical usage and found that the solar system has generated over 11,500 kWh.
- Continued partnership with the City of Long Beach and expanded compost program to integrate Long Beach residents and local eateries/food producers.
- **6.** Club Young Creatives micro-enterprise (YCME) recruit youth to develop their ideas into a sustainable business.
- Implement new Science, Technology, Engineering, Art, Math (STEAM) Programming using The Growing Experience Farm as the classroom.

- Establish regular CSA participant base in Central Long Beach through the MAYE Center per Knight Foundation grant.
- Develop self-guided plant-walk educational materials for Food Forest and create a digital plant gallery on TGE website.
- **3.** Maintain or reduce inputs by increasing water resource efficiencies.
- **4.** Continue to track electrical usage and savings and look for additional grants for sustainability and energy-saving projects.
- **5.** Continue pursuit of expanding compost program to Carmelitos residents through educational sustainability programs.
- **6.** 10 YCME youth to complete the program by December 2018, and showcase their business design at a community event.
- **7.** 10 youth to participate in STEAM to increase their knowledge of STEAM majors and careers.

#### THE GROWING EXPERIENCE

The Growing Experience (TGE) is an award winning seven-acre urban farm and community garden, located within the Carmelitos Public Housing Community in Long Beach. TGE staff work to provide sustainably grown produce to underserved families while also delivering educational opportunities for youth and adults alike.

California State Association of County (CSAC) Challenge and Merit Award Winner – TGE was awarded a Challenge Award by CSAC for three of its recent initiatives: the Aquaponics and Vertical Growing Towers, Community Food Forest, and Food Waste Composting Program. These three program components engage the community in sustainability and provide examples of long-term replicable solutions for pertinent environmental challenges.



**Club Y.C.M.E. Young Creatives Micro-Enterprise** – TGE was awarded grant funding from the Knight Foundation to implement a year-long program for youth in Carmelitos and the surrounding Long Beach area with the goal of developing a youth-led micro-enterprise utilizing The Growing Experience farm as the product source. The youth in the program participate in all aspects of designing and building a small business from product development to marketing and sales. The program empowers the youth to positively express themselves through creativity and while developing their skills in team building, business savvy and problem solving.



**STEAM Programing** – TGE received grant funds and developed partnerships to implement multiple STEAM (science, technology, engineering, art, math) programs in which youth utilize the farm as their classroom to explore STEAM. topics.

The farm's aquaponics system, which integrates chemistry, design, and agriculture, is a favorite for many youth. The programs not only reinforce and further scaffold STEAM learning, they also provide a context for which newly mastered concepts can be applied in the real world.

### LOS ANGELES COUNTY COMMUNITY DEVELOPMENT FOUNDATION (LACDF)

LACDF is a 501(c)3 non-profit organization of the HACoLA. Its mission is to end generational poverty in low-income housing throughout the *Los Angeles County*. LACDF is meeting this mission by implementing a set of programs that empower extremely low-income students to and through college.

Housing Authority Resident Scholarship (HARS) awards range from \$1,000 to \$1,650 for students attending a 4-year university, community college, or vocational training program. Since 1997, LACDF has awarded over \$306,600 in scholarships to 300 participants many of whom have since graduated and entered into professional fields of practice including doctors, nurses, and lawyers. In FY 2017-2018, 33 scholarships were awarded totaling \$35,000.

#### Reality Check Conference (RCC)

consists of career/life skills workshops for HARS awardees and other Public Housing and Section 8 participants attending college or college bound. The scholarship awardees are recognized during the annual RCC held at The California Endowment.



Reality Check Conference

Additionally, LACDF offers College to **Career Mentorship** program, giving students invaluable advice along their journey towards a meaningful career. Students are paired with professionals within their field of interest for one year and work together to develop academic goals and plans to achieve them. LACDF is proud to offer free SAT Course to Housing Authority participants. The students who successfully complete the course are given free admission to take the official test. The goal is to provide training to at least 25 students each year.



After School Fuel Nutrition and After School STEM (Science, Technology, Engineering, and Mathematics) programs are also offered.



After School STEM Program

#### PARTNERSHIPS

The Housing Authority, in collaboration with community partners, has improved the lives of our residents.

Los Angeles Homeless Service Authority (LAHSA) provides homeless referrals for the admissions preference for South County family housing developments. By June 30, 2018, approximately 31 families will have been housed since program inception of July 1, 2016.



**Resident Councils** serve as the voice of the community and have their own priority programs and hold various resident social activities. There are currently 12 Resident Councils.

**Libertana Home Health** provides seniors with 24/7 in-home assisted living care with daily activities at South Bay Gardens, Orchard Arms, and Lancaster Homes. There are currently 46 participants.

Los Angeles County Workforce Development, Aging and Community Services (WDACS), South Bay Workforce Investment Board (SBWIB) and Pacific Gateway provide job training and employment for residents countywide.

#### Los Angeles County Department of Mental Health (LACDMH) provides

mental health services to residents at all 13 senior public and affordable sites with on-site offices.



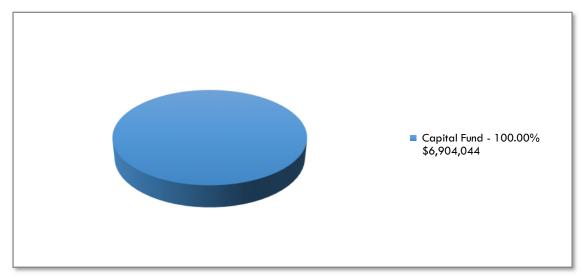
Los Angeles County Probation Department in partnership with the Housing Authority implements the Juvenile Justice Crime Prevention Act (JJCPA) program providing case management and activities for at-risk youth.



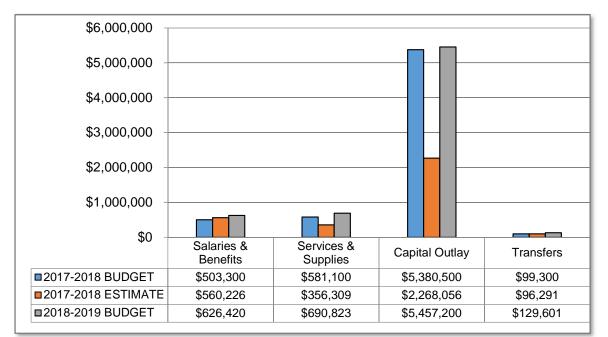
Los Angeles County Sheriff's Department (LASD) and Long Beach Police Department (LBPD) address crime in public housing through its community policing program including crime prevention, intervention and enforcement.

#### CAPITAL FUND BUDGET \$6,904,000

#### **Sources of Funds**



#### **Uses of Funds**



	2017-18	2017-18	2018-19
	BUDGET	ESTIMATE	BUDGET
TOTAL BUDGET	\$6,564,200	\$3,280,900	\$6,904,000
TOTAL EMPLOYEES	2.90	3.60	3.20
Number of Regular Employees	2.90	2.90	2.50
Number of Contract Employees	0.00	0.70	0.70

#### CAPITAL FUND OVERVIEWS, ACCOMPLISHMENTS, AND MAJOR GOALS

**Mission:** Implement and administer the Capital Fund Program (CFP) for modernization of the public housing developments and ensure that funds are obligated and expended in compliance with Federal Regulations.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$6,564,200	\$3,280,900	\$6,904,000
Number of Employees:	2.90	3.60	3.20

#### FY 17-18 Major Accomplishments:

- Submitted the Annual Statement and updated the 5-Year Action Plan to HUD for 2018 Capital Fund Program for the Housing Authority (Continuous).
- Met 100% of the deadlines for the obligation and expenditure of Capital Fund Grant funds (Continuous).
- **3.** Closed the 2015 CFP Grant for the Housing Authority.
- Conducted two (2) Resident Advisory Board meetings in preparation for the submittal of the CFP Annual Statement and Five-Year Plan to HUD (Continuous).
- Housing Authority, as the lead agency, collaborated with HUD on Annual Modernization Training Conference for Southern California Housing Authorities.
- Completed 15 construction projects including, but not limited to; the Carmelitos Kitchen Rehab Phase I, South Bay Gardens Kitchens Phase II, Orchard Arms Elevator Modernization, Palm Apartments Roof Replacement, and the Nueva Maravilla Re-Pipe/Plumbing Phase I.

- Submit the Annual Statement and update the 5-Year Action Plan to HUD for 2019 Capital Fund Program for the Housing Authority (Continuous).
- Meet 100% of the deadlines for the obligation and expenditure of Capital Fund Grant funds (Continuous).
- **3.** Close the 2016 CFP Grant.
- **4.** Conduct two (2) Resident Advisory Board meetings in preparation for the submittal of the CFP Annual Statement and 5-Year Plan to HUD (Continuous).
- Housing Authority, as the lead agency, will coordinate the Annual Modernization Training Conference in collaboration with HUD for Southern California Housing Authorities.
- Complete eight (8) new and nine (9) carryover construction projects including; Marina Manor Site Improvements, Carmelitos Kitchen Rehab Phase II, Harbor Hills Unit Doors, East County Senior Site Generators, and the Nueva Maravilla (Rosas) Window Replacement Project.

#### **CAPITAL FUND PROGRAM HIGHLIGHTS**

The Modernization Unit is responsible for the rehabilitation of 2,962 units of public housing located on 63 sites across the County of Los Angeles. Since 2000, the Housing Authority has expended \$87 million in federal funds from the Comprehensive Grant Program (CGP), Comprehensive Improvement Assistance Program (CIAP) and Capital Fund Program (CFP) funds for modernization and rehabilitation activities to provide modest affordable housing for families, seniors and persons with disabilities.

In FY 2017-2018, the Housing Authority construction projects included the Palm Apartments Roof Replacement, Carmelitos Kitchen Rehabilitation Phase I, and the Nueva Maravilla Re-Pipe/Plumbing Pilot Project Phase I.

In FY 2018-2019, the Housing Authority has committed funds for several projects including the Marina Manor Senior Site Improvements project. This project will include kitchen remodel, exterior stair repairs, and exterior painting for the entire site.



Carmelitos Kitchen Rehabilitation

Funds have also been committed to remodel kitchens at the Triggs, Williamson, 4<sup>th</sup> & Mednik, and Simmons family developments. Remodeling includes installation of cabinets, flooring, and lighting.



Palm Apartments Roof Replacement



# OTHER HOUSING PROGRAMS



FY 2019 Annual Budget



#### AN OVERVIEW OF OTHER HOUSING PROGRAMS

Other housing programs include the University of California Cooperative Extension (UCCE) and Affordable Housing Development Funds, which provide guidance and services to the residents of Los Angeles County, including youth, adults, and seniors living in public housing sites as well as ensuring continuous development of housing for low-income individuals and households, seniors, the homeless, and special needs populations.

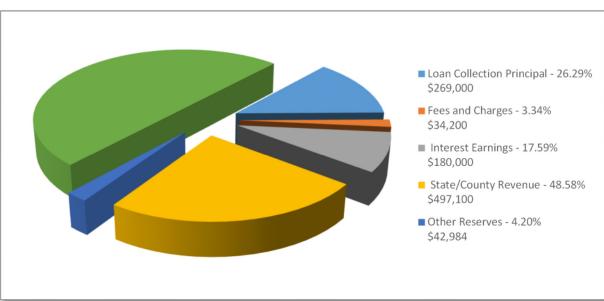
#### **Cooperative Extension**

Since being transferred to CDC/HACoLA at the request of the Board of Supervisors in 1993; Cooperative Extension has been primarily funded by three separate entities: The University of California, the United States Department of Agriculture (USDA), and Los Angeles County. The University provides personnel – including researchers and staff to conduct applied research and extension activities. USDA provides financial support for nutrition programs, including the Expanded Food Nutrition Education Program (EFNEP). The County provides funding to support administrative costs including office rent, utilities, building maintenance, mileage reimbursements, printing, copying, office supplies, and support positions such as an office manager and clerical staff.

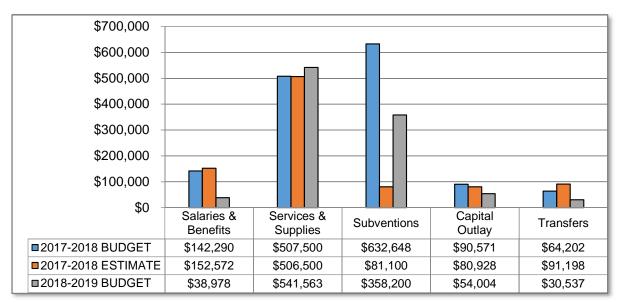
In Los Angeles, the University of California (UC) Cooperative Extension offers many programs to residents of Los Angeles County, including youth, families, nurseries, arborists, CBOs, and dozens of governmental and regulatory agencies. Educational workshops are provided for free or at a low cost; topics include gardening, tree and landscape management, fire protection nutrition, integrated pest management (IPM), food systems, and youth leadership and life skills development (4-H).

### **OTHER HOUSING PROGRAMS BUDGET \$1,023,300**

Sources of Funds



**Uses of Funds** 



	2017-2018	2017-2018	2018-2019
	BUDGET	ESTIMATE	BUDGET
TOTAL BUDGET	\$1,437,200	\$912,300	\$1,023,300
TOTAL EMPLOYEES	1.08	1.73	0.34
Number of Regular Employees	1.08	1.73	0.34
Number of Contract Employees	0.00	0.00	0.00

#### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS AND MAJOR GOALS

#### COOPERATIVE EXTENSION

**Mission:** Develop and Implement community-based educational programs that address the critical needs of the county's diverse population.

