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115	Information Technology Agency	INFORMATION TECHNOLOGY AGENCY - RESTORATION OF 311 CALL CENTER HOURS AND ADDITIONAL METRICS
116	Homeless Services Agency	LOS ANGELES HOMELESS SERVICES AUTHORITY - ACCESS VS NAVIGATION CENTERS
117	Housing and Community Investment Department	HOUSING AND COMMUNITY INVESTMENT DEPARTMENT - RESOURCES REQUIRED TO PROVIDE OVERSIGHT FOR CITY FUNDS TRANSFERRED TO THE LOS ANGELES HOMELESS SERVICES AUTHORITY
118	Housing and Community Investment Department	HOUSING AND COMMUNITY INVESTMENT DEPARTMENT - DEVELOPMENT OF ASSESSMENT OF FAIR HOUSING
119	Information Technology Agency	INFORMATION TECHNOLOGY AGENCY - STUDY ON PAYROLL REPLACEMENT

Memo No.	Department	Budget Memo Title
120	Animal Services	DEPARTMENT OF ANIMAL SERVICES - SALARIES AS-NEEDED FUNDING AND EXECUTIVE ADMINISTRATIVE ASSISTANT POSITION
121	Animal Services	DEPARTMENT OF ANIMAL SERVICES - VOLUNTEER PROGRAM
122	Housing and Community Investment Department	HOUSING AND COMMUNITY INVESTMENT DEPARTMENT - REQUEST FOR ADDITIONAL SEISMIC RETROFIT PROGRAM HEARING OFFICERS
123	Building & Safety	DEPARTMENT OF BUILDING AND SAFETY - BUILDING CIVIL ENGINEER II TO SUPPORT THE SOFT STORY RETROFIT PROGRAM
124	Building & Safety	DEPARTMENT OF BUILDING AND SAFETY - CODE ENFORCEMENT POSITIONS RESTORED
125	Building & Safety	DEPARTMENT OF BUILDING AND SAFETY - FEE WAIVERS
126	Fire	FIRE - FLEET AVAILABILITY AND MAINTENANCE
127	Fire	FIRE - IDENTIFICATION OF INTERNAL OR ALTERNATIVE FUNDING SOURCES FOR UNFUNDED DEPARTMENT PRIORITIES
128	Homeless Services Agency	HOMELESS SERVICES AGENCY - BUREAU OF SANITATION - OPERATION HEALTHY STREETS FUNDING
129	Fire	FIRE - RESTORATION OF RESOURCES TO FIRE STATIONS 74 AND 75; RENOVATION OF FIRE STATION 91; AND AN ADDITIONAL FIRE STATION IN SYLMAR
130	Economic and Workforce Development Department	ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT - RESOURCES FOR REAL ESTATE MANAGEMENT STAFF AND INSTRUCTIONS FROM AD HOC COMMITTEE ON JOBS
131	Building & Safety	DEPARTMENT OF BUILDING AND SAFETY - CODE ENFORCEMENT PERSONNEL OPTIONS
132	Public Works, Street Services	BUREAU OF STREET SERVICES - TREE TRIMMING
133	Transportation	DEPARTMENT OF TRANSPORTATION - REPORT BACK ON THE PROS AND CONS ON IF THE CITY WERE TO USE FULL-TIME TRAFFIC OFFICERS AS OPPOSED TO PART-TIME TRAFFIC OFFICERS

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 1

Date: April 29, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **BUREAU OF ENGINEERING – PACIFIC AVENUE BRIDGE**

During its consideration of the Bureau of Engineering's (BOE) 2016-17 Proposed Budget, the Budget and Finance Committee requested that this Office report on funding options for the Pacific Avenue Bridge (Bridge) project.

The Bridge is currently closed to vehicular traffic, but is used by cyclists and pedestrians. The sidewalk and concrete railing has been damaged, but is currently closed off by a concrete barrier rail and fencing to protect the public. Council District 11, in coordination with BOE, obtained a consultant to prepare a feasibility report on repair options for the Bridge. The scope of the selected alternative is to repair the existing deteriorated sidewalk and upgrade the structure to better resist earthquake lateral forces. It will include construction of concrete pedestals with elastomeric bearing pads, demolition of the sidewalk, and replace the railing at the end of the bridge. Based on this scope of work, the BOE estimates that the total project cost will be \$5,584,000, including \$643,000 for design and \$4,941,000 for construction.

Should the Council decide to include this project in the Capital Improvement Expenditure Program (CIEP) for Physical Plant, an appropriation of \$643,000 would be needed in 2016-17 to fund the design. Funding for a project of this type would be eligible for the Special Gas Tax Street Improvement Fund (Gas Tax), Measure R Local Return Fund, and General Fund. However, the Proposed Budget fully allocates these Funds. Should project design be funded, offsetting General Fund and/or Special Fund revenues or appropriations will need to be identified.

FISCAL IMPACT STATEMENT

The General Fund impact of adding this project to the Capital Improvement Budget would be \$643,000 in 2016-17, and approximately \$4,941,000 in a future year. Should this be funded, offsetting General Fund and/or Special Fund revenues or appropriations will need to be identified.

MAS:REM:06160127

Question No. 112

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 2

Date: May 2, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **BOARD OF PUBLIC WORKS – PUBLIC WORKS TRUST FUND
NEXUS STUDY**

During its consideration of the Board of Public Works' (Board) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office report on the benefits of the Public Works Trust Fund Nexus Study (Study), potential results of the Study, and options to fund an increase of \$100,000 in the appropriation for the Study.

The intent of the Study is to identify the original use and purpose of roughly \$11 million in special project deposits in the Public Works Trust Fund (PWTF), and determine whether a "Nexus" exists between the original purpose of a particular deposit and other potential uses. The Study will result in the development of guidelines on the legal disposition of special project deposits in the PWTF based on best practices and case law. The Study may find that the City could legally repurpose existing deposits for other projects. However, the Study could potentially determine that the unused deposits may need to be refunded or transferred to the State.

The 2016-17 Proposed Budget appropriated \$50,000 for the Study. The Board initially requested \$150,000 for the Study based on market research of consultant rates and anticipated scope of work and deliverables.

If an additional amount is not appropriated for the Study, the Board could proceed with a Request for Proposals that divides the work up in phases. However, it is possible that the City may not receive the level of services desired.

FISCAL IMPACT STATEMENT

The General Fund impact of increasing the funding for the Study is \$100,000. The Study would have a total General Fund impact of \$150,000.

MAS:REM:06160128

Question No. 163

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 3

Date: May 2, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **BUREAU OF SANITATION – OPERATION HEALTHY STREETS REDUCTION**

During the Budget and Finance Committee's consideration of the Bureau of Sanitation's (Bureau) 2016-17 Proposed Budget, this Office was requested to report back on the restoration of the \$467,000 reduction to the Operation Healthy Streets (OHS) Program for Skid Row and Venice in Sanitation Blue Book Item 53.

The OHS Program addresses the sanitary and health conditions in the Skid Row and Venice areas by providing six comprehensive cleanings (on even numbered months) and 12 spot cleanings (twice on each odd numbered month) per year. Comprehensive cleanings are two week efforts that involve outreach and notification, inspections and health assessments, removal of health hazards, collection and storage of items in the public right-of-way, street sweeping, and sanitizing sidewalks. Spot cleanings do not require outreach and notification and OHS crews work around people and property. Spot cleanings include trash removal, removal of hazardous materials, and washing down sidewalk areas.

Prior to 2015-16, funding for OHS was provided in General City Purposes (GCP) or the Unappropriated Balance (UB) and transferred to the Bureau and the Los Angeles Homeless Services Authority (LAHSA) through interim Council reports. In the 2015-16 Budget, \$2.1 million in General Fund (GF) funding for the Sanitation portion of the OHS program was appropriated to the Bureau's operating budget as follows:

<u>Account</u>	<u>2015-16 Amount</u>
General Salaries	\$ 1,046,663
Overtime Salaries	112,892
Contractual Services	432,000
Operating Supplies	475,720
Total	\$ 2,067,275

This ongoing funding was provided to cover the salaries of 11 full-time positions that support OHS, contractual service expenses for hazardous waste removal and disposal, tip fees for solid waste disposal, and the purchase of supplies and protective equipment for OHS inspectors. In the First Financial Status Report (FSR), \$467,000 was transferred from the Operating Supplies Account to the Transportation (\$225,000), Other Operating Equipment (\$89,000), and Non-Capital Equipment (\$153,000) accounts for the one-time purchase of vehicles, radiation detectors, respirators, mercury meters, and related safety and protective equipment for OHS inspectors. Since ongoing funding was used to make one-time purchases, it was determined that a reduction of \$467,000 to the Bureau's Operating Supplies Account

would have minimal impact to service levels while supporting the development of a balanced City budget. Each City department was subject to GF reduction targets and as the Bureau is mostly special funded, a GF reduction to the Bureau would result in either a reduction to the OHS or Clean Streets Los Angeles program budgets.

In its letter to your Committee dated April 21, 2016, the Bureau recognizes the \$467,000 savings in its Operating Supplies Account and requests the restoration of these funds to address increased workload as a result of assuming OHS duties previously performed by the Bureau of Street Services and increased support of Los Angeles Police Department (LAPD) OHS activities from five to seven days. The Bureau of Street Services has confirmed that it is no longer providing support for OHS. However, the cost associated with the Bureau assuming these duties has not been provided. In addition, the cost associated with providing increased services to LAPD has not been provided or verified.

FISCAL IMPACT STATEMENT

To comply with the City's Financial Policies, the restoration of the \$467,000 reduction to Sanitation Blue Book Item 53 requires a corresponding increase to General Fund revenues or a corresponding reduction to another General Fund expenditure.

MAS:WKP:06160130

Question No. 122

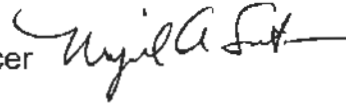
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 4

Date: May 2, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **BUREAU OF ENGINEERING – ELECTRIC VEHICLE AND SOLAR POWER ENGINEERING POSITIONS**

During its consideration of the Bureau of Engineering's 2016-17 Proposed Budget, the Budget and Finance Committee requested that this Office report back on the possibility of providing nine-months funding for the position to support Electric Vehicle and Solar Power Engineering.

The Proposed Budget provides \$98,472 for six-months direct and indirect funding for one Building Electrical Engineer I (BEE I) as a cost-saving measure. The BEE I will perform electrical load studies, advise on electrical capacity issues, and review and approve project designs relative to proposed electric vehicle charging and solar power projects at City Facilities. Nine-months funding for the position would cost \$141,150, or \$42,678 more than what is currently appropriated:

	Proposed Budget (Six-months)	Nine-Months Funding	Difference
Direct Costs - Salaries General	\$ 65,912	\$ 98,868	\$ 32,956
Indirect Costs	\$ 32,560	\$ 42,282	\$ 9,722
	\$ 98,472	\$ 141,150	\$ 42,678

FISCAL IMPACT STATEMENT

There will be an additional \$42,678 impact to the General Fund if this position is funded for nine-months instead of the currently funded six-months. Should this item be funded at nine-months, offsetting General Fund revenues or appropriations will need to be identified.

MAS:EMM:06160135

Question No. 114


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 5

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **ETHICS COMMISSION -- AS-NEEDED FUNDING AND SPECIAL INVESTIGATOR POSITION REQUESTS**

During its consideration of the Ethics Commission 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the Ethics Commission request for Salaries, As-Needed funding and the Special Investigator I position included in the Department's letter.

Specifically, the Ethics Commission requests an additional \$60,000 for Salaries, As-Needed, increasing the total account funding for 2016-17 from \$40,000 to \$100,000. According to the Commission, the only way it can manage the workload for elections is by bringing on additional as-needed staff during critical months. Ethics does not have permanent clerical staff, relying on as-needed workers to provide support to its professional staff. The Commission reports that it will be expending \$85,000 in as-needed funds for 2015-16, not an election year, and it expects its need in 2016-17, an election year, to increase. Ethics also requested one regular authority Special Investigator I position at an initial salary of \$32,333 for six-months funding to complete mandatory investigations in a timely way and within the statute of limitations.

For fiscal year 2015-16, the Ethics Salaries, As-Needed budget of \$20,000 was supplemented by an interim transfer of \$80,000 for total available funding of \$100,000. The average expenditures for Salaries, As-Needed have been approximately \$70,000 per year for the last three fiscal years, and those expenditures have increased in each of those years. The 2016-17 Proposed Budget provides additional one-time funding of \$20,000 to Salaries, As-Needed, increasing the account from \$20,000 to \$40,000. The Department expects to rely on as-needed personnel to meet obligations associated with disclosure filings and requests for matching funds payments prior to the 2017 City and LAUSD elections. Ethics is required to audit each contribution submitted for matching funds purposes within four business days of submission.

The Department is provided an annual appropriation of \$250,000 to hire a Special Prosecutor, if needed. Absent the need to hire a Special Prosecutor, the Department could utilize those funds for this purpose with a transfer to the Salaries, As-Needed Account through the Financial Status Report as it has done in prior years. The Department does not anticipate the need to hire a Special Prosecutor at this time and has no other savings that could be utilized.

The Ethics Commission currently has three authorized Special Investigator positions. Ethics reviews every complaint received regarding possible violations of the laws within its jurisdiction, and per Los Angeles Administrative Code 24.26 has a four-year statute of limitations to address violations that occur. The number of open investigations at the end of the year has increased from 63 in 2011 to 137 in 2015 as have the number of unresolved or "cold" cases from five in 2011 to 31 in 2015. Cold cases are investigations that are open for two years or more. In addition, the number of resolved cases per year has decreased (from 395 in 2011 to 230 in 2015). Ethics has pursued alternatives such as hiring retired personnel without success.

FISCAL IMPACT STATEMENT

The General Fund impact of the Ethics Commission's requests for additional As-Needed funds and one regular authority Special Investigator I position in 2016-17 would be \$114,871, which includes \$60,000 in Salaries, As-Needed funding and \$54,987 in Salaries General (\$32,333) and related (\$22,654) costs for one Special Investigator I position. Annual ongoing costs would be \$99,968 in direct (\$67,067) and related (\$32,901) costs. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:HS:11160083c

Question No. 262

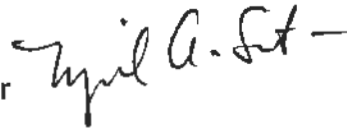
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 6

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **BUREAU OF ENGINEERING – DOWNTOWN STREETCAR PROJECT**

During its consideration of the Bureau of Engineering's (BOE) 2016-17 Proposed Budget, the Budget and Finance Committee requested that this Office report back on whether funding is provided for the Department of Water and Power's (DWP) portion of the environmental review for the Downtown Streetcar Project. The Committee also requested that we include the appropriate source of funds.

BOE reports that DWP has asked for the Streetcar Project to pay DWP approximately \$240,000 to assist with the design and review of required utility relocations as part of the preliminary design process.

Eligible funding sources for both the DWP costs would include Proposition A, Measure R or the General Fund and could be addressed through a Financial Status Report.

FISCAL IMPACT STATEMENT

The potential fiscal impact would be up to \$240,000. Should this item be funded, offsetting General Fund and/or Special Fund revenues or reductions to appropriations will need to be identified.

*MAS:DHH:06160132**Question No. 116*

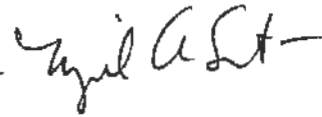
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 7

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **DEPARTMENT OF AGING – POTENTIAL FUNDING FOR ITEMS INCLUDED IN THE DEPARTMENT’S LETTER**

During its consideration of the Department of Aging’s (Aging) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report regarding potential funding options for all of the requests listed in the Department of Aging’s budget letter to the Committee. The total amount of all items requested is \$802,675, as summarized in the chart below.

	Item	Comments	Amount
1	Evidence Based Wellness program	GCP reduction: \$70,800 CDBG reduction: \$316,998	\$ 387,798
2	Various non-nutrition services	GCP gap funding previously provided to offset federal sequestration of funds	\$ 192,000
3	Four new staff positions*	<i>Age Friendly Cities Initiative</i> - 1 Senior Management Analyst II : \$57,191 - 1 Management Analyst I: \$33,137 <i>Senior Safety and Community Education Unit</i> - 1 Senior Project Coordinator: \$43,462 - 1 Management Analyst II: \$39,087	\$ 172,877
4	Technology Study	Identify software replacement system	\$ 50,000
TOTAL			\$ 802,675

* Related costs for the four new positions would be \$103,463.

Aging requests a total of \$387,798 in funding for the Evidence Based Wellness program which consists of \$70,800 to offset the GCP reduction and \$316,998 to offset the CDBG reduction as identified in the 42nd Program Year of the Housing and Community Development Consolidated Plan.

Aging requests a total of \$192,000 in GCP funding which was previously provided as gap funding to offset the federal sequestration of funds. The amount consists of \$95,453 in various non-nutrition related programming and \$96,547 in administration costs.

Aging requests funding for four new positions for a total of \$172,877. Two positions would focus on implementing the Age Friendly City Initiative and two positions would

staff a new Senior Safety and Community Education program (Elder Justice/Elder Abuse Prevention).

- Two positions for Age-Friendly Cities consist of one Senior Management Analyst II (\$57,191, six months funding) and one Management Analyst I (\$33,137, six months funding).
- Two positions for the Senior Safety and Community Education Unit would consist of one Senior Project Coordinator (\$43,462, six months funding) and one Management Analyst II (\$39,087, six months funding).

Aging requests \$50,000 in funding for a technology study to identify options to replace the Department's current data reporting system. Aging has contacted the California Department of Aging (CDA) and determined that the portion of the costs that relate to CDA's grant reporting requirements would be eligible for grant funding, estimated at approximately 50% of the amount, or \$25,000.

FISCAL IMPACT STATEMENT

An appropriation of \$802,675 from the General Fund to the Department of Aging will be required to provide funding for all of the items identified in Aging's budget letter.

The General Fund impact would be \$387,798 for Evidence Based Programs to offset GCP and CDBG funding cuts. Given the limitations of CDBG funds in terms of availability and use restrictions, the General Fund is the only available source of funding to restore the requested amount.

The General Fund impact would be \$192,000 for the offset of Federal sequestration of funds since 2013.

The General Fund impact would be a total of \$172,877 in direct salary costs for four new positions. Related costs for these positions would be \$103,463.

The General Fund impact would be \$50,000 for the technology study. Aging estimates that approximately 50% of the total amount requested may be eligible for CDA grant funding, but has not been confirmed at this time.

Should these items be funded, offsetting General Fund appropriations or revenues will need to be identified.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 8

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **OFFICE OF THE CITY CLERK – FUNDING FOR MEASURES ON THE NOVEMBER BALLOT**

During its consideration of the Office of the City Clerk's (City Clerk) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report from the Office of the City Administrative Officer on finding contingency funding for the City to place one or more measures in the County's November 2016 ballot.

The City Clerk has provided the following estimated cost for consolidating one through four ballot measures in the County's November 2016 General Election:

No. of ballot measures	Total Cost	Estimated Expenses Paid to County	Estimated City Expenses
1	\$4.1 M	\$3.4 M	\$0.7 M
2	\$4.4 M	\$3.6 M	\$0.8 M
3	\$4.7 M	\$3.8 M	\$0.9 M
4	\$5.0 M	\$4.0 M	\$1.0 M

The City historically identifies funding for the placement of a measure on the ballot at the time when City Council has adopted the motions required to place a specific measure on the ballot. Funding is identified and appropriated through the Financial Status Report provided to your Committee. The Reserve Fund or the Unappropriated Balance Reserve for Mid-Year Adjustments may be used as a source of funds for unfunded election expenditures during the year. To provide greater certainty, a General Fund appropriation may be made as part of the budget. The appropriation should be placed as a line item in the Unappropriated Balance. In order to make this appropriation, offsetting General Fund revenues or appropriations will need to be identified.

This memorandum is provided for informational purposes only. There is no fiscal impact.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 9

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **GENERAL SERVICES – LOS ANGELES THEATER CENTER ROOF LEAK**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested that GSD report back on the resources required to repair the roof leak at the Los Angeles Theater Center.

GSD reports that the repair will cost approximately \$85,000 and will be incorporated into the Citywide Roof Repair line item of the Capital Improvement Expenditure Program. There is no General Fund impact.

MAS:KG:05160115h

Question No. 290

Attachment

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

May 2, 2016

Honorable Paul Krekorian
Chair, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Richard Williams, Legislative Assistant

BUDGET & FINANCE COMMITTEE QUESTION NO. 290
FOR THE 2016-17 PROPOSED BUDGET

During the budget deliberations, your Committee requested the Department of General Services (GSD) report back on the resources required to repair the Los Angeles Theater Center (LATC) roof which is leaking.

GSD estimates this project will cost \$85,000, which includes moving the air conditioning unit to make the necessary roof repairs. This project will be incorporated into the Capital Improvement Expenditure Roof Repair program.

Should you have any questions, please contact Valerie Melloff at (213) 928-9586.

Tony M. Royster
General Manager

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 10

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **GENERAL SERVICES – RESOURCES FOR WATER AND ELECTRICITY BILL
AND AUDITING**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested that GSD report back on resources required to more thoroughly audit and monitor the City's power and electricity bills from the Department of Water and Power.

The Mayor's Proposed Budget includes resolution authority without funding for one new Accounting Clerk and the transfer of one Management Analyst II from Real Estate Services to Building Maintenance Division. The proposed budget also includes \$75,000 for upgraded software required to provide usage reports. GSD reports that these resources are sufficient for billing and auditing services. There is no General Fund impact.

MAS:KG:05160113h

Question No. 281

Attachment

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
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(213) 928-9555
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May 2, 2016

Honorable Paul Krekorian
Chair, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Richard Williams, Legislative Assistant

BUDGET & FINANCE COMMITTEE QUESTION NO. 281
FOR THE 2016-17 PROPOSED BUDGET

During the budget deliberations, your Committee requested the Department of General Services (GSD) report back on resources required to more thoroughly audit and monitor the City's power and water bills from DWP.

The Mayor's Proposed Budget transfers two positions to do this work. See Blue Book Item 11. These resources are sufficient for this purpose.

Should you have any questions please contact Valerie Melloff at (213) 928-9586.

Tony M. Royster
General Manager

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 11

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **UNAPPROPRIATED BALANCE – PUBLIC RIGHT-OF-WAY CLEANUP**

During its consideration of the 2016-17 Proposed Budget for the Unappropriated Balance, the Budget and Finance Committee requested this Office to report on the detail of the Public Right-of-Way Cleanup Program and how it compares to Operation Healthy Streets and Clean Streets.

Public Right-of-Way Cleanup

Funding (\$3,660,000) in the Unappropriated Balance (UB) for Public Right-of-Way Cleanup is provided in accordance with Los Angeles Municipal Code (LAMC) 56.11, which regulates the storage of personal property found in the public right-of-way. The funding amount was based on discussions with the Bureau of Sanitation, the Los Angeles Homeless Services Authority (LAHSA), and the Police Department regarding the resources that may be required to implement this ordinance. Currently an expenditure plan has not been developed. Exhibit H, Item 21 of the 2016-17 Proposed Budget instructs the Police Department, Bureau of Sanitation, and LAHSA to report back on the policies and resources required to expand the existing Homeless Outreach Partnership Endeavor (HOPE) teams for this effort. The funding was placed in the Unappropriated Balance to ensure a plan is in place and adequate justification is provided prior to transferring funds to departments.

Operation Healthy Streets

Funding (\$3,494,692) for the Operation Healthy Streets (OHS) program is provided to LAHSA and the Bureau of Sanitation to respond to the Notice of Violation received from the Los Angeles County Health Department. This program addresses the immediate threat to public health due to unsanitary conditions on the City's sidewalks and public areas specifically in the Skid Row area of downtown Los Angeles and Venice Beach. This program provides six comprehensive cleanings (on even numbered months) and 12 spot cleanings (twice on each odd numbered month) per year. Comprehensive cleanings are two week efforts that involve outreach and notification, inspections and health assessments, removal of health hazards, collection and storage of items in the public right-of-way, street sweeping, and sanitizing sidewalks. Spot cleanings do not involve outreach and notification and cleanup crews work around people and property to remove hazardous waste and wash down the sidewalk areas.

Clean Streets Los Angeles

Funding (\$8,768,177) for the Clean Streets Los Angeles (CSLA) Program is provided to deploy four strike teams throughout the City to clean up alleyways, abandoned waste in the public right-of-way, and homeless encampments. Each Council Office receives one dedicated day of service per month and the teams are deployed to locations identified by the Council Office. For the remaining days in the month, the teams are deployed to the highest need areas of the City as determined by the Street Indexing program, which rates the sanitary conditions of each City street and allows the Bureau to strategically deploy resources to the highest need areas of the City. The Street Index is updated on a quarterly basis. The Clean Streets Program also includes the Trash Receptacle Program, which services 3,700 trash receptacles throughout the City.