Staff and volunteers provide and encourage the use of current research-based information in the areas of nutrition, family and consumer science; youth development; urban gardening; commercial horticulture; agriculture; and natural resources.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$505,000	\$505,000	\$540,084
Number of Employees:	0.00*	0.00*	0.00*

#### FY 17-18 Major Accomplishments:

- Provided nutrition education/cooking demonstration and physical activity demonstrations at more than 500 sites around the county, at public housing sites, churches, libraries, schools, youth centers, and more.
- 2. Extended research based knowledge and information on home horticulture, pest management, and sustainable landscape practices to the residents of Los Angeles County.
- Offered 4-H Youth Development projects and activities for youth ages 5-19 through 20 clubs around Los Angeles County special events and summer camp. Projects include science, life skills and leadership development.

#### FY 18-19 Major Goals:

- Provide educational programs focused on family-related issues such as food and nutrition, family relationships, food safety, consumer issues, and money management.
- 2. Through the Expanded Food and Nutrition Education Program (EFNEP), teach educators and families with limited incomes how to improve family diets, make better use of available resources, improve their food preparation skills, and eat more fruits and vegetables.
- **3.** Offer research-based information on production, marketing and pest control strategies for nursery growers and the landscape industry.

\* Employees are paid by the UC System to perform these functions.

- **4.** Provided training and technical expertise for the landscape industry county-wide through our environmental horticulture program.
- 5. Provided training and technical expertise on agriculture and natural resources issues county-wide through our Farm Advisor and Natural Resources and Master Gardener programs.
- Foster a diverse community of naturalists and promote stewardship of California's natural resources through education and service.
- **5.** Obtain increased funding.
- Offer and promote pest management practices which are safe to humans, animals, and the environment in urban areas.

#### AFFORDABLE HOUSING DEVELOPMENT

Please see page 8.4 for details on this other housing program which is administered by the Economic and Housing Development Division. The total budget of \$483,199 and 0.34 positions are reflected in the overall Housing Authority budget in this section as well as in Economic and Housing Development Division. The funding is received by the Housing Authority, however, is administered by the Commission.

# ECONOMIC AND HOUSING DEVELOPMENT

FY 2019 Annual Budget



#### AN OVERVIEW FROM THE DIRECTOR: Kathy Thomas



The Economic and Housing Development Division (EHD) is responsible for programs that benefit commercial and residential property owners and tenants. EHD works with business owners and operators, residents, tenants, government agencies, and non-profit organizations to foster job growth; facilitate business creation, expansion, and retention; and increase affordable housing for low- and moderate-income owners and tenants. We are dedicated to finding innovative ways to

create housing and economic development opportunities for those residing and working in the unincorporated County areas and cities throughout the County.

#### **Economic Development**

EHD revitalizes eligible unincorporated communities countywide using various sources of funds including County Economic Development Trust Funds (CEDTF), Economic Development Administration (EDA) funds, Community Development Block Grant (CDBG), and HUD Section 108 loans. The Division administers an array of programs including: Manufacturing Revolving Loan Fund (MRLF), Catalytic Development Fund, U.S. EDA Loan Fund, RENOVATE/Community Business Revitalization Program, and the Business Incubator in Altadena. These various programs provide financial assistance to business owners and operators located throughout the County. In FY 2018-2019, EHD anticipates expending approximately \$10.7 million from various funding sources to promote long-term economic growth and job development in Los Angeles County.

#### Affordable Rental and Single-Family Housing

The Division administers Affordable Housing Trust Funds, which include Housing Due Diligence Review Funds, CDBG, HOME Investment Partnerships Program (HOME), Affordable Housing Development Funds, Homeless Service Funds (HSF), First 5 LA, Measure H, and Mental Health Housing Funds. These funds finance affordable and/or supportive housing for rent and sale that target low-income households within the unincorporated areas and participating cities in the Urban County Program. In FY 2018-2019, EHD anticipates expending approximately \$47 million from various funding sources to continue its efforts to develop critically needed affordable housing units.

#### Homeownership

Through its Homeownership Programs, EHD provides financial assistance to qualified low-income buyers to acquire their first homes. In FY 2018-2019, the Division will fund approximately 54 loans for closing costs and down payment assistance utilizing HOME funds. The Division participates in the Southern California Home Financing Authority (SCHFA), a joint responsible for the overall administrative oversight of SCHFA's Single-Family Bond program that provides below market, fixed-rate loans to eligible first-time homebuyers. In FY 2018-2019, SCHFA is anticipating to originate 15 loans in new mortgages.

The Mortgage Credit Certificate Program (MCC) offers a federal income tax credit, allocated through the State, to first-time homebuyers purchasing homes in the unincorporated area of Los Angeles County, or in one of the 55 cities that participate in the program. In FY 2018-2019, it is estimated that we will issue \$20 million in the MCC Program that will assist more than 90 first-time homebuyers.

#### **Rehabilitation Programs**

CDBG funds are allocated for financial assistance to benefit eligible homeowners under the Handyworker and Home Improvement Programs. In FY 2018-2019, these programs will assist in the rehabilitation of approximately 143 homes with an emphasis on health and safety repairs, including but not limited to: roofing, windows, doors, electrical, plumbing, heating, attic insulation, water heaters (including tank-less), floor insulation, and lead-based paint and asbestos containing materials mitigation. Also, the Home Improvement Program incorporates an "energy savings program" for eligible homeowners which promotes lowering utility rates and offers cash rebates up to \$3,000.

Under the Residential Sound Insulation Program (RSIP), the Division utilizes funds from the Federal Aviation Administration and Los Angeles World Airports to provide improvements to reduce the exterior noise impact on properties located within the flight path of Los Angeles International Airport. In FY 2018-2019, this program will assist in noise mitigation of approximately 247 dwelling units within the RSIP Project Area, totaling over \$13 million.

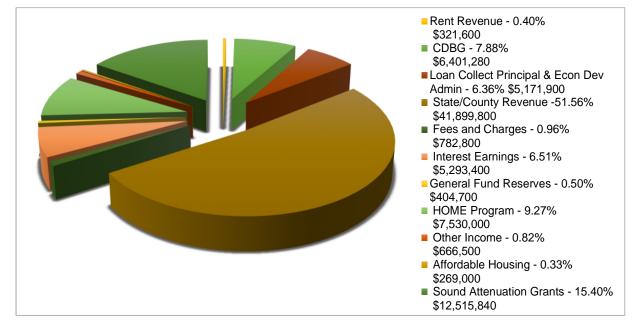
EHD also administers the Accessory Dwelling Unit (ADU) Pilot Program using Homeless Prevention Initiative funds, which provides incentives to residential property owners for constructing second dwelling units or converting existing residential space to house homeless families and individuals. In FY 2018-2019, this program plans to oversee the construction or rehabilitation of a maximum of six (6) new and existing ADUs.

#### **Multi-Family Bonds**

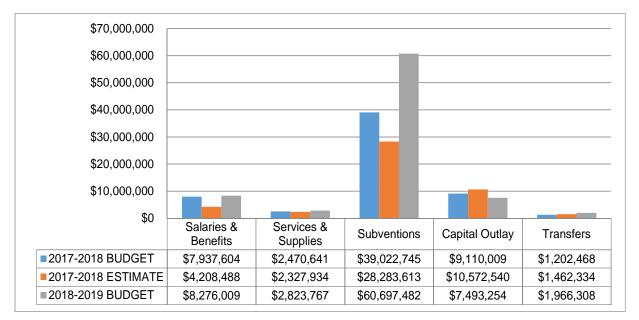
EHD oversees the Housing Authority's role as conduit issuer of multi-family taxable and tax-exempt housing mortgage revenue bonds for qualified housing developments primarily located in the unincorporated areas of Los Angeles County and also in cooperating cities within the County. In FY 2018-2019, the Division will submit five (5) applications to California Debt Limit Allocation Committee (CDLAC) for private activity tax-exempt bond allocation for multi-family projects the amount of \$50 million.

#### **DIVISION BUDGET \$81,256,820**

#### **Sources of Funds**



#### **Uses of Funds**



	2017-2018 BUDGET	2017-2018 ESTIMATE	2018-2019 BUDGET
TOTAL BUDGET	\$59,743,470	\$46,854,911	\$81,256,820
TOTAL EMPLOYEES	55.75	46.60	58.45
Number of Regular Employees	55.75	46.60	58.45
Number of Contract Employees	0.00	0.00	0.00

#### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS, AND MAJOR GOALS

#### AFFORDABLE HOUSING DEVELOPMENT

**Mission:** Provide for the planning, management, administration, and oversight of Affordable Housing Development funds awarded as loans for eligible costs for the predevelopment, acquisition, construction, renovation, and/or permanent financing of affordable and Special Needs multi- and single-family housing units.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$932,211	\$407,298	\$483,199
Number of Employees:	1.08	1.73	0.34

#### FY 17-18 Major Accomplishments:

- Began or continued construction on two (2) affordable housing development projects for 24 units.
- Received Certificate of Occupancy of one (1) project for three (3) units.
- **3.** Complete sales for two (2) projects for six (6) units.

#### FY 18-19 Major Goals:

- Begin or continue construction on two (2) affordable housing development projects for 24 units.
- **2.** Complete sales for two (2) projects for seven (7) units.

NOTE: The total Affordable Housing Development Funds budget of \$483,199 and 0.34 positions are reflected in this Section as well as in Section 7.4: Other Housing Programs. However, the funding is received by the Housing Authority and administered by EHD.

#### HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)

**Mission:** Provide for the planning, management, administration, and oversight of Federal HOME funds awarded as loans for eligible costs for the pre-development, acquisition, construction, renovation, and/or permanent financing of affordable and special needs multi-and single-family housing units, and for down payment assistance for first-time homebuyers.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$6,681,900	\$7,453,600	\$9,940,000
Number of Employees:	5.36	4.74	3.42

#### FY 17-18 Major Accomplishments:

- **1.** Continued construction of 146 housing units.
- **2.** Received Certificate of Occupancy for 22 housing units.
- **3.** Funded and completed 46 below market rate first-time homebuyer loans.

- **1.** Continue construction of 34 housing units.
- **2.** Receive Certificate of Occupancy for 121 housing units.
- **3.** Fund and complete 54 below market rate first-time homebuyer loans.

#### **RESIDENTIAL SOUND INSULATION PROGRAM (RSIP) 2ND DISTRICT**

**Mission:** Implement the Residential Sound Insulation Program (RSIP) in the unincorporated areas of Lennox, Athens, and Del Aire, thereby improving the living conditions of residents impacted by aircraft noise from the Los Angeles International Airport.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$9,143,000	\$1,873,500	\$13,226,940
Number of Employees:	6.17	4.05	5.88

#### FY 17-18 Major Accomplishments:

- **1.** Completed 18 dwelling units within the RSIP Project Area.
- 2. Corrected the code violations of 18 single-family units and 15 multi-family units in conjunction with acoustical treatment utilizing CDBG and/or HOME funds.
- Completed Acoustical Testing Planning (ATP) initial surveys on 223 units and conducted Acoustical Noise Testing on 223 units.

- **1.** Complete 247 dwelling units within the RSIP Project Area.
- Correct the code violations of 82 single-family units and 165 multifamily units in conjunction with acoustical treatment utilizing CDBG and/or HOME funds.
- **3.** Complete Acoustical Testing Planning (ATP) initial surveys on 347 units and conduct Acoustical Noise Testing on 347 units.

#### **REHABILITATION PROGRAMS**

**Mission**: Facilitate the preservation of the County's affordable single-family housing stock by providing housing rehabilitation services to low- and moderate-income homeowners with an emphasis on health and safety repairs, and promoting Accessory Dwelling Unit (ADU) Pilot Program as a source of affordable housing for homeless families or individuals.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$4,599,916	\$4,922,502	\$4,353,280
Number of Employees:	5.28	4.54	6.42

#### FY 17-18 Major Accomplishments: FY 18-19 Major Goals:

- **1.** Completed 126 loans to assist low-income homeowners for rehabilitation of their homes.
- **2.** Completed 51 grants for minor repairs to eligible low- and moderate-income households.
- **3.** Procured a consultant, LA-Más, to assist homeowners with the planning, financing and construction of ADUs.
- Complete 92 loans to assist low-income homeowners for rehabilitation of their homes.
- **2.** Complete 51 grants for minor repairs to eligible low- and moderate-income households.
- **3.** LA-Más and CDC to monitor construction of up to six (6) ADUs (three (3) new and three (3) existing).

#### COMMERCIAL INDUSTRIAL LENDING

**Mission:** Create and retain jobs by providing access to capital for small- and medium- sized businesses in Los Angeles County.

	FY 17-18 Budge	t FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$3,321,100	\$2,830,500	\$3,734,000
Number of Employees:	3.38	2.23	3.13
FY 17-18 Major Accomplishments:		FY 18-19 Major Goals:	
<ol> <li>Administered and funded six (6) Business Loans throughout the County.</li> </ol>		<ol> <li>Administer and fund eig Loans throughout the C</li> </ol>	

#### HOMELESS

**Mission:** Oversee the allocation and distribution of County General Funds to fund services, operations, and projects for homeless individuals and families.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$775,100	\$611,700	\$681,000
Number of Employees:	0.61	0.05	0.15

#### FY 17-18 Major Accomplishments:

- **1.** Completed construction of 46 units at the Mosaic Gardens project.
- **2.** Began construction on 75 units at the AV Imagine I project.
- **3.** Began renovations for the Ascencia Access Center and solar panels.
- **4.** Completed renovations in the transitional shelter at the Center for Pacific Asian Families project.

- **1.** Complete permanent conversion and closeout the Mosaic Gardens project.
- **2.** Complete construction of 75 units at the AV Imagine I project.
- **3.** Complete construction of 49 units at the Palo Verde project.
- **4.** Continue funding permanent supportive housing services for Transitional Age Youth.

#### PROGRAM MONITORING

**Mission:** Ensure that projects are operated in compliance with the governing collateral documents, applicable funding source regulations and CDC/HACoLA policies.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$773,700	\$609,900	\$857,700
Number of Employees:	10.66	11.85	11.96

#### FY 17-18 Major Accomplishments:

- **1.** Reviewed and analyzed 222 audited financial statements for the residual receipt loan portfolio.
- **2.** Reviewed Annual Owner's Certification report for 10,245 units.
- **3.** Conducted Housing Quality Standard (HQS) Inspections for 398 units.
- **4.** Reviewed Tenant File Review (TFR) documentation for 518 units.
- Conducted single family occupancy monitoring for the Neighborhood Stabilization Program (NSP), Affordability Homeownership Program, and Home Ownership Programs for 1,191 homes.
- Prepared and processed 40 Loan Subordination Agreements and 70 Loan Payoffs and Title Reconveyances.
- 7. Serviced the commercial loan portfolio of 34 loans, which included tracking Uniform Commercial Code renewals, tax returns, financial statements, insurance coverage (business and residential), job creation and retention, collection calls, turn-down letters, and annual site visits.

- **1.** Review and analyze 232 audited financial statements for the residual receipt loan portfolio.
- **2.** Review Annual Owner's Certification report for 10,441 units.
- **3.** Conduct Housing Quality Standard (HQS) Inspections for 383 units.
- **4.** Review Tenant File Review (TFR) documentation for 538 units.
- Conduct single family occupancy monitoring for the Neighborhood Stabilization Program (NSP), Affordable Homeownership Program, and Home Ownership Programs for 1,183 homes.
- Prepare and process 60 Loan Subordination Agreements and 75 Loan Payoffs and Title Reconveyances.
- 7. Service the commercial loan portfolio of 40 loans including but not limited to: tracking UCC renewals, tax returns, financial statements, insurance coverage (business and residential), job creation and retention, collection calls, turn-down letters, and annual site visits.

#### COMMUNITY BUSINESS REVITALIZATION PROGRAM (CBR)/RENOVATE

**Mission:** Provide façade improvements to commercial buildings in eligible business districts in targeted unincorporated areas of Los Angeles County.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$4,566,903	\$2,751,200	\$2,835,000
Number of Employees:	2.08	2.62	2.61

#### FY 17-18 Major Accomplishments:

#### FY 18-19 Major Goals:

**1.** Identified and completed 28 CBR/RENOVATE storefronts (10 projects).

**1.** Identify and complete 10 CBR/RENOVATE projects.

#### **BUSINESS INCUBATOR PROGRAM**

**Mission:** Assist the growth of early stage high technology companies to contribute to the expansion of the County economy and create new employment opportunities.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$674,340	\$451,400	\$726,700
Number of Employees:	3.56	2.32	3.20

#### FY 17-18 Major Accomplishments:

**1.** Provided offices and common facility space, staff, and technical assistance through business consultants and nonprofit organizations.

- **1.** Continue to assist in innovative start-up companies and support their growth and development.
- Continue to build a coalition of small business development programs utilizing the Business Technology Center (BTC) as the focal point for job growth.

#### SPECIAL ECONOMIC REVITALIZATION PROJECTS

**Mission:** Provide financial assistance to encourage private investment in low-income, unincorporated County areas for the purposes of job creation, orderly growth, and improvement of the quality life of residents.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$6,599,200	\$4,845,199	\$2,811,200
Number of Employees:	0.70	0.53	0.82

#### FY 17-18 Major Accomplishments:

- Continued construction on a mixed-use development that will bring needed improvements to the Willowbrook community.
- In conjunction with the Los Angeles County Metropolitan Transportation Authority (Metro), released two Requests for Proposals for the potential joint development of two County and one Metro properties (Fairview Heights Expo/Crenshaw).
- **3.** Monitored the Development Agreement for participation requirements and processed the Section 108 loan payments for La Alameda.
- **4.** Processed the Section 108 loan payments to HUD for the Florence Parking Lot.
- Processed the Section 108 loan payments to HUD for the Wilmington and 118<sup>th</sup> Library.

- Complete construction on a mixed-use development that will bring needed improvements to the Willowbrook community.
- Complete 75% of the pre-development activities on the Fairview Heights Site and 60% of the pre-development activities on the Expo/Crenshaw Site.
- **3.** Continue to monitor the Development Agreement for participation requirements and process the Section 108 loan payments for La Alameda.
- **4.** Process the Section 108 loan payments to HUD for the Florence Parking Lot.
- **5.** Process the Section 108 loan payments to HUD for the Wilmington and 118<sup>th</sup> Library.

#### SPECIAL PROJECTS (HOUSING)

**Mission:** Provide the administration, disposition, project management, and lease-up of housing projects; and public information, housing locator assistance, operational training, marketing, housing and referral information to County departments, residents, and affordable housing stakeholders through the administration of the Los Angeles County Housing Resource Center website and call center.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$607,600	\$532,000	\$261,000
Number of Employees:	0.20	0.04	0.12

#### FY 17-18 Major Accomplishments:

- Incorporated new marketing materials for 10-year anniversary of the website and special needs population marketing campaign to expand marketing efforts at SCANPH.
- Collected \$9,650 in partnership fees through agreements with the City of Pasadena and Housing and Community Investment Department of Los Angeles (HCIDLA).

- Continue to expand marketing efforts to increase the number of landlords registering properties on the Housing Resource Center website.
- **2.** Renew partnership agreements with the cities of Pasadena and Los Angeles.

#### BOND PROGRAM/MORTGAGE CREDIT CERTIFICATES

**Mission:** Facilitate affordable rental housing and homeownership opportunities for low- and moderate-income households through acquisition, rehabilitation, and marketing of single- and multi-family units, and the development of vacant and underutilized sites for housing.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$4,613,800	\$440,900	\$532,200
Number of Employees:	2.39	2.47	2.39

#### FY 17-18 Major Accomplishments:

- **1.** Originated 30 loans for \$10.5 million in new mortgages for the SCHFA.
- **2.** Issued \$20 million in MCC for 60 loans.
- **3.** Conducted four (4) MCC lender trainings.

- **1.** Originated 15 loans for \$5.25 million in new mortgages for the SCHFA.
- **2.** Issue \$20 million in MCC for 90 loans.
- **3.** Conduct four (4) MCC lender trainings.

#### PROPERTY MANAGEMENT AND DISPOSITION

**Mission:** Maintain Commission-owned properties for future development activities that include affordable housing and economic development opportunities in Los Angeles County.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$291,100	\$279,800	\$295,000
Number of Employees:	0.48	0.62	0.72

#### FY 17-18 Major Accomplishments:

 Completed the transfer of six (6) properties located at 1170 East 118<sup>th</sup> street and 11827 Homes Avenue in unincorporated Willowbrook to Charles Drew University to continue its educational programs to prekindergarten through 12<sup>th</sup> grade students that reside within the Los Angeles County Service Planning Area Region 6.

#### FY 18-19 Major Goals:

 Complete ANEs (Agreement to Negotiate Exclusively) for the potential development of a project that would include affordable housing for lowincome and special needs households, community space, and childcare center in Unincorporated LA County.

#### ENERGY UPGRADE CALIFORNIA

**Mission:** Develop and implement a business process that allows for connecting CDC/HACoLA clients to Energy Upgrade California through outreach and by coordinating the requirements of existing programs in order to reduce possible barriers to low-income homeowners in accessing the Energy Upgrade California Program.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$323,000	\$223,500	\$60,000
Number of Employees:	1.73	1.52	0.20

#### FY 17-18 Major Accomplishments:

- Completed 56 Energy Upgrade California (EUC) projects under the Single Family Home Improvement Program.
- Continued to send outreach flyers to licensed contractors, expanding beyond B-License contractors, to participate in the EUC program. Provided at least two training sessions.

#### FY 18-19 Major Goals:

- Complete 32 EUC projects under the Single Family Home Improvement Program.
- Continue to send outreach flyers to licensed contractors, expanding beyond B-License contractors, to participate in the EUC program. Provide at least two training sessions.

#### FIRST 5 LA

**Mission:** Provide technical assistance to First 5 LA and administer the Notice of Funding Availability (NOFA) for Supportive Housing for Homeless Families Fund in order to provide permanent supportive housing and related services for families that are homeless or at-risk of homelessness, in accordance with the mission of First 5 LA.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$974,300	\$1,008,712	\$605,000
Number of Employees:	0.58	0.08	0.14

#### FY 17-18 Major Accomplishments:

**1.** Received Certificates of Occupancy for 14 housing units.

#### FY 18-19 Major Goals:

**1.** Complete permanent conversion for 14 housing units.

#### **REVOLVING LOAN FUND (RLF)**

**Mission:** Leverage \$19.8 million in County General Funds from the Homeless and Housing Program fund to provide low-cost financing to assist developers in the production of Special Needs and Affordable Housing for low-income households, including those who are homeless or at-risk of being homeless.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$357,600	\$352,400	\$372,000
Number of Employees:	0.08	0.03	0.05

#### FY 17-18 Major Accomplishments:

 Funded over \$1.4 million to leverage approximately \$4.2 million in lending for two (2) affordable housing developments providing over 80 units.

#### FY 18-19 Major Goals:

 Continue to administer the fund and work with participating lenders to disburse funds for affordable housing developments.

#### HOUSING SUCCESSOR PROJECTS

**Mission:** Provide the administration of the Housing Successor Agency for CDC/HACoLA per the requirements of ABx126, AB1484, SB 341 and other applicable laws pertaining to the assignment and administration of housing assets of the former redevelopment agency of the CDC/HACoLA and former agencies of the Cities of Arcadia, Azusa, and Huntington Park.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$105,600	\$151,600	\$159,600
Number of Employees:	0.11	0.21	0.16

#### FY 17-18 Major Accomplishments:

- Formally assumed and recorded interests for the redevelopment former assets from the City of Azusa.
- **2.** Reviewed options to dispose and/or develop Lucille Street sites in Arcadia.

- Complete procurement process for developer or consultant to prepare a new disposition or affordable housing development plan for the Atlantis Gardens Site.
- **2.** Complete the sale or transfer of Lucille Street sites in Arcadia.

#### COUNTY ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM

**Mission:** Promote and move towards a more diversified and sustainable economy through business growth and increases in private sector employment.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$5,605,699	\$5,004,500	\$231,700
Number of Employees:	2.87	2.00	1.52

#### FY 17-18 Major Accomplishments:

- **1.** Administered the County Economic and Community Development Trust Fund (CEDTF) and prepared regular reports to the Board, CEO, and Economic Development Advisory Committee.
- **2.** Entered into contract with a consultant to define program parameters and establish the Catalytic Development Fund.
- 3. Completed 100% Schematic Design, 100% Design Development, and 50% Construction Drawings for Vermont Corridor.

#### FY 18-19 Major Goals:

- **1.** Administer the County Economic and CEDTF and prepare regular reports to the Board, CEO, and Economic **Development Advisory Committee**
- **2.** Secure funding and capitalize the Catalytic Development Fund.
- **3.** Begin demolition of site and construction of Department of Mental Health Headquarters.

#### HOUSING DEVELOPMENT DEPARTMENT OF MENTAL HEALTH (DMH)

Mission: Generate permanent supportive housing in Los Angeles County for homeless or chronically homeless individuals with a mental illness, or homeless or chronically homeless individuals with a mental illness and their families.

	FY 17-18 Budg	et FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$0	\$54,600	\$23,472,799
Number of Employees:	0.00	0.00	2.93
FY 17-18 Major Accomplishments:		FY 18-19 Major Goals:	
1. Allocated \$49 million through NOFA 23-		<b>1.</b> Start construction on a	,

- A and 23-B.
- (4) projects funded with Mental Health Housing Funds under NOFA 23-A and 23-Β.

#### **MEASURE H STRATEGY F7**

**Mission**: Generate permanent supportive housing in Los Angeles County for homeless or chronically homeless individuals and/or families.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$0.00	\$19,600	\$9,258,500
Number of Employees:	0.00	0.00	1.28
FY 17-18 Major Accomplishments:		FY 18-19 Major Goa	als:
<ol> <li>Approved funding for 121 units of housing for homeless households.</li> </ol>		<ol> <li>Commit \$9.2 million to support the development and preservation of homeless housing projects.</li> </ol>	

#### NO PLACE LIKE HOME

**Mission**: Generate permanent supportive housing in Los Angeles County for persons who are experiencing homelessness, chronic homelessness or who are at risk of chronic homelessness, and who are in need of mental health services.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$0.00	\$150,000	\$50,000
Number of Employees:	0.00	0.01	0.10
FY 17-18 Major Accomplishments:		FY 18-19 Major Goals	5:

**1.** Received technical assistance grant from No Place Like Home program.

# **1.** Identify and fund eligible activities for technical assistance grant in advance

of receipt of No Place Like Home Funds.

#### DENSITY BONUS

**Mission**: Provide financial analysis and monitoring of density bonus set-aside units on behalf of Los Angeles County Department of Regional Planning (DRP).