Although each of these three programs involve components of LAMC 56.11 enforcement, the funding allocated for Public Right-of-Way Cleanup in the UB will be solely dedicated to LAMC 56.11 enforcement. The CSLA program is primarily focused on cleaning up alleyways, illegal dumping, and homeless encampments and not enforcing LAMC 56.11. In the same way, the OHS program services the downtown Skid Row and Venice Beach areas and the primary focus of this program is to clean up the sidewalks and remove health hazards.

The table below illustrates the funding distribution by department for these programs.

	Public Right-of-Way Cleanup	Operation Healthy Streets	Clean Streets LA
Unappropriated Balance	\$3,660,000	\$0	\$0
Bureau of Sanitation	\$0	\$1,380,886	\$8,268,177
General City Purposes (LAHSA)	\$0	\$2,113,806	\$0
General City Purposes (Clean & Green)	\$0	\$0	\$500,000
TOTAL	\$3,660,000	\$3,494,692	\$8,768,177

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:JL:WKP:01160051

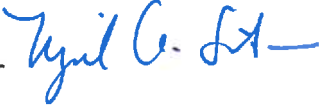
Question No. 598

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 12

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **FINANCE – REAPPROPRIATING 2015-16 CONTRACTUAL SERVICES AND SALARY SURPLUSES INTO 2016-17**

The Budget and Finance Committee requested a report back on allowing the Office of Finance (Department) to reappropriate their Contractual Services and Salaries, General surpluses into 2016-17.

The Department is projected to have a year-end surplus of \$1,035,000 in the Contractual Services account and \$2 million in the Salaries General account. The contractual services surplus is unspent money that was reappropriated from 2014-15 to 2015-16 to purchase a Treasury Management System and for Payment Card Industry (PCI) remediation. The Department does not expect to spend or encumber the funds this fiscal year.

The Department's most recent financial status report (FSR) requested \$846,000 in transfers, which will reduce the salary surplus to \$1.1 million, and to reappropriate all unspent 2015-16 funds to 2016-17. However, based on the Department's projected salary surplus at mid-year, the 2016-17 Proposed Budget (Proposed Budget) assumed the Department would revert \$1.9 million to the Reserve Fund at year-end.

Reappropriating the Department's unspent funds would reduce the Reserve Fund balance below the level projected in the Proposed Budget. The 5.8 percent Reserve Fund Balance includes \$38 million in reversions at year-end.

It is also possible that this surplus could be required to close the City's year-end deficit, projected to be \$9.65 million in the Mid-Year FSR. Therefore, providing authority to reappropriate this balance is not recommended at this time. This Office can review the Department's transfer and reappropriation requests as part of the Year-End FSR and make recommendations after comparing projected surpluses with the Reserve Fund balance assumptions made in the Proposed Budget and addressing any Citywide expenditure and revenue shortfalls.

This memorandum is provided for informational purposes only. There is no fiscal impact.

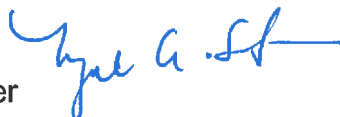
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 13

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **GENERAL SERVICES – ASSET MANAGEMENT SYSTEM**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested that GSD report back on the resources needed to support the Asset Management System.

GSD reports that one Management Analyst II is needed to continue and build on the position that was transferred from Real Estate Services to Building Maintenance Division. GSD indicates the cost of the position can be absorbed through the use of salary savings. If the position is approved, no funding is necessary.

MAS:KG:05160116h

Question No. 291

Attachment

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

May 2, 2016

Honorable Paul Krekorian
Chair, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Richard Williams, Legislative Assistant

BUDGET & FINANCE COMMITTEE QUESTION NO. 291
FOR THE 2016-17 PROPOSED BUDGET

During the budget deliberations, your Committee requested that the Department of General Services (GSD) report back on the resources needed for the Asset Management System (AMS). A Management Analyst II (MA II) is requested to support the AMS. The funding for this position will be absorbed by GSD.

Background: The upcoming budget transferred an MA II supporting the AMS to the energy conservation program. (See Blue Book Item 11).

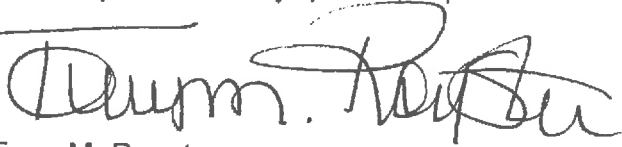
Request: The new MAII is needed to continue and build on the work of the transferred position, which includes:

- Coordinating and leading the efforts to verify, cleanse and maintain building data, (i.e., department tenancy and square footage, parking, and other building utilization data).
- Create quality control documents and procedures
- Follow up with appropriate staff or departments responsible to ensure data integrity;
- Create and update the AMS standards and procedures manuals;
- Coordinate system updates/upgrades and documentation;
- Supervise student worker staff collecting and inputting data including updates to leasing information, surplus property, and scanning and uploading related documents;
- Set up and coordinate training for new AMS users including maintaining and distributing training materials.



This position will advance data cleansing work and meet key timelines for the implementation of the AMS.

Should you have any questions please contact Valerie Melloff at (213) 928-9586.

A handwritten signature in black ink, appearing to read "Tony M. Royster". The signature is written in a cursive style with a horizontal line above it.

Tony M. Royster
General Manager

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 14

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **GENERAL SERVICES – SWEAT-FREE PROCUREMENT ORDINANCE**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested that GSD report back on whether GSD or the Public Works Bureau of Contract Administration should act as the administrative oversight agency of the Sweat-Free Ordinance for contracts in excess of \$25,000, and how much it would cost to fully fund GSD to enforce the ordinance.

GSD requests to continue serving as the Designated Administrative Agency (DAA) to enforce the City's Sweat-Free Ordinance. Currently, the Supply Services Division awards and administers City commodity contracts, and manages other programs that advance social responsibility, such as the Business Inclusion Program and Gender Equity. The DAA is a similar program to these types of initiatives.

The position to monitor this program was eliminated in the budget during the recession. GSD reports that one regular full-time Management Analyst II is required to restore service levels. This request was included as part of GSD's budget submission but was not included in the Mayor's Proposed Budget. The cost of this position to the General Fund is \$132,240 (\$93,532 direct cost, \$40,708 indirect cost). Should the Council add this position, a corresponding reduction would need to be identified.

MAS:DP:05160112h

Question No. 177

Attachment

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
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ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

May 2, 2016

Honorable Paul Krekorian
Chair, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Richard Williams, Legislative Assistant

BUDGET & FINANCE COMMITTEE'S QUESTION NO. 177
FOR THE 2016-17 PROPOSED BUDGET

During the budget deliberations, your Committee requested that the Department of General Services (GSD) report back on whether GSD or the Public Works Bureau of Contract Administration should act as the administrative oversight agency of the Sweat-Free Procurement Ordinance (Ordinance No. 176291) for contracts in excess of \$25,000, and on how much it would cost to fully fund GSD to enforce the Ordinance.

GSD recommends that GSD continue serving as the Designated Administrative Agency for enforcing the City's Sweat-Free Ordinance. The City Council adopted the Sweat-Free Ordinance on November 9, 2004, and at the time selected GSD as the Designated Administrative Agency (DAA) for enforcing this policy. From an organizational standpoint, GSD's Supply Services Division is the most logical team to handle this responsibility because this division awards and administers City commodity contracts, and manages a number of other social responsibility programs including the Business Inclusion Program (BIP) and Gender Equity.

To restore the program to its previous service level prior to losing the dedicated full-time position in FY 2012-13, GSD requires one regular full-time Management Analyst II position (\$93,532). The Management Analyst II will monitor apparel contracts through close collaboration with the Worker Rights Consortium (WRC), chair regular quarterly meetings of its local Sweat-Free Advisory Group, and serve as a board member of the national Sweat-Free Purchasing Consortium.

GSD will also continue to maintain the contract with WRC. This \$50,000 annual contract is included in the upcoming budget and will be extended through May 31, 2017.



Should you have any questions or need additional information regarding this matter, please contact Assistant General Manager Valerie Melloff at (213) 928-9586.

A handwritten signature in black ink, appearing to read "Tony M. Royster". The signature is written in a cursive style with a horizontal line above it.

Tony M. Royster
General Manager and City Purchasing Agent

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer

Attachments:

- 1 - City's Sweat-Free Policy – Background & Sequence of Events
- 2 - WRC Contract's Positive Impacts & WRC Reports

**CITY'S SWEAT-FREE POLICY
BACKGROUND & SEQUENCE OF EVENTS**

City's Sweat-Free Ordinance

In 2003, a Maine-based non-profit organization named Sweat-free Communities founded a new organization to support and establish a national Sweat-Free Consortium, and sweat-free movement began to pick up momentum nationwide.

On November 9, 2004, the Los Angeles City Council adopted the Sweat-Free Procurement Ordinance to help ensure that the rights of those working on City contracts are not denied, that they are fairly compensated, and that they are afforded safe working conditions. The Ordinance requires vendors who provide equipment, goods, materials, and supplies to the City, to comply with the City's Procurement Code of Conduct. The Ordinance also required GSD to procure the services of an independent contractor to monitor related activities of City contractors and help enforce the City's Procurement Code of Conduct.

WRC & Its Monitoring Contract with the City

In the late 90s, student activists focused their attentions on fighting sweatshops and labor rights violations. Many colleges and universities across the United States have had licensing agreements with major apparel brands, which gives them the needed leverage to advance social justice and labor rights issues.

In 2001, Worker Rights Consortium (WRC) was founded by university administrators, labor rights experts, and student activists including members of the United Students Against Sweatshops. The WRC soon became the most effective and independent sweat-free monitoring organization, active in apparel industry. Currently, over 180 colleges and universities and a number of high schools in the U.S. are affiliated with the WRC.

Per City Council's further instruction when the Ordinance was adopted, GSD issued a Request for Proposal (RFP) and awarded a contract to WRC for monitoring and enforcement of the City's sweat-free policy. The City was the first public entity in the United States to sign such a contract, and to this date, still has the most practical and efficient sweat-free monitoring system in place nationwide.

This first WRC contract commenced on December 1, 2006 and expired on November 30, 2009. GSD released a second RFP on July 26, 2011 and awarded a new contract (C-120419) on June 1, 2012 to the WRC, which once again was an obvious best choice. This contract is due to expire on May 31, 2016. GSD intends to utilize the second renewal option to extend this contract through May 31, 2017.

WRC's two main monitoring activities are focused on: 1) outlining for suppliers how their obligations under the Ordinance are manifested at the workplace level, with particular reference to methods for ensuring compliance by sub-contract manufacturing facilities outside of the United States; and 2) outlining for suppliers the methods used by the WRC for investigation of factories and remediation of worker rights violations, and the expectations of the City in the event that a complaint arises in a given supplier's supply chain anywhere across the globe.

Sweat-Free Purchasing Consortium (SPC)

A few years after the national Sweat-Free Consortium was founded in 2003, the convening meeting of the Consortium was held and an interim steering committee was established on March 29, 2007.

Presently, this organization is called the Sweat-Free Purchasing Consortium (SPC), and the City has served as a member of its then Steering Committee and now Board of Directors since 2007. The City Council approved (CF# 09-0282) its formal membership in the Consortium on June 21, 2011. GSD staff regularly attended SPC's board meetings, where a variety of issues concerning best practices for sweat-free public procurement, and state and local government's experiences in this regard were being discussed.

To date, the Consortium has developed its vision, principles, functions, operating plan, structure and financing plan, bylaws, along with a model sweat-free policy and Code of Conduct. Additionally, the Consortium is in the process of developing cooperative monitoring and procurement contracts with WRC. When finalized, this will allow the SPC to utilize WRC as its monitoring arm to provide services to all its public members. It is expected that this contract could result in noticeable saving in the cost of monitoring and enforcement. GSD staff has been actively involved in this process.

Today, the following entities are members of the SPC: cities of Ashland, Oregon; Austin, Texas; Berkeley, California; Chicago, Illinois; Ithaca, New York; Los Angeles, California; Madison, Wisconsin; Milwaukee, Wisconsin; Olympia, Washington; Portland, Oregon; San Francisco, California; Santa Fe, New Mexico; Seattle, Washington; University City, Missouri; and states of Maine, New York and Pennsylvania.