-		FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
	Total Budget:	\$0.00	\$8,400	\$25,000
	Number of Employees:	0.00	0.00	0.05
F١	FY 17-18 Major Accomplishments:		FY 18-19 Major Goals:	
1.	<ol> <li>Provided financial analysis for five (5) housing permit applicants.</li> </ol>		<ol> <li>Provide financial analysis for five (5) housing permit applicants.</li> </ol>	
2.	<ol> <li>Provided five (5) recommendations to Department of Regional Planning (DRP) based on financial analysis review.</li> </ol>		<ol> <li>Provide five (5) recommendations to DRP based on financial analysis review.</li> </ol>	

#### HOUSING DEVELOPMENT CORPORATION

**Mission**: Facilitate affordable rental housing and homeownership opportunities for low- and moderate-income households through acquisition, rehabilitation, development, and marketing of single- and multi-family units, and vacant and underutilized sites for housing.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$205,200	\$141,400	\$55,000
Number of Employees:	1.02	1.01	0.25

#### FY 17-18 Major Accomplishments:

 Continued ongoing HDC operation to foster the development, rehabilitation, and operation of affordable housing developments.

#### FY 18-19 Major Goals:

 Continue ongoing HDC operation to foster the development, rehabilitation, and operation of affordable housing developments.

#### AFFORDABLE HOUSING FUNDS

**Mission**: Provide for the planning, management, administration, and oversight of County General funds awarded as loans for eligible costs for the pre-development, acquisition, construction, renovation, and/or permanent financing of affordable and Homeless-Special Needs housing units.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$12,656,000	\$11,730,700	\$6,230,000
Number of Employees:	7.31	3.94	10.59

#### FY 17-18 Major Accomplishments:

- Allocated Round 23-A and 23-B funds through the NOFA process for a total of \$55.4 million.
- **2.** Underwrote and executed loan agreements for six (6) projects.
- **3.** Began or continued construction of 410 housing units.
- **4.** Received Certificates of Occupancy for 136 housing units.

- **1.** Allocated Round 24 funds through the NOFA process for \$36.8 million.
- 2. Underwrite and execute loan agreements for six (6) projects.
- **3.** Begin or continue construction of 117 housing units.
- **4.** Receive Certificates of Occupancy for 293 housing units.

#### ARTESIA LIBRARY

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# GRANTS MANAGEMENT UNIT

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FY 2019 Annual Budget



### AN OVERVIEW FROM THE DIRECTOR: Scott Stevenson



The primary goal of the Community Development Division-Grants Management Unit (CDD-GMU) in FY 2018-2019 will be to enhance the administration of grant funds to our clients to provide for the effective delivery of services to residents throughout the County.

The CDD-GMU's Community Development Block Grant (CDBG) Program is the largest Urban County Program in the Country. The Division partners with 47 participating

cities, 26 community-based organizations/other public agencies, and five (5) County departments. The total budget for FY 2018-2019 is \$31.4 million; a \$4.4 million (or 16.5%) increase from FY 2017-2018. In FY 2018-2019, CDD-GMU will also pass through \$2.1 million in the U.S. Department of Housing and Urban Development (HUD) Emergency Solutions Grant (ESG) funds and \$3.0 million in State of California ESG funds to the Los Angeles Homeless Services Authority. Additions to the FY 2018-2019 budget include \$4.5 million in Family Reunification Housing Subsidy (FRHS) from the Department of Children and Family Services and \$1.7 million in State Bringing Families Home (BFH) funds.

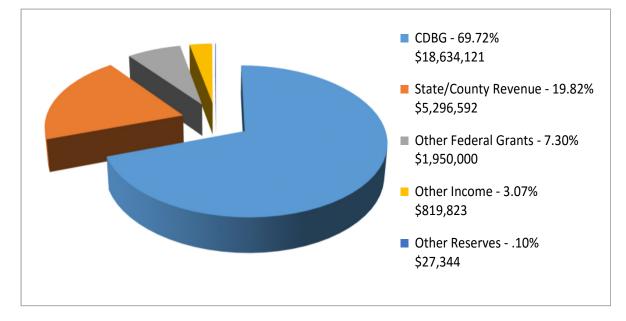
This year, 2018, marks the 44<sup>th</sup> anniversary of the CDBG Program. Since its inception, the CDBG Program has consistently assisted County residents with limited means through a variety of economic development, public infrastructure, social services, and housing rehabilitation programs. Strong partnerships among County departments, participating cities, and community-based organizations/other public agencies have helped ensure the quality and effectiveness of the CDBG Program within the County. Seeking additional funding is still a priority. CDD-GMU will continue to receive approximately \$4.5 million in FRHS funds for the foreseeable future, and expects that upon successful completion of the current BFH grant to oversee future allocations from this program. CDD-GMU's strong financial and programmatic infrastructure will be available to manage outside funding sources as the opportunities arise.

The Community Resource Center (CRC), a department within the Division, will also continue to serve the needs of the unincorporated Whittier community through events, meetings, and educational opportunities.

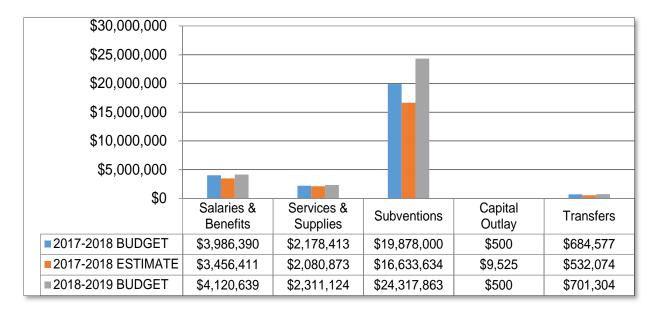
CDD-GMU looks forward to continuing to fulfill its mission of "Putting Dollar\$ Into Action."

## **DIVISION BUDGET \$31,451,430**

### **Sources of Funds**



**Uses of Funds** 



	2017-2018 BUDGET	2017-2018 ESTIMATE	2018-2019 BUDGET
TOTAL BUDGET	\$26,727,880	\$22,712,518	\$31,451,430
TOTAL EMPLOYEES	29.20	27.78	28.20
Number of Regular Employees	28.7	27.28	27.70
Number of Contract Employees	0.50	0.50	0.50

#### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS, AND MAJOR GOALS

#### COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

**Mission:** Ensure the receipt of the annual entitlement award for the Los Angeles Urban County CDBG Program, and administer CDBG funds for five (5) Supervisorial Districts, 47 participating cities, five (5) County departments, 26 community-based organizations/other public agencies, and two (2) CDC/HACoLA divisions. In addition, Emergency Solutions Grant program funds from HUD and the State of California are passed through to the Los Angeles Homeless Services Authority.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$23,510,943	\$19,353,891	\$23,805,623
Number of Employees:	23.45	22.23	22.10

#### FY 17-18 Major Accomplishments:

- Ensured administrative requirements of the Urban County CDBG, ESG, and Section 108 Loan were met.
- **2.** Completed oversight of the L.A. Family Housing Transitional Housing Rehabilitation construction project.
- Completed approximately 450 Environmental Reviews for all CDBGfunded projects and reviewed 600 Property Identification Forms for rehabilitation projects.

- Comply with HUD-mandated drawdown, low- and moderate-income benefit, public service, and planning/ administrative performance measures.
- Prepare and execute all subrecipient agency contracts for a July 1<sup>st</sup> start date; and monitor drawdown of participating cities.

#### SOUTH WHITTIER COMMUNITY RESOURCE CENTER

**Mission:** Provide a center that offers multiple levels of comprehensive, integrated, and accessible services which support youth and families in the unincorporated Whittier community of Los Angeles County.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$727,344	\$667,487	\$743,483
Number of Employees:	3.75	3.75	3.75

#### FY 17-18 Major Accomplishments:

- Provided Medi-Cal, Food Stamp Nutrition, and Home Energy Assistance Program (utility payment) enrollment aid, homework assistance for youth and middle school students, youth counseling, medical and chiropractic services, family law and immigration assistance, and facility support for monthly parenting and former foster care youth workshops, adoption/foster care orientation sessions, citizenship classes, and neighborhood watch groups.
- Enhanced public education on a wide variety of topics including Presbyterian Intercommunity Hospital (PIH) Diabetes and Tomando Control (in Spanish, Taking Control) health management workshops, youth employment orientations, and Walgreens' Influenza Vaccine Clinics distribution.
- **3.** Provided oversight to 11 onsite service providers. This included a new partnership for citizenship classes and naturalization legal services and convening these agencies with others from the community to serve as a collaborative team in order to share information and promote activities and programs offered to local residents.

- Maintain oversight and assess the service levels of onsite agencies to ensure that needs identified by the community are met; and continue to develop partnerships with outside resources to expand programs and services available at the CRC. Identify facility needs and determine whether financial resources exist within the budget to complete necessary improvements.
- Provide onsite health, safety, educational, and social programs to the unincorporated Whittier community that meet identified community needs.

#### DEPARTMENT OF CHILDREN AND FAMILY SERVICES (DCFS) FUNDING

**Mission:** Provide for the planning, management, and oversight of DCFS funding received through the Family Reunification Housing Subsidy (DCFS-FRHS) program. This funding source is related to the Homeless Prevention Initiative FRHS (HPI-FRHS, p. 9.6) and Measure H FRHS (p. 9.7) programs.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$1,660,696	\$1,585,146	\$700,000
Number of Employees:	1.34	0.67	0.00

#### FY 17-18 Major Accomplishments:

- Continued grant administration of eight (8) DCFS-FRHS projects for a total of \$2,000,000, including contract development, project monitoring, and monthly partner meetings.
- **2.** Conducted 20 In-Progress Monitoring (IPM) reviews of FRHS projects.
- **3.** Reviewed and approved 80 payment requests to HPI funded agencies.

- **1.** Complete DCFS-FRHS funding expenditures.
- Conduct grant administration upon receipt of new DCFS-FRHS funds, including contract development, project monitoring, and monthly partner meetings.

#### HPI RENTAL ASSISTANCE

**Mission:** Provide for the planning, management, and oversight of FRHS funding received through the HPI-FRHS. This funding source is related to the DCFS-FRHS (p. 9.5) and Measure H FRHS (p. 9.7) programs.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$828,896	\$1,065,939	\$0
Number of Employees:	0.66	0.73	0.00

#### FY 17-18 Major Accomplishments:

- There is no HPI-FRHS funding in FY 2018-2019.
- Continued grant administration of eight (8) HPI projects for a total of \$1,000,000, including contract development, project monitoring, and monthly partner meetings.
- **2.** Conducted 20 IPM reviews of HPI projects.
- **3.** Reviewed and approved 80 payment requests to the HPI-funded agencies.
- **4.** Reviewed weekly client reports from FRHS agencies and submitted all required reports to DCFS.

#### MEASURES H FRHS

**Mission:** Provide for the planning, management, and oversight of FRHS funding received through Measure H. This funding is related to the DCFS-FRHS (p. 9.5) and HPI-FRHS (p. 9.6) programs.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$0	\$0	\$4,500,000
Number of Employees:	0.00	0.00	1.18

#### FY 17-18 Major Accomplishments:

- Continue grant administration of eight (8) projects including contract development, project monitoring, and monthly partner meetings.
- **2.** Conduct eight (8) IPM reviews.

#### **BRINGING FAMILIES HOME**

**Mission:** Provide for the planning, management, and oversight of Bringing Families Home (BFH) program.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$0	\$40,054	\$1,703,324
Number of Employees:	0.00	0.40	1.17

#### FY 2017-2018 Major Accomplishments:

- Implemented the BFH program by coordinating development of the Request for Proposal (RFP) including review and selection of proposals.
- **2.** Provided grant administration of eight (8) projects for a total of \$2.5 million.
- **3.** Reviewed and approved 50 payment requests to the agencies.

- Continue grant administration of eight (8) projects including contract development, project monitoring, and monthly partner meetings.
- **2.** Conduct eight (8) IPM reviews.

# **ADMINISTRATION**



FY 2019 Annual Budget



#### AN OVERVIEW OF ADMINISTRATION DEPARTMENTS

The Administration Departments include: Executive Office, Executive Office of Budget, Financial Management, Human Resources, and Communications and Public Affairs. These departments provide CDC/HACoLA oversight and administrative support services.

#### **Executive Office**

The Executive Director is responsible for complete oversight of CDC/HACoLA including its programmatic success and financial stability; the Deputy Executive Director oversees programs operated by CDC/HACoLA. The Executive Office maintains constant communication with the Board of Supervisors and Chief Executive Office as well as other departments and agencies in order to partner together to provide effective leadership to CDC/HACoLA and excellent customer service to its clients.

#### Executive Office of Budget (EOB)

Reporting to the Executive Office, EOB oversees the development and implementation of the agency-wide budget. EOB is also responsible for monitoring and controlling CDC/HACoLA's annual operating budget. EOB supports the Executive Office and divisions in strategic planning, preparation of various analyses, and reports to HUD, the Board Offices, the Chief Executive Office, and other departments and agencies.

#### Financial Management (FMD)

FMD provides financial and accounting services for the programs operated by CDC/HACoLA. The FMD is responsible for government-wide financial analysis, fund financial analysis, cash management, investments, capital assets, debt administration, and financial reporting.

#### Human Resources (HR)

HR provides a wide range of professional services and consultative guidance in support of the development of effective partnerships between employees, management, County partners, and constituents. Professional services include employee selection and development, benefits oversight, labor relation services, and training and development.

#### **Communications and Public Affairs (CPA)**

CPA effectively advocates CDC/HACoLA's priorities at the Federal and State levels, proactively assisting CDC/HACoLA in maintaining and increasing its funding, and positively communicating its mission and programs to key internal and external audiences with their three main functions: legislative analysis, public information, and media coordination.

#### AN OVERVIEW FROM THE FINANCE DIRECTOR: Kelly Telford



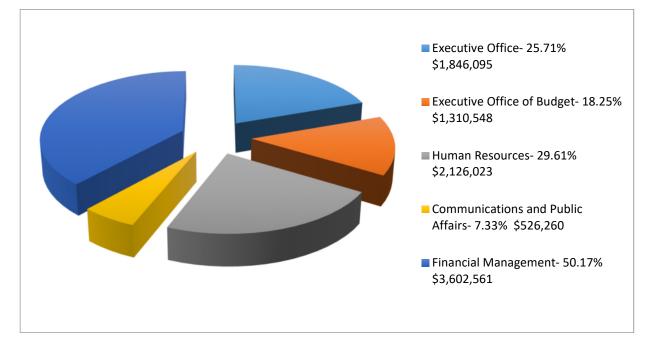
FMD provides financial and accounting services for the programs operated by CDC/HACoLA. The FMD is responsible for government-wide financial analysis, fund financial analysis, cash management, investments, capital assets, debt administration, and financial reporting. On an annual basis the FMD performs financial transactions for approximately 1,000 projects and manages financial transactions in excess of \$500 million. Financial reports are prepared in accordance with accounting principles generally accepted in the United States as promulgated by Governmental Accounting Standards Board. The FMD has an impressive record in financial reporting and has received the prestigious Certificate of Achievement for Excellence in

Financial Reporting Award for 31 consecutive years. The Government Finance Officers Association of the United States and Canada presents this award for superiority in financial reporting.

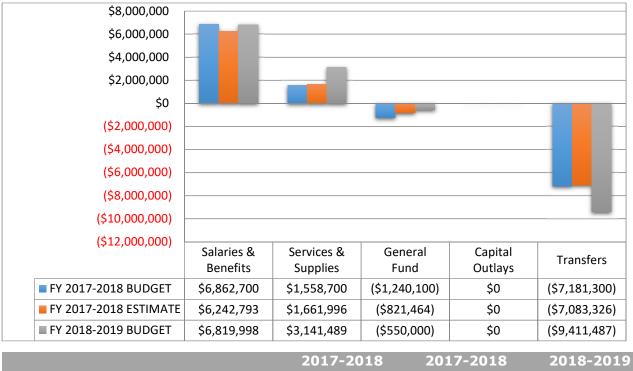
The FMD is also responsible for CDC/HACoLA's investment portfolio, with an estimated average balance of \$333 million and estimated investment earnings of \$6.5 million. The FMD has continued to improve the rate of return over the past two years increasing to an average of 1.83%. Approximately 30% of the investment portfolio is fully liquid.

2018-2019

## **ADMINISTRATION DEPARTMENT BUDGET \$9,411,487**



**Uses of Funds** 



	BUDGET	ESTIMATE	BUDGET
TOTAL BUDGET	\$7,181,300	\$7,083,326	9,411,487
TOTAL EMPLOYEES	49.36	46.31	48.73
Number of Regular Employees	49.36	46.31	48.73
Number of Contract Employees	0.00	0.00	0.00

2018-2019

#### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS, AND MAJOR GOALS

#### EXECUTIVE OFFICE

**Mission:** Ensure the Commission's compliance with directives and the Chief Executive Office policies as set forth by the Los Angeles County Board of Supervisors/ Commissioners, and to comply with all applicable Federal, State and local policies, procedures, and laws.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$1,181,200	\$1,281,052	\$1,846,095
Number of Employees:	7.00	6.00	8.00

#### FY 17-18 Major Accomplishments:

- Ensured that the overall administration and planning of CDC/HACoLA's Programs was in the best interest of the Los Angeles County residents.
- **2.** Filed the annual Board Letter in June, which was successfully approved by the Board of Supervisors/Commissoners.
- **3.** Responded to requests for information from the Board of Supervisors/ Commissioners and Chief Executive Office in a timely manner and with complete and comprehensive reports.

- Ensure that the overall administration and planning of the CDC/HACoLA Programs are in alignment with County goals and priorities and best serve the residents of Los Angeles County.
- 2. Respond to requests made by the Board of Supervisors/Commissioners and the Chief Executive Office in a timely manner and with complete and comprehensive reports.
- **3.** Ensure alignment with Board priorities and County initiatives, proactively engage in efforts to bolster program effectiveness throughout the County and maintain compliance with applicable policies and procedures.

#### EXECUTIVE OFFICE OF BUDGET

**Mission:** Provide agency-wide budgetary oversight, reporting, and financial analysis to CDC/HACoLA, administrative and internal services units. Support the Executive Office and divisions in strategic planning and provide fiscal analyses and projections on new program initiatives.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$625,400	\$761,558	\$1,310,548
Number of Employees:	12.00	5.50	6.00

#### FY 17-18 Major Accomplishments:

- **1.** Developed the overall CDC/HACoLA budget.
- 2. Upgraded and fully implemented the Board Management Intelligence Toolkit budget system from version 10.1 to version 10.2.
- **3.** Obtained the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for FY 2017-2018.
- Prepared requests to HUD and successfully received additional funding for FY 2017-2018.
- Tracked, monitored, and maintained agency wide County Funding agreements for Social Program Agreements (SPA) and special funding allocations from the County.

- 1. Develop and implement the overall CDC/HACoLA budget.
- Analyze the effectiveness of the Board MIT budget system, including a comprehensive assessment of alternative systems that would increase overall CDC/HACoLA effectiveness and efficiency.
- **3.** Obtain the GFOA Distinguished Budget Presentation Award for FY 2018-2019 budget.
- Provide budget oversight to ensure CDC/HACoLA fiscal operations are within budget and prepare budget amendments as needed.
- **5.** Track, monitor, and maintain agencywide County Funding Agreements and SPA from the County.

#### HUMAN RESOURCES

**Mission:** Provide comprehensive HR services designed to enhance the quality of life for CDC/HACoLA employees and their families.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$1,777,200	\$1,843,945	\$2,126,023
Number of Employees:	11.38	11.06	10.98

#### FY 17-18 Major Accomplishments:

- 1. Human Resources actively partnered with divisions to shift the paradigm of employee relations through a proactive model; mitigating employment issues and resulting in improved employee relations.
- 2. Human Resources provided training and voluntary educational events to develop, enhance, and improve employee well-being.
- **3.** Human Resources applied strategic recruitment and selection processes to strengthen and improve the selection of most qualified candidates through a fair and equal opportunity process.
- Human Resources continued to fairly and consistently manage the second of a two year Memorandums of Understanding (MOU) with represented employees.

- Human Resources will continue proactive employee relations efforts, functioning as a strategic partner in support of organizational goals and a core values-based approach.
- 2. Human Resources will balance internal resources leveraged with available County resources to develop and provide regulatory and employment related training for an enhanced employee development approach in support of organizational goals and County initiatives.
- **3.** Human Resources will apply best business practices in reviewing the talent acquisition process from consultation and planning to onboarding; this in support of an improved and strategically based selection effort.
- **4.** Human Resources will engage in negotiations with represented employees to secure and implement successive MOUs.
- 5. As a strategic partner, in support of new executive leadership and goals, the Human Resources Unit will facilitate the development of a robust succession plan and organizational redesign with a commitment to established core values.

#### COMMUNICATIONS AND PUBLIC AFFAIRS (CPA)

**Mission:** Maintain productive communication between CDC/HACoLA and all levels of government, the private sector, and the media, to ensure maximum support and funding for CDC/HACoLA programs. Disseminate legislative and regulatory information internally to ensure timely awareness of changes. Coordinate efforts to support, oppose, or amend legislation and regulations which affect CDC/HACoLA programs. Coordinate applications to compete for honorary awards.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$404,000	\$374,839	\$526,260
Number of Employees:	3.00	3.00	3.00

#### FY 17-18 Major Accomplishments:

- As a result of proposed cuts in domestic spending, CPA prepared several advocacy letters and program specific fact sheets to the Los Angeles County Congressional delegation. Collaboration with partner agencies highlighted the need for housing and community development programs in the region.
- 2. CPA raised the profile of the agency's economic development programs by working in conjunction with the Economic Development Marketing Outreach Consultant.
- **3.** Promoted activity surrounding the County's Homeless Initiative, and specifically, the agency's involvement with 27 of the 51 initiatives.
- Expanded the CDC/HACoLA's social media presence by creating a Twitter account and growing the number of Facebook followers.
- Maintained a high agency profile in the local media and public television through Cable station programming, such as LA Now, and with State as well as with Federal Legislators.

- Increase advocacy efforts in response to the proposed 2019 Federal budget which includes severe budget cuts and elimination of housing and community development programs operated by the agency.
- Continue to raise the profile of the agency's programs including economic, housing preservation and development programs by exploring low cost advertising. CPA will also continue to promote the Homeless Incentive Program.
- **3.** Promote activity surrounding the County's Homeless Initiative, and specifically, the agency's involvement with 27 of the 51 initiatives.
- Continue the expansion of the agency's social media presence, developing a strategy that suits the growing needs of the organization, in consultation with the Executive Office.
- Maintain a high agency profile in the local media and public television, in the county through Cable station programming, such as LA Now, and with State and Federal Legislators.

2018-2019

#### FINANCIAL MANAGEMENT

**Mission:** Provide internal and external customers with the highest quality customer service, while bringing cost savings to CDC/HACoLA. Safeguard CDC/HACoLA's assets and ensure fiscal integrity and foster an atmosphere of personal and professional growth.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$3,194,000	\$2,821,932	\$3,602,561
Number of Employees:	22.00	20.75	20.75

#### FY 17-18 Major Accomplishments:

- The FMD was awarded the GFOA Award for Excellence in Financial Reporting for the FY 2016-2017 Comprehensive Annual Financial Report.
- The annual financial audit, Single Audit, and SCHFA financial audit conducted by the external auditors resulted in no audit findings for the fiscal year 2016-2017.
- **3.** Provided electronic access of the 2017 W2's to all CDC/HACoLA staff on January 15, 2017. All 2017 W2 information was electronically sent to Social Security Administration one month before the due date of March 31, 2017.
- 4. FM attained a perfect score in the financial assessment section of the annual Real Estate Assessment Center (REAC) submission for public housing. In attaining the perfect score, it contributed to HM's achieving a "High Performer" status in terms of providing public housing.
- **5.** Implemented a new investment management system to effectively manage the investment portfolio to maximize returns and improve efficiencies.

- Achieve the GFOA Award for Excellence in Financial Reporting for the FY 2017-2018 Comprehensive Annual Financial Report.
- Maintain a high level of agency-wide support services for operating divisions' financial information needs.
- Obtain unmodified audit opinions for annual financial audit, Single Audit, and SCHFA financial audit.
- 4. Continue to actively invest surplus funds to maximize returns without compromising principal or affecting liquidity. Continue to maintain strong broker-dealer relations and utilize broker services as needed. Continue to acquire knowledge by attending relevant events that will foster learning and provide employees with the latest understanding of investment products and strategies. Review the investment policy and consider modifications, as needed, to ensure that CDC/HAoLA self-imposed constraints are still relevant.

## INTERNAL SERVICES

FY 2019 Annual Budget

#### AN OVERVIEW FROM ADMINISTRATIVE SERVICES DIRECTOR: Matthew Fortini



The Administrative Services Division is committed to providing exceptional customer service while strategically collaborating with operating divisions in supporting CDC/HACoLA's mission to **Build Better Lives and Better Neighborhoods**. The Administrative Services Division oversees a variety of units including Human Resources, Risk Management, Information Technology, Print Shop, Mail Services, Facilities Management, Fleet Management, and Procurement services for CDC/HACoLA. Each Unit

provides essential technical and functional assistance in a cost-effective and efficient service delivery model.

#### **Central Services**

Central Services provides professional support services to all CDC/HACoLA divisions including mail services, emergency preparedness, and the administration of agency-wide procurement services. The mail services are critical to the flow of communication in CDC/HACoLA in order for us to effectively respond to our business needs. Our emergency preparedness program strives to keep us abreast of all potential dangers. Our staff have embraced the responsibility to learn skills to be prepared to execute safe and effective emergency response. The mission of the Procurement Unit is to serve, support, and collaborate with all parties. The Procurement Unit's primary consideration is to provide the best quality of goods and services in an innovative, timely, and accurate manner, and offer solutions that create value and streamline within the goals and objectives of the Commission while complying with all applicable federal, state, county, and local laws. Our vision is to be a trusted partner who delivers outstanding customer service, fosters collaborative relationships, and provides significant value to be recognized as procurement experts and ethical role models. Procurement guides all divisions and departments in their procurement efforts and strives to ensure all actions maintain compliance with Procurement policies and procedures.

#### **Print Shop**

Print Shop produces creative graphic design by providing high value-added finishing publications and related printing services through unique projects to meet divisional needs. Customer and quality service requirements are met in the highest manner. Print Shop maintains rewarding relationships with employees, divisional management and vendors. Print operations, such as the Comprehensive Annual Financial Report (CAFR), Community Resource Investment Strategy (CRIS), Annual Budget, posters, pamphlets, business cards, letterheads, and more, are all generated to the highest quality and market standards.



#### Information Technology (IT)

IT oversees the technology infrastructure and software systems for the Commission. It is the effective use of these technologies that enables the Commission to deliver vital services to the residents of the County of Los Angeles. IT is responsible for all aspects of the computing environment at the Commission including innovation, implementation, and advancement of technology. IT is divided into 5 teams: Administration, Desktop Support, Infrastructure Services, eServices, and Housing/Records Management/Construction (HRC) Systems Support. Both eServices and HRC teams provide Enterprise Systems support, application development and software maintenance. The Infrastructure team is responsible for maintaining servers, storage systems, and all Commission networks. The Desktop Support team provides support for PCs, laptops, tablets, cellular devices, desktop software, audio/video systems, and first level of support to all users requesting support from IT. The Administration team is responsible for project development, IT contracts, invoice processing, IT budgets, administrative support to IT teams, and staff development.