Sweat-Free Advisory Group

Contained in the Committee Reports adopted with the Ordinance in 2004 was language, which required GSD to form an advisory working group, comprised of representatives of the City, advocacy groups, and labor organizations. GSD formed that advisory group shortly after City's contract with WRC was commenced, and held regular meetings since then. During these Sweat-Free Advisory Group meetings a variety of issues concerning WRC's activities and reports, SPC's activities, and the City Ordinance in general were discussed.

The Advisory Group served as a resource in establishing a network with other advocacy groups, labor organizations and other appropriate entities that would provide information regarding non-compliant manufactures, vendors and suppliers in the United States and foreign countries. Through administering these meetings, GSD has managed to further extend its involvement and level of cooperation with a reliable and resourceful network of human and labor rights advocacy groups. These meetings were initially held on a monthly basis. GSD had to limit them to quarterly meetings before halting them altogether.

Since 2007 and over the years representatives from various advocacy groups and organizations such as the Amnesty International, Asian Pacific American Legal Center, Coalition to Abolish Slavery and Trafficking, Garment Workers Center, Jewish Labor Committee (JLC), Bet Tzedek Legal Services, Food Chain Workers Alliance, UCLA Labor Center, No More Sweatshops and Progressive Jewish Alliance have served as members of this Advisory Group and attended its meetings.

Supply Services' Critical Role

Anybody familiar with the global supply chain would sadly testify that shady labor practices and labor rights violations are widespread, specifically in certain regions, countries and industries. Almost in all cases when WRC initiates an investigation at a factory, a wide range of violations are discovered, and often times the City's support, intervention and follow through becomes absolutely critical to bring that manufacturing facility to compliance and avoid legal problems.

In a few cases such as the two tragic garment factory fires in Pakistan and Bangladesh in 2012 and 2013 that claimed the lives of hundreds of garment workers because of non-compliance with basic safety standards, the prompt and continuous work of City staff with WRC and SPC was essential to avoid a crisis.

In any of these cases, the City staff was the first to hear of these incidents through its WRC contact, quickly swung into action and reviewed the list of City contractors, sub-contractors and factories supplying the City, shared this information with GSD procurement team and warned them against sourcing from those factories and/or suppliers in the future. Without proper funding and staff, implementation of this significant policy will be nearly impossible, leaving a dangerous void that could put the City's interests at risk.

**WRC CONTRACT'S POSITIVE IMPACTS
&
WRC REPORTS**

Contract's Positive Impacts

The City's factory monitoring work under WRC contract relies on three main components: 1) worker education and outreach, 2) ongoing monitoring, and 3) compliance investigations in response to alleged worker rights violations at facilities supplying the City. The following are few examples of the City's Sweat-Free program noteworthy results since 2006:

1. Investigating and mapping the City's global supply chain for apparel: At the beginning of each contract year, WRC spends months investigating and working with City primary contractors to determine several layers of subcontractors, including manufacturing locations across the globe. This information is then used to set priorities for education, outreach, and investigation activities throughout the year.
2. Significant progress in the area of non-discrimination, freedom of association, wages and contracts, occupational health and safety, and hours of work and overtime at the New Wide Garment factory in Cambodia. This full-scale investigation was the first official investigation of its kind of a factory that produces for the U.S. state and local government market.
3. Progress in the area of occupational health and safety, back pay and wages, and health plans and benefits at the Mazara factory in Mexico. Mazara factory also pledged to ensure a non-discriminatory hiring practice going forward.
4. Elimination of Rocky Brands from Galls contract: In May 2008, the City instructed Galls to remove one of its subcontractors, Rocky Brands, from the City contract. The City's decision came after multiple reports of labor rights violations at Rocky Brands' manufacturing facilities in China and Rocky Brands management's lack of responsiveness.
5. Progress in reinitiating dialogue between Gildan San Antonio factory management in Honduras and the local Non-Governmental Organization (NGO), CODEMUH. Upon receiving a complaint from CODEMUH regarding the health and safety issues at the factory on October 2008, WRC sought to re-engage both parties. WRC's months of communications and meetings with the parties finally resulted in re-engagement and the development of a framework for future meetings in which the health and safety issues were addressed.
6. Substantial progress in the areas of non-discrimination, back pay and wages, health plans and benefits, and occupational health and safety at the Alamode factory in Honduras. This full-scale investigation was conducted by WRC on October 22, 2009. WRC's verification audit confirms the progress and provides more details in this regard: a retroactive payment of approximately \$30,000 was made to workers to correct the company's previous underpayment of the legal minimum wage; all 500 Alamode employees were enrolled in the Honduran national health care system, in which nearly 60% of them had not been enrolled prior to WRC's investigation; and the unlawful practice of conducting annual pregnancy testing for female workers was ceased.

7. Elimination of Rothco from Galls contract: In April 2014, the City instructed Galls to remove one of its subcontractors, Rothco, from the City contract. The City's decision came after report of Rothco's non-compliance with the City's Sweat-Free Ordinance due to their refusal to provide factory disclosure information to the WRC.
8. Shifting orders from Kin Tai Garment factory in Cambodia: In December 2014, the City, WRC, Galls (City's major apparel contractor) and 5.11 Tactical (one of Galls subcontractors) agreed to stop sourcing from the Kin Tai Garment factory in Cambodia. The WRC began its assessment of Kin Tai in March 2013 after initial outreach to workers indicated a strong likelihood that violations of the City's Sweat-Free Ordinance were taking place at the factory. Kin Tai was disclosed by the California-based apparel firm, 5.11 Tactical, as a supplier of apparel and accessories to the City. 5.11 Tactical supplies the City as a subcontractor to Galls Long Beach Uniform (Galls). In response to WRC's investigation and report of violations, Kin Tai did correct some of the violations, most notably: ending its practice of illegally denying maternity leave benefits to female workers; and reducing the number of workers employed unlawfully under casual labor arrangements. However, despite repeated communications by both WRC and 5.11 Tactical, Kin Tai made very little progress in resolving other issues, and therefore remained in violation of Cambodian labor law and the City's Ordinance.
9. Substantial progress in the areas of non-discrimination, back pay and wages, health plans and benefits, and occupational health and safety at the I-Cheng factory in Cambodia. In response to WRC's investigation and report of violations, I-Cheng has carried out many of the actions recommended by the WRC to remedy these violations. The measures the company has taken include: (1) offering reinstatement with back pay to the 243 workers who had been illegally dismissed in May 2014, (2) installing additional ventilation to reduce the heat levels in the factory, (3) shortening the duration of excessively-long probationary periods, (4) ending gender discrimination in duration of employment contracts, (5) ensuring that workers' employment contracts are converted from short term to regular contracts when they have reached two years of seniority, (6) reducing the frequency of mandatory overtime, and (7) eliminating excessive restrictions on employees' use of sick leave and access to factory washrooms. All of these changes have resulted in a meaningful positive impact on working conditions at the factory.
10. Substantial progress in the areas of gender discrimination, wages and hours, legally required benefits, freedom of association, and occupational health and safety at the Genesis Apparel factory in Honduras. Genesis has made commitments to remedy the violations outlined in WRC's report and in many cases has already taken steps to put these commitments into action. This progress was made as the result of WRC's investigation at the factory from April 2015 through February 2016, involving site visits, offsite interviews and review of relevant records.

Disseminating Information (WRC Reports)

In its role as the City's independent sweat-free monitor and in order to fulfill its contractual obligations, WRC has been providing the City with the following deliverables:

1. Reports of initial consultation findings and development of resulting monitoring procedures.
2. Supply chain study reports including, but not limited to supplier/sub-supplier locations, their associated working conditions and an explanation for chosen monitoring elements and priorities.

3. Detailed reports of outreach services to educate workers, unions, and other stakeholders about the City Ordinance, its applicability, and how to file compliance complaints.
4. Detailed reports regarding on-going monitoring activities, including locations, individuals, or organizations served, and outcomes.
5. Detailed reports of compliance investigations to include complaints (if any), investigative findings, and efforts toward corrective actions associated with each investigation.

GSD currently posts all finalized and conclusive WRC reports on the City's website. They are available for public view at:

http://gsd.lacity.org/sms/WRC/WRC_reports.htm

WRC also posts the final compliance investigation reports on its website at:

<http://www.workersrights.org/Freports/index.asp#freports>

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 15

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **GENERAL CITY PURPOSES – WESTSIDE CITIES COUNCIL OF GOVERNMENTS**

During its consideration of the General City Purposes 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on increased funding for the Westside Cities Council of Governments in the amount of \$5,000 to \$10,000.

Based on information received from the Westside Cities Council of Governments, the City's membership dues may increase by \$1,000 for 2016-17. Funding for this increase will require an additional appropriation from the General Fund.

FISCAL IMPACT STATEMENT

In order to comply with the City's Financial Policies, providing an additional \$1,000 in General Fund for the Westside Cities Council of Governments membership will require a corresponding increase in General Fund revenues or a General Fund expenditure offset.

MAS:JL:01160048

Question No. 596

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 16

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **UNAPPROPRIATED BALANCE – OFFSITE COUNCIL AND COMMITTEE MEETINGS**

During its consideration of the 2016-17 Proposed Budget for the Unappropriated Balance, the Budget and Finance Committee requested this Office to report on the funding reduction for the Offsite Council Committee Meetings.

In 2015-16, funding for Offsite Council and Committee Meetings was provided in the Unappropriated Balance (UB) in the amount of \$50,000. Funding for items in the UB is considered to be one-time. As such, funding for Offsite Council and Committee Meetings is not continued in the 2016-17 Proposed Budget.

It should be noted that this item was funded for the first time in 2015-16 and as of May 3, 2016, funding for this item is yet to be spent (the current balance in this account remains at the budgeted level of \$50,000). To continue funding at the 2015-16 funding level will require an additional General Fund appropriation of \$50,000.

FISCAL IMPACT STATEMENT

In order to comply with the City's Financial Policies, providing an additional \$50,000 in General Fund for Offsite Council and Committee Meetings will require a corresponding increase in General Fund revenues or a General Fund expenditure offset.

MAS:JL:01160050

Question No. 597

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 17

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **GENERAL CITY PURPOSES – DEVONSHIRE PALS**

During its consideration of the General City Purposes (GCP) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on an appropriate source of funding for Devonshire PALS in the amount of \$150,000.

In 2015-16, funding was provided for Devonshire PALS in the amount of \$150,000 as part of the Council Community Projects line item within the GCP. However this item was considered as a one-time appropriation for 2015-16. To continue funding for this organization in 2016-17, it will require an additional General Fund appropriation of \$150,000.

FISCAL IMPACT STATEMENT

In order to comply with the City's Financial Policies, providing an additional \$150,000 in General Fund for Devonshire PALS will require a corresponding increase in General Fund revenues or a General Fund expenditure offset.

MAS:JL:01160049

Question No. 613

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 18

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **GENERAL SERVICES – COOL PAVEMENTS PROJECT**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested that GSD report back on the resources needed to support the Cool Pavements Project.

GSD reports that Standards Division will require \$30,000 in overtime funding for testing services if the Bureau of Street Services receives funding to initiate a pilot program. Testing services will be performed before, during, and after installation of the seal coat material at 30 cul-de-sacs (approximately 500,000 square feet). This request could be addressed in the mid-year FSR if the Cool Pavements Project is adopted.

MAS:KG:05160114h

Question No. 285

Attachment

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

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(213) 928-9555
FAX No. (213) 928-9515

May 2, 2016

Honorable Paul Krekorian
Chair, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Richard Williams, Legislative Assistant

BUDGET & FINANCE COMMITTEE QUESTION NO. 285
FOR THE 2016-17 PROPOSED BUDGET

During the budget deliberations, your Committee requested the Department of General Services (GSD) report back on the resources needed to support the cool pavement project.

GSD's Standards Division will require \$30,000 in overtime funding (Account 001090) for testing services if the Bureau of Street Services (BSS) gets funded for initiating a pilot program of installing cool pavements at 30 cul-de-sacs (approximately 500,000 square feet).

The testing services provided will consist of: sampling in the field, lab testing, field testing (vehicular skid resistance, pedestrian slip resistance and thermal monitoring) and testing reports. Testing will be performed before, during and after installation of the seal coat material.

Should you have any questions or concerns, please contact Valerie Melloff at (213) 928-9586.

Tony M. Royster
General Manager

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 19

Date: May 3, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **GENERAL SERVICES – REPORT BACK ON ITEMS REQUESTED IN THE DEPARTMENT’S LETTER REGARDING AS-NEEDED CLASSIFICATION, AND THE ADDITION OF TWO MANAGEMENT ANALYST POSITIONS**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested this Office to report back on the items requested in the Department’s letter for the addition of as-needed classifications to the DPO, one Management Analyst for Real Estate Services, and one Management Analyst reported as filled by GSD.