IT works with each of CDC/HACoLA's business units to leverage technology in order to maximize the business productivity and efficiency in the delivery of Commission programs. IT maintains enterprise systems for Human Capital Management, Financial Management, and Housing programs compliance/administration. The eServices and HRC teams have developed systems that integrate between enterprise systems and in-house developed systems such as industry-recognized Self Check-in lobby management software, Waiting List, and Inspections systems. Going green is a high priority with paperless initiatives, such as the development of our tablet inspections system for Housing Management to increase productivity, maximize efficiencies and reduce cost for inspections. Another high priority was the Records Management Retention program to manage the agencies records and improve the work flow process. IT remains committed to continue to delivering quality information and services in an efficient and effective manner.

#### Fleet Management

Fleet provides vehicle services including but not limited to: vehicle leasing, vehicle maintenance, auto repairs, and pool car rentals as needed. Fleet monitors all vehicle mileage, and fuel purchases to ensure that they are in accordance with auditor controller guidelines. Fleet responds to all requests submitted through CDC/HACoLA's online service desk, manages the fleet contract, and car wash tickets for fleet vehicles.

#### **Risk Management**

The goal of Risk Management is to identify and reduce the probability, frequency, and severity of all incidents and claims. Safety awareness and mitigating promptly is the key for resolving exposures in the office and in the field. Insurance coverage are purchased annually such as general liability, property, excess workers' compensation, crime, and pollution from a joint purchased program. Risk manages the employee safety and injury prevention program, ergonomics, employee health & wellness, return to work, third party claims/incident investigations, ADA/Section 504 compliance, "How Am I Driving?" program, Workers' Compensation program, and 24-hour Safe Line. Risk interacts with employees and divisional needs to accommodate their goals and protect the assets of the agency.

#### **Facilities Management**

Facilities Management oversees building operations in order to ensure that all services maintain operational efficiencies. Facilities assess the current conditions of all electrical, HVAC, and plumbing equipment within the building on a daily basis in order to detect problems as early as possible and minimize any interruptions in functionality. The maintenance tasks are completed on a regular basis, which include: pressure-washing of all walkways, ensuring all areas of the building and surrounding premises are kept clean, disposing of waste in the trash compactor, and other various maintenance tasks. Facilities responds to all requests submitted through CDC/HACoLA's online service desk including the following categories: janitorial, maintenance, plumbing, electrical, HVAC, and conference room/special event setups.

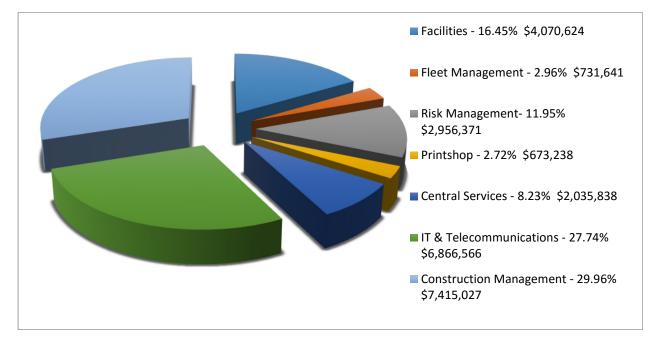
## AN OVERVIEW FROM THE CONSTRUCTION MANAGEMENT DIRECTOR: Scott Stevenson



The Construction Management Unit (CMU) is comprised of staff professionals with expertise in all phases of capital project development including architecture, engineering, project management, labor compliance, procurement, and construction management. With this varied expertise, staff manages design development and provides construction oversight services for capital projects undertaken or funded by CDC/HACoLA and Housing Authority, and numerous other County groups including Board Offices, other County Departments and non-profit organizations.

CMU's portfolio of projects includes affordable housing, homeless and special needs housing, libraries, parks, community and senior centers, childcare centers, and other community-based projects. CMU also provides construction management services for the Commission's numerous residential rehabilitation programs, storefront revitalization programs, and capital improvements for public housing owned or operated by the Housing Authority. Detailed information on CMU's services for the Commission can be found in this Section on page 13.11. Detailed information on CMU's services for other County Departments is found in the Special Programs section on page 12.1.

## **INTERNAL SERVICE BUDGET \$24,749,305**



\$18,000,000				
\$16,000,000				
\$14,000,000		_		
\$12,000,000				
\$10,000,000				
\$8,000,000	_	_		
\$6,000,000	_	_		
\$4,000,000	_			
\$2,000,000	_			
\$0				
	Salaries & Benefits	Services & Supplies	Transfers	Capital Outlays
2017-2018 BUDGET	\$9,876,500	\$15,677,400	\$260,200	\$113,400
2017-2018 ESTIMATE	\$10,990,000	\$15,801,000	\$307,700	\$61,000
2018-2019 BUDGET	\$11,539,300	\$12,713,300	\$427,000	\$69,700

	2017-2018 BUDGET	2017-2018 ESTIMATE	2018-2019 BUDGET
TOTAL BUDGET	\$25,927,500	\$27,159,700	\$24,749,300
TOTAL EMPLOYEES	76.90	67.32	70.99
Number of Regular Employees	73.42	66.32	69.99
Number of Contract Employees	1.00	1.00	1.00

### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS AND MAJOR GOALS

#### CENTRAL SERVICES DEPARTMENT

**Mission:** Provide CDC/HACoLA with the necessary supportive services: Mail Services, Procurement, and Emergency Preparedness.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$1,823,900	\$1,691,278	\$2,035,838
Number of Employees:	12.68	11.40	11.40

#### FY 17-18 Major Accomplishments:

- Evaluated the needs of the divisions and added Master Services Agreements. In support of a more centralized procurement, we absorbed other division's procurements. We continue monthly Round Table Procurement meetings with director appointed representatives from each division to impart updates and training.
- Conducted a review of our current policies and procedures in conjunction with best practices in Procurement and submitted revisions for Director and Board review and approval.
- Provided support in all areas of mail delivery and distribution in the most efficient and cost-effective manner. Acquired new mail postage meter to provide accuracy and efficient turnaround time.
- Conducted evacuation and earthquake drills at Administrative offices and participate in State/countywide emergency exercises. Provide training, as needed, in emergency management procedures

- Provide continued guidance to other divisions and departments in their procurement efforts to maintain compliance with Procurement policies and procedures. Implement technology to improve the procurement process and create uniformity while moving towards a paperless environment. Obtain funding to acquire all the requisite modules for a full electronic Procurement system.
- 2. Conduct an evaluation of our current documents in conjunction with best practices in Procurement and determine how best to integrate uniform processes and documents throughout the Commission.
- **3.** Provide support in all areas of mail delivery and distribution in the most efficient and cost effective manner, to all CDC/HACoLA Divisions.
- Continue to conduct evacuation and earthquake drills at Administrative offices and participate in State/Countywide emergency exercises. Provide training, as needed, in emergency management procedures.

#### PRINT SHOP DEPARTMENT

**Mission:** Provide CDC/HACoLA with high quality printing, duplicating and related services in a timely manner at the best cost possible.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$522,900	\$523,400	\$673,200
Number of Employees:	1.80	1.80	1.80

#### FY 17-18 Major Accomplishments:

- Marketed and outreach the Print Shop efforts by providing catalogs/brochures to promote products and services to outside municipalities, government agencies and other local establishments.
- Provided a variety of Print Shop reprographic products and services to fully produce high quality and quantity projects for the divisional business needs.

- Continue to explore new markets and outreach the Print Shop efforts by providing catalogs/brochures to promote products and services to outside municipalities, government agencies and other local establishments.
- Continue to provide a variety of print shop/reprographic products and services to fully produce high quality and quantity projects for the divisional business needs.

#### **INFORMATION TECHNOLOGY**

**Mission:** Enable business operation allowing technical freedom through a comprehensive technology infrastructure. IT maintains an efficient and effective operations environment which enables the delivery of high quality and timely services that support the business goals and objectives of the Commission.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$8,072,100	\$9,291,897	\$6,866,566
Number of Employees:	20.54	22.04	23.04

#### FY 17-18 Major Accomplishments:

- **1.** Replace 15-year-old construction project management software with a new, more robust software system.
- **2.** Moved Housing Authority software from on-premise to Yardi's cloud solution.
- **3.** Implement PeopleSoft Supplier Contract Module.

- Complete replacement of in-house developed construction management software (Tracker) with PMWeb.
- **2.** Upgrade to latest version of Yardi software after move to Yardi cloud.
- **3.** Enhance data security for:
  - In-house developed software
  - Implement procedures/processes supporting new IT Security Policy.
- **4.** Implement new Procurement Processes using PeopleSoft

#### FLEET DEPARTMENT

**Mission:** Provide reliable, safe, and fuel-efficient vehicles to CDC/HACoLA to ensure all transportation needs are met in a timely and cost-effective manner.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$788,800	\$654,595	\$731,641
Number of Employees:	.50	1.00	1.00

#### FY 17-18 Major Accomplishments:

- **1.** CDC/HACoLA transportation necessities was provided in a timely and cost efficient manner.
- 2. The required vehicle maintenance and purchase of car washes for all fleet vehicles was conducted timely in order to keep all vehicles well maintained.
- **3.** Adequate pool vehicle rental services was available to CDC/HACoLA for business purposes (ongoing).
- **4.** New RFP for Fleet Management Services awarded on 7/1/2017.

- **1.** Ensure CDC/HACoLA transportation necessities are provided in a timely and cost efficient manner.
- Continue to purchase car washes for all fleet vehicles in order to keep all vehicles well maintained.
- **3.** Provide pool vehicle rental services to CDC/HACoLA for business purposes (ongoing).

#### **RISK MANAGEMENT DEPARTMENT**

**Mission:** Provide comprehensive loss prevention services designed to enhance the quality of life for our employees and their families.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$2,810,600	\$2,810,746	\$2,956,371
Number of Employees:	2.60	1.95	1.95

#### FY 17-18 Major Accomplishments:

- Conducted a property insurance-valued appraisals for all sites in excess of 5 million dollars. Created database identifying CDC/HACOLA properties, type, and applicable insurance coverage and costs.
- Continue providing insurance and indemnity training and educational workshops agency-wide. Continue to improve and update insurance related forms and processes. Provide greater access to resources and guides via CDC/HACoLA portal.
- **3.** Continue to work in partnership with CDC/HACoLA divisions and County Counsel to minimize and control legal exposures and expense. Continue to actively and aggressively tackle incidents and provide mitigation support agencywide.
- **4.** Reduce the exposure to workers compensation claims through a proactive approach.

- Continue to update and improve property asset record tracking. Update property database identifying, forecasting, needs and improvements including insurance coverage and costs.
- Continue providing insurance and indemnity training and educational workshops agency-wide. Continue to improve and update insurance related forms and processes to CDC/HACoLA portal.
- Continue to work in partnership with CDC/HACoLA divisions and County Counsel to minimize and control legal exposures and expense. Continue to actively and aggressively tackle incidents and provide prompt mitigation and corrective action when needed.
- Reduce the exposure to workers' compensation claims through tailored Safety programs and tail gate safety meetings in compliance with SB198.

#### CONSTRUCTION MANAGEMENT ADMINISTRATION DEPARTMENT

**Mission:** Provide senior level construction management, and architectural and engineering support to CDC/HACoLA divisions.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$5,820,400	\$6,121,100	\$7,415,027
Number of Employees:	33.80	28.13	29.80

#### FY 17-18 Major Accomplishments:

- Completed a total of 28 projects expending approximately \$8,400,000 utilizing modernization and nonmodernization funds.
- **2.** Provided construction management (CM) services for 224 units and the construction of up to 60 RSIP units.
- **3.** Completed 10 Countywide CBR/Renovate projects.
- **4.** HIP/EUC Program Provided CM services for the completion of 126 single-family homes.
- **5.** Handyworker Program Provided CM services for the completion of 51 single-family homes.
- **6.** Affordable Housing Developments -Provided CM services to Economic and Housing Development on the construction of 198 new units.

- Complete a total of 13 carryover and 20 new projects expending approximately \$11,300,000 utilizing modernization and non-modernization funds.
- **2.** RSIP Provide CM services for the construction of up to 247 RSIP units.
- **3.** Complete 10 Countywide CBR/Renovate projects.
- HIP/EUC Program Provide CM services for the completion of 92 single-family homes.
- Handyworker Program Provide CM services for the completion of 51 single-family homes.
- **6.** Affordable Housing Developments Provide CM services to EHD on the construction of 541 new units.

#### FACILITIES MANAGEMENT

**Mission:** Administer all building operations and assess all equipment performance in order to ensure a safe and consistent working institution for all CDC/HACoLA.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$4,252,000	\$4,362,702	\$4,070,624
Number of Employees:	2.50	1.00	2.00

#### FY 17-18 Major Accomplishments:

- Facilities will continue to look at new and cost efficient methods of guaranteeing a clean and efficient working environment.
- **2.** Facilities attended forklift operator and safety trainings.
- **3.** Facilities mitigated and responded promptly to all building inquiries, requests and issues.

- Facilities will continue to look at new and cost efficient methods of guaranteeing a clean and efficient working environment.
- Facilities will attend forklift operator certification, Material Safety Data Sheets, and safety trainings in compliance with SB198.
- **3.** Facilities will continue to respond to all interior and exterior building issues or inquiries and find a resolution to mitigate safely and quickly.



## SPECIAL PROGRAMS

EPIC



FY 2019 Annual Budget



#### AN OVERVIEW OF SPECIAL PROGRAMS

Other programs include Traffic Administration Services, External County Construction Projects, and Special Programs allocated by the County or required for CDC/HACoLA.

#### Traffic Administration Services (TAS)

TAS (formerly Traffic Violator School Monitoring) Program was created on April 15, 1997, when the Board of Supervisors approved the Three Party Agreement between the County of Los Angeles, CDC/HACoLA, and the Superior Court of California, County of Los Angeles (Court).

TAS manages Traffic Court Specialist staff assigned at various Court locations to process and receive traffic citations on behalf of the Court. TAS also serves the Court's customers in providing printed and electronic information regarding the Court and traffic violator schools, and providing customers with real-time assistance in resolving complaints regarding traffic violator course completion certificates.

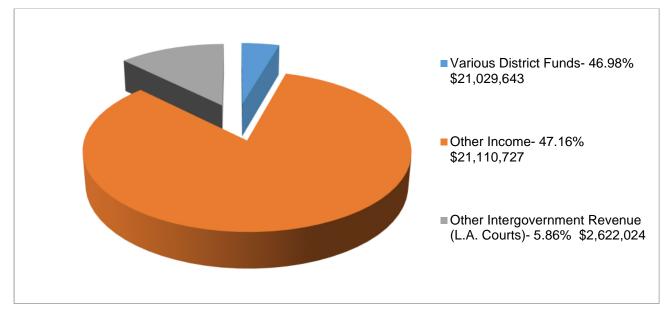
Additionally, on October 3, 2017, TAS executed a three-year Funding Agreement with the County to develop and begin implementation of the Court-Referred Community Service Program (CRCS). During this three-year pilot period, TAS will work with the Court to establish best practices and standards for community service referral agencies (CSRAs) as CRCS policies and procedures; develop an application process through which CSRAs can demonstrate their qualifications and participate in CRCS; and initiate desktop monitoring to ensure that CSRAs operate in accordance with the CRCS policies and procedures.

#### **External Construction Management**

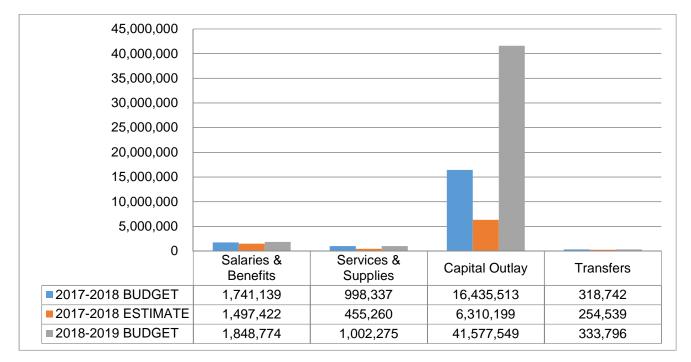
The Community Development Division's Construction Management Unit provides construction and project management services for the development, rehabilitation and construction of capital projects for various County agencies. These projects include community centers, childcare centers, libraries, parks and other public facilities.

## **SPECIAL PROGRAMS BUDGET \$44,762,394**

**Sources of Funds** 



#### **Uses of Funds**



	2017-2018 BUDGET	2017-2018 ESTIMATE	2018-2019 BUDGET
TOTAL BUDGET	\$19,493,732	\$8,517,420	\$44,762,394
TOTAL EMPLOYEES	22.00	21.25	22.00
Number of Regular Employees	22.00	21.25	22.00
Number of Contract Employees	0.00	0.00	0.00

#### DEPARTMENT OVERVIEWS, ACCOMPLISHMENTS, AND MAJOR GOALS

#### TRAFFIC ADMINISTRATION SERVICES

**Mission:** Provide traffic assistance program services on behalf of the Court, in accordance with Section 11205 of the Vehicle Code of the State of California. Develop policies and procedures for the CRCS, provide oversight and monitor community service referral agencies utilized by the Court on behalf of the County, and promote community service as an alternative sentencing option in the County.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$2,450,607	\$2,167,572	\$2,622,524
Number of Employees:	22.00	21.25	22.00

#### FY 17-18 Major Accomplishments:

- **1.** Provided and assigned 16 Traffic Court Specialist staff at various Court locations.
- 2. Provided and assigned three (3) Traffic Court Specialist Supervisors to provide supervision and guidance to the Traffic Court Specialists assigned at various Court locations.
- Provided traffic citation and traffic school – related assistance to 12,428 customers who contacted TAS via telephone, e-mail and the CDC/TAS website.
- As directed by the Court, TAS published and distributed 400,200 hardcopies of the Traffic Violator School List during FY 2017-2018.
- 5. Negotiated and executed a Funding Agreement between CDC/HACoLA and the County (CRCS Funding Agreement), as well as an MOU between CDC/HACoLA and the Court (CRCS MOU) to establish the CRCS.

- Provide and manage up to 16 Traffic Court Specialist staff assigned at various Court locations to process and receive traffic citations on behalf of the Court. Provide any additional staffing as needed and as requested by the Court.
- Provide supervision to the Traffic Court Specialist staff assigned at various Court locations to ensure adherence to policy and procedures concerning the collection of fees and secure transfer of monies to the Court's bookkeeper.
- Provide customer assistance to traffic violators who contact TAS via telephone, e-mail or via the TAS traffic school info webpage (http://www.latrafficschoolinfo.com).
- Publish and distribute to Los Angeles County Courthouse hardcopies of the DMV's Traffic Violator School List every 60 days, pursuant to Section 11205(b) on the California Vehicle Code.

- Compiled a listing of Community Service Referral Agencies (CSRAs) currently utilized by the Court and established an approved CSRA listing for the CRCS program (CSRA List).
- 7. Initiated CRCS Policies and Procedures research and analysis by requesting information from CSRAs listed on the approved CSRA List.
- **5.** Administer the CRCS program as per the CRCS Funding Agreement and CRCS MOU (see goals listed below).
- 6. Maintain and electronically publish the CSRA List to ensure that the Court and its customers are provided an up-todate listing of CRCS- approved CSRAs. Work with CDC/HACoLA's IT to develop and maintain a stand-alone website to provide the CSRA List to the public.
- 7. Work with Court Administration to develop and implement CRCS Policies and Procedures; develop CSRA Application Form and application process to review CSRAs wanting to participate in CRCS.

#### EXTERNAL CONSTRUCTION MANAGEMENT

**Mission:** Provide all levels of services (architectural and development, construction management, inspections and labor compliance) to support projects received within the County of Los Angeles.

	FY 17-18 Budget	FY 17-18 Estimate	FY 18-19 Budget
Total Budget:	\$17,043,125	\$6,349,847	\$42,224,507
Number of Employees:	0.15	0.00	0.00

#### FY 17-18 Major Accomplishments:

- **1.** Completed construction of a 10,000 square foot Artesia Library.
- **2.** Completed construction of a 7,000 square foot Los Nietos Library.
- **3.** Completed predevelopment phase of Youth Athletic League refurbishment project.
- Completed design drawings for Phase IA of Magic Johnson Park.
- **5.** Completed renovation of City Terrace Park Dome project.
- **6.** Substantially completed schematic drawings for Temple City Library.
- Substantially completed schematic drawings for Los Nietos Community and Senior Center.

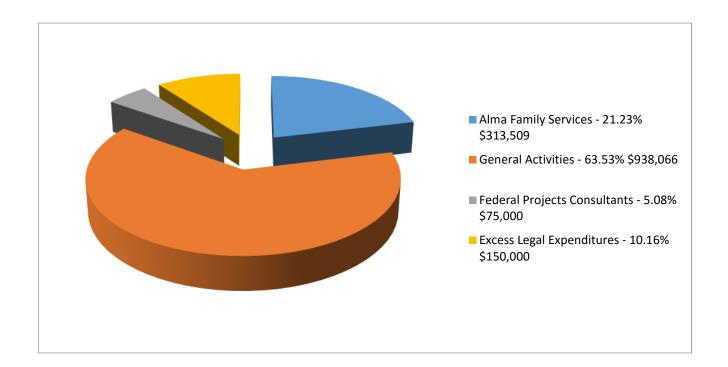
- **1.** Complete construction of Youth Athletic League refurbishment project.
- **2.** Start construction of Phase IA of Magic Johnson Park.
- **3.** Complete plan check approvals for Temple City Library.
- **4.** Start construction of Los Nietos Community and Senior Center.
- **5.** Substantially complete design drawings for Fire Station 110.
- **6.** Start construction of Avalon Library Interior.

SPECIAL PROJECTS

Special projects totaling \$1,476,575 include: Alma Family Services, General Activities, Federal Projects Consultants, and Excess Legal Expenditures.

## **OTHER PROJECTS \$1,476,575**

### Summary of Uses





## CAPITAL BUDGET

FY 2019 Annual Budget

In January 2001, CDC/HACoLA with the concurrence of the County Auditor Controller Department, developed the Administrative Policy on establishing a Capital Budget. FY 2018-2019 marks the seventeenth year CDC/HACoLA will be submitting a Capital Budget and providing detail on ongoing and future projects.

A capital project is defined as being a site based, new structure building or improvements to new structures, additions of square footage and must cost over \$100,000. Land is also a capital project when a purchase is made with the intent to own (and not for resale). Most CDC/HACoLA purchases of land, however, are made with the intent to develop and resell. Refurbishments are periodic renovations of existing space in excess of \$100,000, which would be an overall enhancement to the space, décor, and functional design. Refurbishments include renovations to the non-housing facilities of the Commission such as the Alhambra Administration Building.

It is important to note that excluded from CDC/HACoLA's Capital Budget are any renovations necessary to comply with HUD requirements that public housing must be maintained in a condition which meets established housing quality standards for assisted housing (Section 8) relating to habitability, including maintenance, health and sanitation factors, and condition and construction of dwellings. (Quality Housing and Work Responsibility Act of 1998, Section 530; Code of Federal Regulations 24, Chapter VIII Section 886.113.)

All other costs such as routine painting and other normal maintenance, which preserves the existing facility, but does not enhance it, are services and supplies and will be contained within the annual operating budget. All projects that cost less than \$100,000 regardless of their nature will be considered services and supplies expenditures.

Board approval for capital projects will be obtained during the annual budget adoption and as needed during the FY when new projects are proposed.

The FY 2018-2019 annual operating budget includes over \$61.2 million in capital outlay; however, only projects falling under the criteria outlined above will be reflected. The Capital Budget total for FY 2018-2019 is \$8.7 million, a decrease of approximately \$1.9 million from FY 2017-2018. This decrease is primarily due to the completion of the first phase of the Scattered Sites Rehabilitation. The majority of the capital improvement funding will be used for Kitchen Remodel and Site Improvements (ie: plumbing and American Disability Act upgrades).

The following pages outline CDC/HACoLA's ongoing and new projects for FY 2018-2019.

		Total Cost	Prior Fiscal Year Actuals	Estimated Fiscal Year 2017-2018	Requested Fiscal Year 2018-2019	Proposed Future Years 2019-2020	Change From 17-18 Est. Budget
Nueva Maravilla							
Re-Pipe/Plumbing Project Number :	601940	4,500,000		100,000	1,000,000	1,000,000	900,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/31/2019 1						
NET CDC COST	(Hard Costs Only)	4,500,000	0	100,000	1,000,000	1,000,000	900,000
Description(Narrative):	Re-pipe of copper plumbing throughout the site						
Funding Sources FY 18-19:	CDBG/CF						
Status:	Design						
Window Replacement							
Project Number :	CF1903	330,000	0	0	330,000	0	330,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/31/2018 1						
NET CDC COST	(Hard Costs Only)	330,000	0	0	330,000	0	330,000
Description(Narrative):	Replace windows in senior units.						
Funding Sources FY 18-19:	HUD Capital Funds						
Status:	New Project						
Carmelitos							
Kitchen Remodel							
Project Number :	CF1801	6,000,000		300,000	1,259,828	1,000,000	959,828
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/31/2021 4						
NET CDC COST	(Hard Costs Only)	6,000,000	0	300,000	1,259,828	1,000,000	959,828
Description(Narrative):	Remodel Kitchens Phase II						
Funding Sources FY 18-19:	HUD Capital Funds						
Status:	In Construction Will be done in phases.						