As-Needed Authority:

GSD requests as-needed authority for the following positions: Vocational Worker II, Custodial Supervisor, Chief Custodian Supervisor, Senior Management Analyst I, Painter Supervisor, Senior Plumber, and Air Conditioning Mechanical Supervisor. This Office reviewed GSD’s request and recommends the addition of these as-needed positions for flexibility. GSD will manage the filling of these positions within existing financial resources. There is no impact to the General Fund.

Management Analyst for Real Estate Services:

GSD requests reinstatement and regular authority for one Management II position that was transferred from Real Estate Services (RES) to the Building Maintenance Division to perform water and electricity bill auditing services. GSD requests the addition of one position in RES to continue supporting implementation of the Asset Management System. GSD indicates the cost of the position can be absorbed through the use of salary savings. If the position is approved, no funding is necessary.

Management Analyst (filled):

The Department reports that a filled Management Analyst position was deleted and that it has no vacancies in this classification. At the time we reviewed this request, GSD had vacancies in this classification to offset this position change. However, if it is determined that no vacancies exist on July 1, 2016, we can authorize a substitute authority to absorb the position. There is no General Fund impact as a result of this action.

RECOMMENDATION

The following position changes to the Department of General Services would be needed to address GSD’s request:

ADD

As-Needed Authority

Vocational Worker II, Code 3113-2
Custodial Supervisor, Code 3176
Chief Custodian Supervisor, Code 3182
Senior Management Analyst I, Code 9171-1
Painter Supervisor, Code 3426
Senior Plumber, Code 3444
Air Conditioning Mechanical Supervisor, Code 3781

Regular Authority

1 Management Analyst II, Code 9184-2

FISCAL IMPACT STATEMENT

GSD will absorb the cost of adding a regular Management Analyst II, if the position is authorized.

MAS:DP:15160111h

Question No. 295

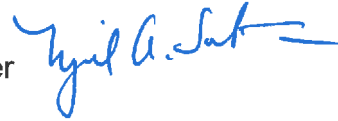
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 20

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **RECREATION AND PARKS – FUNDING OPPORTUNITIES FOR EAGLE ROCK DOG PARK**

During its consideration of the Department of Recreation and Parks' 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report back on the funding opportunities for Eagle Rock Dog Park. The Department's response is attached.

This memorandum is informational only. There is no fiscal impact.

MAS:JSS:08160098

Question No. 60

Attachment

**BOARD OF RECREATION AND
PARK COMMISSIONERS**

SYLVIA PATSAOURAS
PRESIDENT

LYNN ALVAREZ
VICE PRESIDENT

MELBA CULPEPPER
MISTY M. SANFORD
IRIS ZUÑIGA

ARMANDO X. BENCOMO
COMMISSION EXECUTIVE ASSISTANT II

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

**DEPARTMENT OF
RECREATION AND PARKS**

EXECUTIVE OFFICE
221 N. FIGUEROA STREET
SUITE 350
LOS ANGELES, CA 90012

(213) 202-2633

MICHAEL A. SHULL
GENERAL MANAGER

May 2, 2016

Honorable Paul Krekorian, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Richard Williams, Legislative Assistant

Dear Councilmember Krekorian:

**FISCAL YEAR 2016-17 QUESTION NO. 60 – FUNDING OPPORTUNITIES FOR EAGLE
ROCK DOG PARK**

The Department of Recreation and Parks (RAP) is responding to your Committee's request for information regarding the potential funding for the Eagle Rock dog park.

RAP has received requests for the construction of a dog park in Eagle Rock Park. The estimated cost for the conversion of this site is \$800,000. The area proposed for this construction is located along the west side of Figueroa Street opposite of the 134 Freeway Figueroa Street off ramp. The site is currently used for picnic and passive recreation.

The scope of work to convert this area into a dog park includes the following: modifications to the existing irrigation systems and site drainage to accommodate the new use; installation of perimeter fencing and access gates; installation of disable access compliant parking and path of travel, such as, walkways and ramps; and installation of shade structure, benches, drinking fountains, and trash receptacles

Potential funding for this project could be sought from possible grants that allow for this project scope, private project partners and donors, and available Quimby funds in the area.

Although funding is not currently identified, the Department is actively seeking to develop one or more public-private partnerships.

Should you have any questions, please contact me at (213) 202-2633.




Honorable Councilmember Krekorian
May 2, 2016
Page 2

Sincerely,


MICHAEL A. SHULL
General Manager

MAS:ndw

cc: Barbara Romero, Deputy Mayor, Office of the Mayor
Ryan Carpio, Office of the Mayor
Terry Sauer, Office of the City Administrative Officer
Jay Shin, Office of the City Administrative Officer
Anthony-Paul (AP) Diaz, Esq., Executive Officer & Chief of Staff, RAP 
Vicki Israel, Assistant General Manager, RAP
Kevin Regan, Assistant General Manager, RAP
Ramon Barajas, Assistant General Manager, RAP
Noel Williams, Chief Financial Officer, RAP

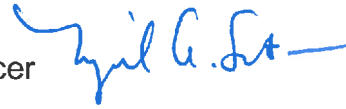
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 21

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **RECREATION AND PARKS – ENHANCED CLEANING OF PARK RESTROOM FACILITIES**

During its consideration of the Department of Recreation and Parks' 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on the enhanced cleaning of park restroom facilities. The Department's response is attached.

For 2015-06, the Department received \$1.04 million to provide a second evening cleaning at 300 restrooms located at 35 high use facilities. For 2016-17 Proposed Budget, the Department received additional funding of \$1.1 million to add 130 restrooms at 15 high use facilities and to expand bathroom operating hours at various park locations. The list of the 50 sites is provided with the Department's response.

This memorandum is informational only. There is no fiscal impact.

MAS:JSS:08160095

Question No. 15

Attachment

**BOARD OF RECREATION AND
PARK COMMISSIONERS**

SYLVIA PATSAOURAS
PRESIDENT

LYNN ALVAREZ
VICE PRESIDENT

MELBA CULPEPPER
MISTY M. SANFORD
IRIS ZUÑIGA

ARMANDO X. BENCOMO
COMMISSION EXECUTIVE ASSISTANT II

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

**DEPARTMENT OF
RECREATION AND PARKS**

EXECUTIVE OFFICE
221 N. FIGUEROA STREET
SUITE 350
LOS ANGELES, CA 90012

(213) 202-2633

MICHAEL A. SHULL
GENERAL MANAGER

May 2, 2016

Honorable Paul Krekorian, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Richard Williams, Legislative Assistant

Dear Councilmember Krekorian:

**FISCAL YEAR 2016-17 QUESTION NO. 15 – ENHANCED CLEANING OF PARK
RESTROOM FACILITIES**

The Department of Recreation and Parks (RAP) is responding to your Committee's request for information regarding the Park Restroom Enhancement Program (PREP).

PREP endeavors to provide clean and well maintained restrooms facilities through a commitment to increase the frequency of cleaning an additional once per day at designated facilities. This program is essential in providing needed resources to our cleaning crews to maintain park restrooms at an adequate level of cleanliness at high use facilities during the evening peak visitor hours.

During fiscal year 2015-2016, the Department received funding in the amount of \$1,042,350.00 to provide a second evening cleaning for 300 restrooms located at 35 high use facilities. These targeted restrooms are inspected and cleaned 7 days a week during the evening peak visitor hours (Attachment).

For fiscal year 2016-2017, the Department requested additional funding in the amount of \$455,900.00 to add 15 facilities (Attachment) with a total of 130 restrooms to the list of sites receiving the second evening cleaning. The additional 15 facilities will bring the grand total of Department facilities receiving the second evening cleaning to a total of 50 facilities and 430 restrooms combined.

These centers are highly used with positive programming and activities which eliminates negative impacts. As PREP was not meant to leave the restrooms open beyond normal operating hours, as most of these sites are located within recreation centers that close at 10:30 p.m. by ordinance. The centers that will be PREP serviced for a second cleaning in the afternoon/evening have minimal Los Angeles Police Department involvement and do not require additional security or an ordinance change.




Honorable Councilmember Krekorian
May 2, 2016
Page 2

The additional \$675,540 that has been allocated to the PREP for the purpose of serving the needs of the homeless will be allocated once the sites have been identified. Staff is in the process of identifying potential sites and estimating staffing levels, security, materials and supplies, needed for this program. These sites will require security especially if they are to be kept open and maintained after hours and potential changes to the Los Angeles Municipal Code.

Should you have any questions, please contact me at (213) 202-2633.


Sincerely,



MICHAEL A. SHULL
General Manager

MAS:ndw

Attachment

cc: Barbara Romero, Deputy Mayor, Office of the Mayor
Ryan Carpio, Office of the Mayor
Terry Sauer, Office of the City Administrative Officer
Jay Shin, Office of the City Administrative Officer
Anthony-Paul (AP) Diaz, Esq., Executive Officer & Chief of Staff, RAP 
Vicki Israel, Assistant General Manager, RAP
Kevin Regan, Assistant General Manager, RAP
Ramon Barajas, Assistant General Manager, RAP
Noel Williams, Chief Financial Officer, RAP

**Department of Recreation and Parks
Park Restroom Enhancement Program (PREP) Facilities**

35 Existing PREP Facilities for FY 2015-16

Council District	Facility	Region
1	Glassell Recreation Center	Griffith/Metro
1	Highland Recreation Center	Griffith/Metro
1	Lincoln Park	Griffith/Metro
2	North Hollywood Recreation Center	Valley
3	Lanark Recreation Center	Valley
3	Reseda Recreation Center	Valley
4	Griffith Park	Griffith/Metro
4	Van Nuys/Sherman Oaks Recreation Center	Valley
5	Cheviot Hills Recreation Center	Pacific
5	Poinsettia Recreation Center	Griffith/Metro
6	Delano Recreation Center	Valley
6	Sepulveda Basin Recreation Area	Valley
6	Sepulveda Recreation Center	Valley
7	David M. Gonzales/Pacoima Recreation Center	Valley
7	Hansen Dam Sports Complex	Valley
7	Hubert Humphrey Recreation Center	Valley
8	Algin Sutton Recreation Center	Pacific
8	Harvard	Pacific
8	Saint Andrews	Pacific
9	Gilbert Lindsey	Pacific
9	South Park	Pacific
10	Jim Gilliam Recreation Center	Pacific
10	Rancho Cienega	Pacific
11	Mar Vista Recreation Center	Pacific
11	Pacific Palisades Recreation Center	Pacific
11	Westchester Recreation Center	Pacific
12	Northridge Recreation Center	Valley
13	Bellevue Recreation Center	Griffith/Metro
13	Echo Park	Griffith/Metro
13	Elysian Park	Griffith/Metro
14	Costello Recreation Center	Griffith/Metro
14	El Sereno Recreation Center	Griffith/Metro
15	Cabrillo Beach	Pacific
15	Point Fermin Park	Pacific
15	Peck Park	Pacific

Proposed 15 New PREP Facilities Proposed for Fiscal Year 2016-17

Council District	Facility	Region
1	Rio de los Angeles	Griffith/Metro
2	Victory-Vineland Recreation Center	Valley
2	Sunland Recreation Center	Valley
3	Warner Park	Valley
4	Pan Pacific	Pacific
5	Palms Recreation Center	Pacific
6	Fernangeles Recreation Center	Valley
7	Sylmar Recreation Center	Valley
8	Van Ness Recreation Center	Pacific
9	Slauson Recreation Center	Pacific
9	Ross Snyder Recreation Center	Pacific
10	Baldwin Hills Recreation Center	Pacific
12	Mason Recreation Center	Valley
12	Granada Hills Recreation Center	Valley
14	Hollenbeck Recreation Center	Griffith/Metro

Note: In general, restrooms are cleaned once per day. PREP sites receive an extra cleaning per day between 4:00 PM and 8:00 PM.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 22

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **PERSONNEL DEPARTMENT – ELECTRONIC MEDICAL RECORDS**

During its consideration of the Personnel Department (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the request in the Department's letter for funding for software for electronic medical records.

The Department requests funding of \$115,000 to update its medical scheduling and tracking software. The Department reports that it schedules pre-employment, work fitness, return to work, and mandated medical exams with software that provides minimal scheduling capabilities and that updating this software would (1) allow candidates and City employees to schedule their own appointments online, (2) provide notifications and reminders for future appointments, (3) allow staff to track all appointments, reminders, and medical test results, and (4) provide various types of reports. The requested funding would cover the cost of the software, implementation, and data storage in a cloud.

The Department also requests funding of \$221,500 to convert from a paper-based medical record-keeping system to an electronic medical records (EMR) system for inmates in the City's jails. The Department reports that it is responsible for tracking the paper medical treatment records of inmates and is required to provide communication to outside agencies and copies of these records when subpoenaed. The requested funding would cover the cost of the software, implementation, and set-up of the EMR system.

FISCAL IMPACT STATEMENT

The General Fund impact of the Department's request for updated medical scheduling and tracking software is \$115,000. The estimated annual ongoing cost is \$95,000.

The General Fund impact of the Department's request to implement an electronic medical records system for inmates in the City's jails is \$221,500. The estimated annual ongoing cost is \$60,000.

Should these items be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JMY:11160084c

Question No. 239

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 23

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **DEPARTMENT OF TRANSPORTATION – FIVE-YEAR FORECAST FOR MEASURE R, SPECIAL PARKING REVENUE FUND, PROPOSITION A AND PROPOSITION C**

Your Committee requested that this Office report back with a five-year forecast for Measure R, the Special Parking Revenue Fund (SPRF), Proposition A, and Proposition C, including how Council directed projects will be funded.

Measure R

The Measure R five-year forecast assumes the structural deficit continues through 2019-20 and anticipates no starting cash balance available in future years. However, should there be available cash, this will reduce any potential deficit. The Council established programming priorities in May 2013 as part of an overall plan for long term programming commitments.

Priorities Established

1. Highest priority established is for Debt Service;
2. Second highest priority is for Transit Capital Funding (also known as the Three Percent Match Agreement with Metro for large scale infrastructure transportation projects thru 2027-28);
3. Third highest priority is for Streetcar Operations;
4. Fourth highest priority is for Bicycle and Pedestrian Initiatives.

The Mayor's 2016-17 Proposed Budget shifts the Metro \$13 million matching fund commitment from Measure R to Proposition A. This shift allows the City to provide funding for infrastructure needs such as ATSAC Maintenance, Median Island Maintenance, and Pavement Preservation. In addition, funding for new initiatives such as BikeShare Operations and Maintenance and continuing initiatives such as Great Streets, Vision Zero, and other Bicycle and Pedestrian Initiatives is provided.

The five-year forecast includes other possible council directed expenditures such as the Downtown LA Streetcar and the Three Percent Matching Fund in future years.

Special Parking Revenue Fund

The SPRF five year forecast assumes a deficit beginning in 2017-18 and includes a \$23.5 million surplus transfer to the General Fund per the CAO Outlook Assumptions for the next three fiscal years. SPRF is used to fund the operation and maintenance of City-owned parking facilities and provides funding for parking related initiatives.

The Mayor's 2016-17 Proposed Budget provides over \$2 million in funding for new parking initiatives, including Accelerated Express Park, the Code the Curb Project, developing a mobile device application for parking policies and information, and a Local Return Pilot Program. One-time funding is also provided for parking studies to be completed in several Council Districts. The use of these funds will be a policy decision and contingent on the overall General Fund anticipated revenues citywide.

Proposition A

The Proposition A ten year forecast was prepared by the Department of Transportation and assumes a structural deficit beginning in 2019-20. This special fund is to be used exclusively to benefit public transit, specifically for fixed transit needs. Over the past two fiscal years, the City has shifted the Metro \$13 million matching fund commitment to Proposition A, due to structural deficits within Measure R. The decision to continue with this funding shift will evolve on an annual basis and will be based on funding availability within either fund source.

The Mayor's Proposed Budget includes funding for on-going transit service, transit capital and specialized transit services. The Department is performing a transit services analysis and anticipates the release of the findings in Fall 2016. This analysis will provide an opportunity for the Mayor and Council to expand and/or reduce services and to further consider options to mitigate the structural deficit for future years.

Proposition C

The Proposition C five-year forecast assumes the structural deficit continues through 2019-20 and anticipates no starting cash balance available in future years, however should there be available cash this will reduce any potential deficit. This special fund is used to support positions and projects which benefit public transit, street improvement and maintenance projects, traffic signals, bikeways and bike lanes for up to seven departments. This forecast assumes expenditures to remain at this level with no future increases, with the exception of cost of living adjustments. The revenue estimates reflect Metro published anticipated receipts based on the population growth.

This Office will continue to work with the Department for all identified special funds to establish spending priorities as part of the annual budget process and to further mitigate structural deficits.

FISCAL IMPACT STATEMENT

This is for informational purposes only. The General Fund impact for the SPRF is \$23.5 million annually through 2019-20. The expenditures for Measure R, Proposition A and C Special Funds must be used in accordance with special funding criteria.

MAS:IR:06160146

Question No.78

Attachments

MEASURE R LOCAL RETURN FUND
FIVE YEAR FORECAST

	Estimates Expenditures 2015-16	Proposed 2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUE					
Cash Balance, July 1	\$ 59,483,864	\$ 53,635,864	\$ -	\$ -	\$ -
Prior Year's Unexpended Appropriations	-	(37,908,450)			
Balance Available, July 1	\$ 59,483,864	\$ 15,727,414			
Measure R Sales Tax ¹	44,000,000	45,000,000	48,000,000	49,100,000	50,200,000
Reimbursement from other Funds	187,000	640,000	200,000	200,000	200,000
Interest	440,000	425,000	425,000	425,000	425,000
Total Revenue	104,110,864	61,792,414	48,625,000	49,725,000	50,825,000
ESTIMATED FUND EXPENDITURES ²					
<i>Appropriations</i>					
City Administrative Officer	233,000	-	-	-	-
General Services	1,479,000	1,557,068	1,588,209	1,619,973	1,652,372
Planning	786,000	375,000	386,250	397,838	405,795
<i>Public Works:</i>					
Engineering	832,000	364,286	371,572	379,003	386,583
Street Lighting	1,716,000	315,575	321,887	328,325	334,892
Street Services ³	20,037,000	23,727,904	24,202,462	24,686,511	25,180,241
Transportation ⁴	5,576,000	7,815,501	7,971,811	7,971,811	7,971,811
Subtotal	30,659,000	34,155,334	34,842,191	35,383,461	35,931,694
<i>Special Purpose Fund Appropriations</i>					
CIEP - Physical Plant	400,000	-	-	-	-
ATSAC Replacement Hubs	356,000	-	-	-	-
ATSAC Systems Maintenance	-	3,000,000	3,000,000	3,000,000	3,000,000
Bicycle Plan/Program ⁵	2,100,000	2,200,000	2,400,000	2,455,000	2,510,000
Median Island Maintenance ⁶	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Mohawk Bend ⁷	60,000	-	-	-	-
Paint and Sign Maintenance ⁸	1,000,000	2,476,526	2,476,528	2,476,528	2,476,528
Pavement Preservation Overtime ⁹	-	700,000	700,000	700,000	700,000
Pedestrian Plan/Program ⁵	2,100,000	2,200,000	2,400,000	2,455,000	2,510,000
Traffic Signal Supplies	-	1,242,774	1,242,774	1,242,774	1,242,774
Reimbursement of General Fund Costs	12,800,000	14,817,780	15,114,136	15,416,419	15,724,747
Subtotal	19,816,000	27,637,080	28,333,438	28,745,721	29,164,049
Total Expenditures	50,475,000	61,792,414	63,175,629	64,129,182	65,095,743
CASH BALANCE (DEFICIT)	53,635,864	-	(14,550,629)	(14,404,182)	(14,270,743)
OTHER POSSIBLE EXPENDITURES					
Downtown LA Streetcar	-	-	6,000,000	6,000,000	6,000,000
Matching Funds - Measure R Projects	-	-	15,000,000	18,000,000	14,000,000
Subtotal	-	-	21,000,000	24,000,000	20,000,000
Total Expenditures	-	-	84,175,629	88,129,182	85,095,743
CASH BALANCE (DEFICIT)	-	-	(35,550,629)	(38,404,182)	(34,270,743)

¹ In 2017-18 and subsequent years local receipts reflect proposed estimates released by Metro.

² Salary expenditures reflect a 2% growth rate.

³ Assumes level funding for Pavement Preservation, Access Ramps and Bus Pads for future years.

⁴ Assumes level funding for Active Transportation, Great Streets and Vision Zero for future years.

⁵ Assumes 5 percent funding levels based on estimated local receipts.

⁶ Assumes level funding for Median Island Maintenance for future years.

⁷ In 2015-16 assumes one-time expenditure for traffic signal project authorized as part of the 2015-16 Adopted Budget.

⁸ In 2016-17 funds are shifted from Prop C to Measure R to support the purchase of paint and sign maintenance for the Pavement Preservation Program.

⁹ In 2016-17 funds are shifted from Prop C to Measure R to support overtime costs related to the Pavement Preservation Program.

SPECIAL PARKING REVENUE FUND

FIVE YEAR FORECAST

	Estimated 2015-16	Proposed 2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUE					
Cash Balance, July 1	\$ 41,599,059	\$ 11,798,170	\$ -	\$ -	\$ -
Prior Year's Unexpended Appropriations	-	(9,475,771)	-	-	-
Balance Available, July 1	\$ 41,599,059	\$ 2,322,399	\$ -	\$ -	\$ -
Hollywood and Highland Lot 745 ¹	12,490,000	13,114,500	13,376,790	13,644,326	13,917,212
Lease and Rental Fees ¹	954,000	625,015	637,515	650,266	663,271
Parking Fees ¹	76,000	-	-	-	-
Parking Lots ¹	7,213,000	8,010,300	8,170,506	8,333,916	8,500,594
Parking Meters ¹	57,398,000	58,627,900	59,800,458	60,996,467	62,216,397
Interest	623,000	628,900	628,900	628,900	628,900
Less:					
Surplus Transfer to the Reserve Fund ²	56,071,889	28,062,866	23,500,000	23,500,000	23,500,000
Total Revenue	64,281,170	55,266,148	59,114,169	60,753,875	62,426,374
ESTIMATED FUND EXPENDITURES					
<i>Appropriations</i>					
Transportation	190,000	394,600	394,600	394,600	394,600
Capital Finance Administration ³	5,853,000	6,206,163	7,000,000	7,000,000	7,000,000
Subtotal	6,043,000	6,600,763	7,394,600	7,394,600	7,394,600
<i>Special Purpose Fund Appropriations ⁴</i>					
Accelerated ExpressPark ³	-	218,000	1,300,000	2,000,000	-
Capital Equipment Purchases	6,357,000	4,399,200	4,487,184	4,576,928	4,668,466
Special Parking Revenue Fund Local Return - Pilot ³	-	600,000	1,500,000	1,500,000	2,000,000
Collection Services	2,864,000	2,961,400	3,020,628	3,081,041	3,142,661
Contractual Services	22,079,000	24,941,500	25,440,330	25,949,137	26,468,119
Curbside Management Services	150,000	-	-	-	-
Great Streets Parking Related Improvements	100,000	-	-	-	-
Innovation Fund	500,000	-	-	-	-
Maintenance, Repair, & Utility Service for Off-Street Lots	1,959,000	2,031,128	2,071,751	2,113,186	2,155,449
Miscellaneous Equipment	40,000	60,000	61,200	62,424	63,672
New Parking Signage Program	300,000	-	-	-	-
Parking Facilities Lease Payments	360,000	360,000	360,000	360,000	360,000
Parking Meter and Off-Street Parking Administration	5,211,000	4,934,323	5,033,009	5,133,670	5,236,343
Parking Studies	-	355,000	-	-	-
Parking Website Consolidation	100,000	-	-	-	-
Proportionate Share - Code the Curb Project	-	1,125,000	-	-	-
Replacement Parts, Tools, and Equipment	1,865,000	2,426,060	2,474,581	2,524,073	2,574,554
Reserve for Contingencies ³	300,000	300,000	2,200,000	2,300,000	2,400,000
Travel and Training	22,000	30,000	30,000	30,000	30,000
Reimbursement of General Fund Costs	4,233,000	3,923,774	4,002,249	4,082,294	4,163,940
Subtotal	46,440,000	48,665,385	51,980,932	53,712,751	53,263,206
Total Expenditures	52,483,000	55,266,148	59,375,532	61,107,351	60,657,806
CASH BALANCE (DEFICIT)	11,798,170	-	(261,363)	(353,476)	1,768,568

¹ In 2017-18 and subsequent years, amounts reflect a 2% growth rate.

² In 2017-18 and subsequent years, amounts reflect CAO outlook assumptions.