		Total Cost	Prior Fiscal Year Actuals	Estimated Fiscal Year 2017-2018	Requested Fiscal Year 2018-2019	Proposed Future Years 2019-2020	Change From 17-18 Est. Budget
Harbor Hills							
Replace Unit Doors Project Number :	CF1703	440,000	0	0	440,000	440,000	440,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 6/30/2019 4						
NET CDC COST	(Hard Costs Only)	440,000	0	0	440,000	440,000	440,000
Description(Narrative):	Replace all unit doors						
Funding Sources FY 18-19:	HUD Capital Funds						
Status:	Planning						
Marina Manor							
Kitchen Rehab and Exterior Improvements							
Project Number :	CF1810/CF1805/CF1809	3,096,000	0	0	1,996,000	1,100,000	1,996,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/31/2019 3						
NET CDC COST	(Hard Costs Only)	3,096,000	0	0	1,996,000	1,100,000	1,996,000
Description(Narrative):	Remodel Kitchens Phase I Exterior Painting/Awnings/Structure Repair						
Funding Sources FY 18-19: Status:	HUD Capital Funds Design						
Southbay Gardens							
Unit Flooring							
Project Number :	601944	300,000	0	0	300,000	0	300,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/30/2018 2						
NET CDC COST	(Hard Costs Only)	300,000	0	0	300,000	0	300,000
Description(Narrative):	Replace unit flooring in 100 units.						
Funding Sources FY 18-19:	CDBG						
Status:	New Project						

		Total Cost	Prior Fiscal Year Actuals	Estimated Fiscal Year 2017-2018	Requested Fiscal Year 2018-2019	Proposed Future Years 2019-2020	Change From 17-18 Est. Budget
South Scattered Sites							
Remodel Kitchen/Window Replacement Project Number :	800SSS/900SSS	3,210,000		1,500,000	1,210,000	500,000	(290,000)
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 6/30/2018 2						
NET CDC COST	(Hard Costs Only)	3,210,000	0	1,500,000	1,210,000	500,000	(290,000)
Description(Narrative):	Remodel Kitchens/Replace Windows						
Funding Sources FY 18-19:	County General Funds						
Status:	In Construction						
Lancaster Homes							
Re-Pipe Building Project Number :	602001	300,000	* 0	0	300,000	0	300,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 8/30/2017 5						
NET CDC COST	(Hard Costs Only)	300,000	0	0	300,000	0	300,000
Description(Narrative):	Re-Pipe Building						
Funding Sources FY 18-19:	CDBG						
Status:	Planning						
Quartz Hill							
Site Improvements/Cameras			c	c		c	
Project Number :	601999/602000	400,000	0	0	400,000	0	400,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/31/2018 5						
NET CDC COST	(Hard Costs Only)	400,000	0	0	400,000	0	400,000
Description(Narrative):	Exterior Painting, Fascia, Parking Lot, Cameras.						
Funding Sources FY 18-19:	CDBG						
Status:	Planning						
Arizona & Olympic							
Kitchen/Bathroom Remodel							
Project Number :	601893	500,000	0	400,000	100,000	0	(300,000)
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/31/2018 1						
NET CDC COST	(Hard Costs Only)	500,000	0	400,000	100,000	0	(300,000)
Description(Narrative):	Remodel Kitchens and Bathrooms						
Funding Sources FY 18-19:	CDBG						
Status:	In Construction						

Change From

Proposed

Requested

Estimated

Prior

		Total Cost	FILOT Fiscal Year Actuals	Esumated Fiscal Year 2017-2018	requested Fiscal Year 2018-2019	Froposed Future Years 2019-2020	Change From 17-18 Est. Budget
East County							
Kitchen Remodel and Generators							
Project Number :	601931/601942/CF1807	785,924	0	0	785,924	0	785,924
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 12/31/2017 1						
NET CDC COST	(Hard Costs Only)	785,924	0	0	785,924	0	785,924
Description(Narrative):	Remodel Kitchens at five sites						
Funding Sources FY 18-19:	CDBG/HUD Capital Funds						
Status:	Design						
Ocean Park							
Exterior Painting/Unit Flooring Project Number :	CF1909	348,000	0	o	348,000	0	348,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 6/30/2019 1						
NET CDC COST	(Hard Costs Only)	348,000	0	0	348,000	0	348,000
Description(Narrative):	Exterior Painting/Unit Flooring						
Funding Sources FY 18-19:	HUD Capital Funds						
Status:	Planning						
Harbor Hills							
Administrative Building Upgrades/Bathroom ADA Rehabilitation							
Project Number :	CF1902	220,000	0	0	220,000	0	220,000
Estimated FY 18-19 Project Phase (Summary): Completion Date: District:	Construction 6/30/2019 1						
NET CDC COST	(Hard Costs Only)	220,000	0	0	220,000	0	220,000
Description(Narrative):	Section 504/ADA Modifications						
Funding Sources FY 18-19:	HUD Capital Funds						
Status:	Planning						
GRAND TOTAL - HOUSING AUTHORITY CAPITAL PROJECTS	STS	20,429,924	0	2,300,000	8,689,752	4,040,000	6,389,752



# **APPENDIX**

FY 2019 Annual Budget



#### GLOSSARY

Many of the terms, phrases, and acronyms used in this document are unique to public housing and community development programs. This glossary provides definitions for terms that may be unfamiliar to our readers.

ACH:	Automated Clearing House
ACOP:	Admissions and Continued Occupancy Policy
ADU:	Accessory Dwelling Unit
ADDI:	American Dream Down Payment Initiative
ANE:	Agreement to Negotiate Exclusively
ARC:	Annual Required Contribution
ARRA:	American Recovery and Reinvestment Act of 2009
ATP:	Acoustical Testing Planning
BFH:	Bringing Families Home
BTC:	Business Technology Center; an incubator for technology businesses
CALPERS:	California Public Employees Retirement System
CAPER:	Consolidated Annual Performance and Evaluation Report
CAPITAL OUTLAYS:	Expenditures for items that have a life span of more than three years and cost over \$1,000. Examples include utility trucks, building improvements and computer hardware
CBO:	Community Based Organization (CBO) is a non- profit agency that administers public service programs funded by CDBG revenues. Examples include the United Community and Housing

Development Corporation and the Watts Labor Community Action Committee

**CBLP:** County Business Loan Program

**CBR:** Business owners operating in Commercial Business Revitalization (CBR) districts are eligible to participate in rebate and low-interest loan programs funded by the CDBG program

- **CCTV:** Closed-Circuit Television
- **CDBG:** Community Development Block Grant funds are provided by the U.S. Department of Housing and Urban Development, and administered by CDC/HACoLA's Community Development Block Grant Division. CDBG funds are used principally in programs that benefit low- and moderate-income residents
- **CDLAC:** California Debt Limit Allocation Committee
- **CEDTF:** County Economic Development Trust Funds
  - **CFP:** Capital Fund Program
- **CHDO:** Community Housing Development Organization, a community based non-profit organization that develops and/or owns property for housing
- **CHSP:** Congregate Housing Services Program, to link supportive services to disabled elderly and non-elderly public housing residents
- **CIAP:** The Comprehensive Improvement Assisted Program is a Department of Housing and Urban Development funding program
- **CLPHA:** Council of Large Public Housing Authorities. Members meet periodically to discuss common public housing issues to influence the Federal Government for the betterment of public housing

- **CRIS:** Community Resource Investment Strategy is a procedure for priority ranking of program proposals, similar to many municipal capital improvement strategies
- **CSAC:** County Supervisors Association of California
- **CRCS:** Court Referred Community Service Program
- **CSRA:** Community Service Referral Agencies
- **CTLP:** County Technology Loan Program
- CULP: County Utility Loan Program
- **DBE:** Disadvantages Business Enterprise
- **DMH:** Los Angeles County Department of Mental Health
- **DCFS:** Los Angeles County Department of Children and Family Service
- **DDA:** Disposition and Development Agreement: An agreement between the Commission and a developer to build a project
- **DISBURSEMENTS:** This represents the principal amount of all loans that are issued by the Commission. Disbursements, or loans, are made primarily for the rehabilitation of single-family or multi-family housing
  - DRP: Los Angeles County Department of Regional Planning
  - **EDA:** Economic Development Administration
  - **EDI/BEDI:** Economic Development Initiatives / Brownfields Economic Development Initiatives
    - **EFNEP:** Expanded Food Nutrition Education Program
      - **ESF:** Emergency Shelter Fund

ESG:	Emergency Shelter Grant: Federal funding for Homeless Shelter rehabilitation, operating costs, and central counseling services
EUC:	Energy Upgrade California
EXTREMELY LOW-INCOME:	Equal to or less than 30 percent of the County median-income
FAA:	Federal Aviation Administration
FEMA:	Federal Emergency Management Agency
FY:	Fiscal Year, which starts for the CDC/HACoLA's on July 1 and ends June 30
FNMA:	Federal National Mortgage Association, "Fannie Mae"
FRHS:	Family Reunification Housing Subsidy
FSS:	Family Self-Sufficiency
FULL ACCRUAL ACCOUNTING:	Revenue is recognized when earned, and expenditures are recorded when the liability is incurred
FUND BALANCE:	The net of assets and liabilities reported in a governmental fund at a given point of time
GFOA:	Government Finance Officers Association
GMU:	Grants Management Unit
GOVERNMENTAL FUND:	Funds generally used to account for tax supported activities. There are five (5) different types of governmental funds: general, special revenue, debt service, capital project, and permanently
HAP:	Housing Assistance Payments
HCIDLA:	Housing and Community Investment Department of Los Angeles

- **HDC:** Housing Development Corporation
- **HHPF:** Homeless and Housing Program Fund
  - **HIP:** Homeless Incentive Program
- **HOME:** Home Investment Partnership
  - **HOP:** Home Ownership Program
- **HOPWA:** Housing Opportunities for People with AIDS
  - **HPI:** Homeless Prevention Initiative
  - **HPRP:** Homelessness Prevention and Rapid Re-Housing Program Fund
  - **HUD:** The U.S. Department of Housing and Urban Development is the principal funding source of the CDC/HACoLA's programs
    - **ILP:** Independent Living Program
  - **IPM:** In-Progress Monitoring
- **INCUBATOR:** A business arrangement whereby more than one company shares the use of the same building and services (e.g. administrative assistant, photocopier)
- **INFILL HOUSING:** Construction of housing on vacant property within a defined and established residential area
  - **JJCPA:** Juvenile Justice Crime Prevention Act
    - JOC: Job Order Contract
  - LAHSA: Los Angeles Homeless Services Authority
- LANDLORD PAYMENTS: Under the Section 8 program, the CDC/HACoLA makes rent subsidy payments directly to landlords who contract to provide housing to low-income individuals

LIUNA:	Laborers International Union of North America
LAWA:	Los Angeles World Airports
LOW-INCOME:	Between 31% and 50% of the County median income
MCC:	Mortgage Credit Certification Program
MFMRB:	Multi Family Mortgage Revenue Bond
MODERATE-INCOME:	Between 80% and 120% of the County median income
<b>MODERNIZATION:</b>	Extensive renovation and rehabilitation of public housing
MODIFIED ACCRUAL ACCOUNTING:	Revenues are recognized when they are both measurable and available, and expenditures are recorded when they are incurred
MOU:	Memorandum of Understanding
MRB:	Mortgage Revenue Bond. Mortgage financing at below market rates for first-time homebuyers with income and purchase price limitations, designed for home buying affordability
MRLF:	Manufacturing Revolving Loan Fund
MULTI-FAMILY:	Two or more rental units (apartments) located on the same property
NAHRO:	National Association of Housing and Redevelopment Official
NEPA:	National Environmental Policy Act
NOFA:	Notice of Funds Availability
NSP:	Neighborhood Stabilization Program
OFF-SITE IMPROVEMENT:	Any infrastructure construction or expansion that is required before a site can be developed. Examples include expansion of water mains and road construction

ON-SITE IMPROVEMENT:	On-Site preparation required before project construction can commence. Examples include grading or contouring the land
OPA:	Persons who are owners of residential, business and other types of property may enter into Owner Participation Agreements (OPA) with the CDC to participate in redevelopment activities within a designated project area
OPEB:	Other Post Employee Benefits
PAC:	Political Action Committee
PARTICIPATING CITIES:	HUD does not provide CDBG funds directly to cities with populations under 50,000. These city funds are passed through the County's CDBG program. Cities electing to receive funding through this arrangement are termed participating cities. There are 47 participating cities in the Commission's 2010-11 CDBG program
	In the Section 8 Program there are 62 participating cities and unincorporated areas that receive Housing Program services from the CDC
PHAS:	Public Housing Assessment System
PIC:	Public and Indian Housing
PIH:	Presbyterian Intercommunity Hospital
PUBLIC HOUSING:	CDC/HACoLA owns and maintains 2,962 conventional public housing units, and manages and maintains an additional 374 units. All rentals receive Federal subsidies except 62 units that receive State subsidies
QC:	Quality Control
REAC:	Real Estate Assessment Center
REHABILITATION:	Extensive repair and renovation of structural components of a building. Partial replacement of a roof is an example of rehabilitation work. Painting or minor repairs are not classified as rehabilitation

RELOCATION:	Often property acquired by the Commission for development includes existing homes or businesses. Before any development activity can begin, the Commission may be required by law to provide relocation assistance to any occupants of the property
RHCP:	Rental Housing Construction Program – the agency owns 21 units at Villa Nueva and manages 41 units at Santa Monica
RLF:	Revolving Loan Fund
RFP:	Request for Proposal
ROSS:	Resident Opportunities and Self-Sufficiency Resident Service Delivery Models Program
RSIP:	Residential Sound Insulation Program

- **RSP:** Resident Services Programs
- **SAMHSA:** U. S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration
- **SCHFA:** Southern California Home Financing Authority
- **SECTION 8:** The Section 8 existing program provides rental subsidies to very low-income families residing in privately-owned (existing) housing
  - **SEMAP:** Section Eight Management Assessment Program
  - **SFGP:** Single Family Grant Program
  - **SFMRB:** Single Family Mortgage Revenue Bond
- **SUBVENTIONS:** CDBG payments to CBOs, County Departments, and participating cities for project operation and/or completion
  - **TAS:** Traffic Administration Services

TRANSFER:	Expenses of the CDC/HACoLA's administrative
	divisions (Executive, Finacial Managemnt, and
	Administrative Services) are allocated to the
	operational divisions in accordance with
	federal guidelines

- **UCCE:** University of California Cooperative Extension
- **URBAN COUNTY:** HUD classifies Urban Counties as those that allocate CDBG funding to participating cities
  - **USDA:** United States Department of Agriculture
- **VERY LOW-INCOME:** Below 50% of the County median income



### We Build Better Lives Better Neighborhoods

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