³ In 2017-18 and subsequent years, amounts reflect LADOT estimates from their current 5-Year Plan.

⁴ Unless otherwise noted, amounts reflect a 2% growth rate in 2017-18 and subsequent years.

PROPOSITION A 10 YEAR FORECAST -- 2016-25

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-2023	2023-24	2024-25
	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
Revenue												
Adjusted Beginning Cash Balance	\$ 180.9	\$ 215.9	\$ 161.7	\$ 153.6	\$ 100.8	\$ 25.0	\$ 6.6	\$ (4.2)	\$ (83.1)	\$ (48.7)	\$ (76.5)	\$ (113.4)
Prop A Sales Tax Receipts	\$ 65.6	\$ 67.7	\$ 70.5	\$ 71.9	\$ 73.4	\$ 74.8	\$ 76.3	\$ 77.8	\$ 79.4	\$ 81.0	\$ 82.6	\$ 84.3
Prop A, MTA/FTA reimbursements	49.7	60.0	73.8	44.4	42.5	42.2	42.5	42.2	42.5	42.2	42.5	42.2
Advertising Revenue	0.7	0.7	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Other Revenue												
Prop A, Farebox Revenue(1)	12.6	13.8	14.0	14.1	14.3	14.4	14.5	14.7	14.8	15.0	15.1	15.3
Prop A, Transit Scrip	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5
Interest	2.2	1.6	1.6	1.6	1.3	0.6	0.2	0.0	-	-	-	-
Other	0.1	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Receipts	\$ 131.1	\$ 145.9	\$ 163.0	\$ 135.1	\$ 134.6	\$ 135.2	\$ 136.6	\$ 137.8	\$ 139.8	\$ 141.3	\$ 143.3	\$ 145.0
Total Revenue	\$ 312.0	\$ 361.8	\$ 324.7	\$ 288.7	\$ 235.4	\$ 160.2	\$ 143.2	\$ 133.6	\$ 106.8	\$ 92.6	\$ 66.8	\$ 31.7
Expenditures												
City Transit Service(2)	\$ 67.6	\$ 84.6	\$ 94.8	\$ 97.7	\$ 100.6	\$ 103.6	\$ 106.7	\$ 109.9	\$ 113.2	\$ 116.6	\$ 120.1	\$ 123.7
Specialized Transit(2)(3)	5.5	7.1	9.1	9.4	9.7	10.0	10.3	10.6	10.9	11.2	11.5	11.9
Transit Capital	14.3	16.1	37.7	51.9	70.8	10.2	0.2	15.5	0.2	9.6	16.4	113.1
Support Programs	10.5	22.2	29.5	28.9	29.3	29.8	30.2	30.7	31.2	31.7	32.2	32.7
Total Expenditures	\$ 97.9	\$ 130.0	\$ 171.1	\$ 187.9	\$ 210.4	\$ 153.6	\$ 147.4	\$ 166.7	\$ 155.5	\$ 169.1	\$ 180.2	\$ 281.4
Reserve Balance	\$ 214.1	\$ 231.8	\$ 153.6	\$ 100.8	\$ 25.0	\$ 6.6	\$ (4.2)	\$ (33.1)	\$ (48.7)	\$ (76.5)	\$ (113.4)	\$ (249.8)

(1) Farebox revenue includes DASH, prepaid fare media and Commuter Express fares increase 1%

(2) Transit costs increase at 3%

PROPOSITION C TRANSIT IMPROVEMENT FUND
FIVE YEAR FORECAST

	Estimates Expenditures 2015-16	Proposed 2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUE					
Cash Balance, July 1	\$ 22,674,218	\$ 24,453,218	\$ -	\$ -	\$ -
Prior Year's Unexpended Appropriations	-	(13,685,458)	-	-	-
Balance Available, July 1	\$ 22,674,218	\$ 10,767,760	-	-	-
Receipts (Prop C Local Match) ¹	57,794,000	59,070,153	64,000,000	65,500,000	66,900,000
Reimbursement from other Agencies	209,000	214,946	200,000	200,000	200,000
Interest Transfer from TGF	603,000	750,000	750,000	750,000	750,000
Cash Adjustments ²	-	-	-	-	-
Transportation Grant Fund Salary Reimbursement	6,609,000	6,810,711	6,500,000	6,500,000	6,500,000
Metro Rail and Expo Salary Reimbursement	7,736,000	8,280,748	8,200,000	8,200,000	8,200,000
Interest	108,000	108,000	108,000	108,000	108,000
Miscellaneous Adjustments	-	-	-	-	-
Total Revenue	95,733,218	86,002,318	79,758,000	81,258,000	82,658,000
ESTIMATED FUND EXPENDITURES³					
<i>Appropriations</i>					
City Administrative Officer	64,000	78,006	79,566	81,157	82,780
City Attorney	133,000	177,999	181,559	185,190	188,894
General Services	653,000	691,657	705,490	719,600	733,992
Mayor	157,000	157,000	160,140	163,343	166,610
Planning	-	-	-	-	-
<i>Public Works:</i>					
Board	107,000	145,524	148,434	151,403	154,431
Contract Administration	2,065,000	3,370,907	3,438,325	3,507,092	3,577,234
Engineering	5,195,000	6,830,894	6,967,512	7,106,862	7,248,999
Street Lighting	1,710,000	2,125,140	2,167,643	2,210,996	2,255,216
Street Services ⁴	6,459,000	8,232,442	8,397,091	8,565,033	8,736,333
Transportation ⁴	30,407,000	36,304,381	37,570,349	38,697,459	39,858,383
General City Purposes	30,000	30,000	30,000	30,000	30,000
Subtotal	46,980,000	58,143,950	59,846,109	61,418,135	63,032,872
<i>Special Purpose Fund Appropriations</i>					
Bicycle Programs	290,000	290,000	290,000	290,000	290,000
Bicycle Path Maintenance	700,000	613,000	613,000	613,000	613,000
LA Neighborhood Initiative	550,000	550,000	550,000	550,000	550,000
School Bike and Transit Education	300,000	300,000	300,000	300,000	300,000
ATSAC Systems Maintenance	694,000	-	-	-	-
LED Replacement Modules ⁵	-	2,500,000	2,500,000	2,500,000	2,500,000
Traffic Signal Supplies ⁶	3,237,000	1,957,226	1,957,226	1,957,226	1,957,226
Paint and Sign Maintenance ⁷	1,477,000	-	-	-	-
Pavement Preservation Overtime ⁸	700,000	-	-	-	-
Exposition Blvd Bike Path Phase II ⁹	1,256,000	-	-	-	-
Consultant Services	50,000	50,000	50,000	50,000	50,000
Contractual Services - Support	50,000	30,000	30,000	30,000	30,000
Office Supplies	50,000	50,000	50,000	50,000	50,000
Technology and Communications Equipment	100,000	100,000	100,000	100,000	100,000
Travel and Training	48,000	40,000	40,000	40,000	40,000
Reimbursement of General Fund Costs	14,798,000	21,378,142	21,805,705	22,241,819	22,686,655
Subtotal	24,300,000	27,858,368	28,285,931	28,722,045	29,166,881
Total Expenditures	71,280,000	86,002,318	88,132,040	90,140,180	92,199,753
CASH BALANCE (DEFICIT)	24,453,218	-	(8,374,040)	(8,882,180)	(9,541,753)

¹ In 2017-18 and subsequent years local receipts reflect proposed estimates released by Metro.

² Future adjustments, if any, are unknown at this time.

³ Salary expenditures reflect a 2% growth rate.

⁴ In 2014-15 reduced funds reflects a transfer of funding from Prop C to the General Fund. Increased funds in subsequent years reflects a funding shift back to Prop C.

⁵ In 2015-16 no expenditures reflected as there is sufficient inventory to meet current needs. Annual expenditures will be required in future years for the replacement of LED modules.

⁶ In 2016-17 funds are shifted from Prop C to Measure R to support the purchase of traffic control supplies. Future allocations within Prop C are unknown at this time.

⁷ In 2016-17 funds are shifted from Prop C to Measure R to support the purchase of paint and sign maintenance for the Pavement Program. Future allocations within Prop C are unknown at this time.

⁸ In 2016-17 funds are shifted from Prop C to Measure R to support overtime costs related to the Pavement Program. Future allocation within Prop C are unknown at this time.

⁹ Expenditures reflect match construction funding needs for the Expo Bike Path Phase 2 project in FY 2015-16. No funds are required going forward.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 24

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **CITY ADMINISTRATIVE OFFICER – REQUEST TO CHANGE ONE OF THE CIVIL SERVICE POSITIONS REQUESTED FOR THE HOMELESS STRATEGY IMPLEMENTATION TO AN EXEMPT POSITION**

During its consideration of the City Administrative Officer (CAO) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the request in the Department's letter to change one of the Civil Service positions requested for the Homeless Strategy Implementation to an exempt position.

Specifically, the CAO requests that a Principal Project Coordinator position be authorized by resolution in place of the Senior Administrative Analyst II position contained in the 2016-17 Proposed Budget. This position would serve as the Citywide Homelessness Coordinator consistent with the Comprehensive Strategy Against Homelessness approved by the Council. The CAO would subsequently submit a request to the Mayor's Office that this Principal Project Coordinator be exempted from Civil Service.

As noted during the Committee meeting, the task ahead of the Homelessness Coordinator is daunting and this position should be filled as soon as possible with a uniquely qualified individual. In order to fill this position with the ideal candidate, we may need to recruit outside of the Civil Service environment from a broad pool of qualified candidates who possess the knowledge, skills, and expertise in homelessness related matters in the City or possibly the State, County or federal government.

This memorandum is for information purposes only. There is no fiscal impact.

MAS:HS:11160089c

Question No. 583

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 25

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **INFORMATION TECHNOLOGY AGENCY – SPECIALIZED CYBER SECURITY PROTECTION FOR HIGH VALUE TARGETS**

During its consideration of the Information Technology Agency (ITA) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the request in ITA's letter for \$500,000 for cyber security tools and support for specialized protection around high value targets.

According to ITA, funding of this request will enable ITA to encrypt critical digital assets and protect the City's high value targets, such as 911 dispatch systems, sewage treatment facilities, traffic signals, and ambulance patient records. In the 2015-16 Adopted Budget, ITA received one-time funding in the amount of \$550,000 to provide cyber security services for all non-proprietary City departments, including the prevention and detection of breaches, restoration of systems, and data analysis. This funding allowed ITA to build the perimeter defense for the City's network and has substantially improved the City's cyber security perimeter by blocking approximately 90 million cyber attacks per month.

The 2016-17 Proposed Budget includes funding in the amount of \$540,000 for Cyber security - \$225,000 for monitoring and management of intrusion prevention systems and critical security incident response and \$61,000 for a Systems Programmer II position to support the Integrated Security Operations Center.

FISCAL IMPACT STATEMENT

The General Fund impact of ITA's request to fund specialized cyber security protection for high value targets would be \$500,000.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:CEA:11160085

Question No.304

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 26

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **REVENUE – FUNDING FOR THE COMMISSION ON REVENUE GENERATION**

During the presentation by the Coalition of City Unions, the Budget and Finance Committee requested this Office to identify potential funding sources to provide a \$500,000 appropriation to the Commission on Revenue Generation. Per the attached 2015 Letter of Agreement between the City and the Coalition, this \$500,000 will be used to provide multiyear (24 months) funding for all administrative matters regarding the Commission, including: additional staff, requested studies, development of reports, and off-site meetings.

Funding for this appropriation will be provided by the General Fund. However, as formation of the Commission is still pending, it is recommended that this appropriation be deferred. Once the Commission is established, this Office will submit its request to Council for an interim appropriation during the 2016-17 fiscal year in a subsequent financial status report, to include any recommendations for staffing or amount of account funding if appropriate. In the interval, this Office will provide any necessary support under the direction of the Inspector General of Revenue Collection.

FISCAL IMPACT STATEMENT

The General Fund impact of fully funding the Commission of Revenue Generation for 24 months is \$500,000.

MAS:MCK: 03160023

Question No. 581

Attachment

LETTER OF AGREEMENT
REVENUE

**BETWEEN THE COALITION OF LOS ANGELES CITY UNIONS AND
THE CITY OF LOS ANGELES**

WHEREAS, the Coalition of Los Angeles City Unions ("Coalition") and the City of Los Angeles ("City") have a mutual interest to maximize revenue to the City's General Fund.

THEREFORE, THE COALITION AND THE CITY HEREBY AGREE AS FOLLOWS:

1. Within thirty (30) days of the adoption of Memoranda of Understanding ("MOU") between the Parties, the City Council will create a Commission on Revenue Generation ("Commission"). The Commission shall carry out its duties for at least twenty-four (24) months from its initial meeting. Thereafter, the City Council may release the Commission upon thirty (30) days' written notice to the members of the Commission.
2. The Commission shall develop recommendations to the City Council and Mayor to provide a level of revenue sufficient to provide high quality City services that are consistent across the City. Recommendations will include, but are not limited to, the following:
 - A. Commercial Property reassessments and tax loopholes
 - B. Recreation and Parks funding enhancements
 - C. Business Tax simplification and evaluation
 - D. Financial Services transparency and evaluation
 - E. Residential Real Estate speculation revenue enhancements
 - F. Blight inspection and enforcement
 - G. Shared Economy tax collection
 - H. Billboard revenue generation
3. The Commission shall provide quarterly reports to the City Council's Budget and Finance Committee and the Mayor's Budget Team.
4. The Commission shall be composed of 15 members appointed by the Mayor. Seven members of the Commission will be appointed by the Mayor from a list of 20 individuals provided by the Coalition within 15 days of the creation of the Commission. The Mayor will be encouraged to appoint individuals in one or more of the following areas: public finance experts, academics, business leaders, community-based organizations, and representatives of City bargaining units.
5. The Commission shall be staffed by and serve under the direction of the Inspector General for Revenue. The City will provide \$500,000 to cover all administrative matters regarding the Commission, including but not limited to: additional staff, requested studies, development of reports, off-site meetings, etc.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 27

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **CULTURAL AFFAIRS – EL GRITO FUNDING GAP**

During its consideration of the Department of Cultural Affairs 2016-17 Proposed Budget, the Budget and Finance Committee requested Cultural Affairs to report on the funding gap for El Grito.

FISCAL IMPACT STATEMENT

Provision of increased funding for El Grito would require the reappropriation of Council Civic Funds provided to the Council District or an appropriation from the Arts Development Fee Trust Fund, provided that the event meets the requirements for the use of the Fund. There is no General Fund impact.


MAS:EOS:01160099

Question No. 374

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 3, 2016

To: Honorable Members of the Budget and Finance Committee

From: Danielle Brazell, General Manager
Department of Cultural Affairs 

Subject: **REPORT BACK ON THE FUNDING GAP FOR EL GRITO – BUDGET MEMO
374**

At its meeting of April 28, 2016, the Budget and Finance Committee requested a report back on the funding gap for El Grito. The event has cost approximately \$150,000 in recent years, and the Department of Cultural Affairs (DCA) has appropriated funds totaling \$60,750 for FY 2016-17 and has done so through DCA's Special III – Citywide/Regional Arts Support & Community Cultural Programs Budget since FY 2012-13. In past years, additional funding from DCA through the Council Civic Funds (CF 14-1078-S1) have been used to address some of the funding gap and can be used for this year's event as well.

Please contact Alma Gibson (213) 202-5530 with questions or for additional information.


cc: Elaine Owens-Sanchez, Office of the City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 28

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **BUREAU OF SANITATION – EXEMPT SERVICE COORDINATOR**

Attached is a memorandum from the Bureau of Sanitation dated May 2, 2016, addressing the Committee's request for additional information regarding the addition of an exempt Service Coordinator position to act as a liaison to the Mayor and Council.

The 2016-17 Proposed Budget continues resolution authority and funding for one Project Assistant (Sanitation Blue Book Item 57) to act as a liaison to the Board of Public Works, Mayor's Office, Council offices, and community and environmental groups. If the Council elects to approve the exempt Service Coordinator position, the Project Assistant position should not be continued and the salary savings from the Project Assistant can be applied towards the salary of the new Service Coordinator position.

The Service Coordinator salary (\$120,582 at Step 15) is nearly twice the salary of the Project Assistant (\$67,192 at Step 15) and both positions are 48 percent funded by the Sewer Construction and Maintenance (SCM) Fund, 47 percent funded by the Solid Waste Resources Revenue Fund (SWRRF), and five percent funded by the Stormwater Pollution Abatement (SPA) Fund. The SCM and SWRRF are fiscally healthy funds as a result of a series of rate increases that were adopted within the last decade. The SPA Fund faces a structural deficit and receives a General Fund subsidy for related cost obligations. Therefore, any additional SPA appropriation will reduce the amount of available SPA funds available to pay for related cost reimbursements and will increase the General Fund subsidy for related costs. Therefore, it is recommended that the exempt Service Coordinator position be added without funding and the Project Assistant position be deleted. This will have no impact to General Fund revenues from related cost reimbursements.

RECOMMENDATION

Add resolution authority without funding for one exempt Service Coordinator position, subject to allocation by the Civil Service Commission, and delete resolution authority for one Project Assistant.

FISCAL IMPACT STATEMENT

There is no fiscal impact to the General Fund as funding will be provided by the Sewer Construction and Maintenance Fund, Solid Waste Resources Revenue Fund, and Stormwater Pollution Abatement Fund.

MAS:WKP:06160141

Question No. 130

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Honorable Paul Krekorian, Chair
 Honorable Mitchell Englander, Vice Chair
 Honorable Paul Koretz, Member
 Honorable, Bob Blumenfield, Member
 Honorable Mike Bonin, Member
 Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director
 LA Sanitation

SUBJECT: LA SANITATION – REPORT BACK ON BUDGET & FINANCE
 QUESTION NO. 130: NEW EXEMPT SERVICE COORDINATOR

Question No. 130: Report back on the costs and benefits of adding an exempt Service Coordinator position to act as a liaison to the Council and Mayor. Include the potential source(s) of funds for the position.

Recommended Action: Add nine-months funding and resolution authority for one Service Coordinator (0883). Funding in the amount of \$61,857 will be 48 percent funded by the Sewer and Operations and Maintenance Fund, 47 percent funded by the Solid Waste Resources Revenue Fund, and five percent funded by the Stormwater Pollution Abatement Fund (Salaries-General).

During the Fiscal Year 2016-17 Proposed Budget Deliberations held on April 27, 2016, LA Sanitation was asked to report back on the benefits of adding an exempt Service Coordinator position to act as a liaison to the City Council and Mayor.

With the development of LASAN's growing service portfolio, including production of recycled water, Clean Streets, green infrastructure, etc., the need for data gathering, monitoring, and reporting systems are at an all-time high. Currently, program and project managers throughout LASAN are responding to these requests. While they will continue to participate as the data owners, it will be more efficient to have a single point of contact to coordinate these requests and ensure that information is provided in a timely manner.

Examples of duties for this classification include:

- Establishing and maintaining communication with the Board of Public Works, City Council, Mayor's Office, and Neighborhood Councils and other governmental agencies regarding projects and programs;
- Providing information regarding Bureau activities, projects and services to the City Council, Neighborhood Councils, and other community and business groups;
- Coordinating requests from the Mayor's Office with proposed requirements specified by the Council Offices and community groups; and

LA Sanitation Question No. 130
FY 2016-17 Proposed Budget
2 of 2

- Conferring with Bureau Management to determine goals, objectives and strategies to be used to coordinate with community groups, Council Offices and the Mayor's Office in development of plans and programs.

The position will be funded with LASAN special funds: the Sewer Operations and Maintenance Fund; the Solids Waste Resources Revenue Fund and the Stormwater Pollution Abatement Fund. There is no impact to the General Fund.

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to discuss any of these items further, please feel free to contact myself or Lisa B. Mowery, LASAN's Chief Financial Officer at (213) 485-2210.

LBM/ECZ:lbm

c: Members of the City Council
Ana Guerrero, Chief of Staff, Mayor's Office
Matt Szabo, Deputy Mayor, Mayor's Office
Barbara Romero, Deputy Mayor, Mayor's Office
Matt Crawford, Budget & Innovation, Mayor's Office
Greg Good, City Services, Mayor's Office
Kevin James, President, BPW
Heather Repenning, President Pro Tempore, BPW
Sharon Tso, CLA
Miguel A. Santana, CAO
Richard Williams, Office of the City Clerk
LASAN Executive Team

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 29

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **INFORMATION TECHNOLOGY AGENCY – DIGITAL INFRASTRUCTURE PERMITTING GROUP**

During its consideration of the Information Technology Agency (ITA) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the positions required for the Digital Infrastructure Permitting Group (Permitting Group) for the CityLinkLA project.

The CityLinkLA working group has identified seven total positions within the ITA, the City Attorney, and the Bureau of Engineering (BOE) for the Permitting Group. A Principal Project Coordinator for the ITA would manage the project. A Deputy City Attorney III would provide legal guidance. A team of five from BOE would work to improve the permitting process and provide recommendations to streamline this process. The positions are as follows:

Department	Qty.	Code	Classification Title
ITA	1	9134	Principal Project Coordinator
City Attorney	1	0552	Deputy City Attorney III
Bureau of Engineering	1	9485	Senior Civil Engineer
	2	7246-3	Civil Engineering Associate III
	1	7237	Civil Engineer
	1	9184-2	Management Analyst II
Total	7		

In 2015-16, funding was authorized in the Unappropriated Balance for the CityLinkLA project. The Year-End Financial Status Report will contain a recommendation to appropriate the funding for the seven positions to the respective departments and then reappropriate the funding on July 1, 2016. The reappropriation does not include authorization for the resolution positions. The City Council may elect to provide resolution authority without funding for the seven positions to enable the Departments to fill the positions in July. Should this approach be taken, these positions will need to be continued with funding in 2017-18.

This memorandum is for information only. There is no fiscal impact.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 30

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **CAPITAL FINANCE ADMINISTRATION FUND – MUNICIPAL IMPROVEMENT CORPORATION OF LOS ANGELES (MICLA) – MICLA FINANCING ELIGIBILITY FOR VENICE BEACH RESTROOMS AND VERA DAVIS CENTER**

During consideration of the Capital Finance Administration Fund (MICLA) 2016-17 Proposed Budget, the Budget and Finance Committee requested the CAO to report on the MICLA financing eligibility for the Venice Beach Restroom project and the Vera Davis Center in Council District 11.

The Venice Beach Restroom project includes the replacement of existing restrooms in Venice Beach at Rose Avenue. The total project cost, according to the Bureau of Engineering (BOE), is approximately \$1.5 million. Of this amount, \$750,000 is funded from Proposition K, leaving a gap of \$750,000. While the City generally does not use Recreation and Park facilities as leased assets for long-term MICLA financing, the City can use an "asset transfer" or "asset strip," to finance the project. Under an asset strip, the value of a different City facility is used as the leased asset to finance the project. Furthermore, short-term financing through MICLA Commercial Paper can be used as interim financing. The requested MICLA financing cost of \$750,000, including interest, is \$1.2 million.

The Vera Davis Center, also referred to as the Oakwood Junior Arts Center, has financing needs totaling approximately \$4.5 million, according to BOE, of which \$3.5 million was asked for MICLA financing consideration. The project is proposed to refurbish, retrofit and convert the Old Venice Library into a Junior Arts Center. The facility requires seismic retrofitting and other improvements needed to make the facility compliant with the American with Disabilities Act. While these improvements are MICLA eligible, final project plans have not been established. According to the Debt Management Policy for the City of Los Angeles, "MICLA funding shall only be provided for those vehicles, equipment, and capital projects for which final plans and/or design have been completed, which have been competitively bid, and which are ready for bid award." Once final project plans are in place, further review can take place to determine financing eligibility.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:AG:09160184

Question No. 600

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Holly L. Wolcott, City Clerk 

Grayce Liu, General Manager Department of Neighborhood Empowerment 

Subject: **OFFICE OF THE CITY CLERK – TRANSITION PLAN FOR THE NEIGHBORHOOD COUNCIL FUNDING PROGRAM**

During its consideration of the Office of the City Clerk's (City Clerk) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report on the transition plan for the transfer of the Neighborhood Council (NC) Funding Program from the Department of Neighborhood Empowerment (DONE) to the City Clerk.

The transfer of the administration of the NC Funding Program is expected to be seamless. The transition will be managed by a team which includes the City Administrative Officer Analyst for both departments, Chief Management Analyst and Director of Systems from the City Clerk, and Director of Administrative Services from DONE. The Team has been jointly planning for the transfer of the NC Funding Program during the development of the Proposed Budget. To ensure that any potential issues are addressed and that the timeline milestones are met, the Team will meet on a bi-weekly basis. It should be noted that there are a number of changes in the process of being implemented that may impact the provision of NC Funding Program services regardless of whether the function remains with DONE or is transferred to the City Clerk. These changes include:

a) Transition of the NC checking accounts from the existing provider, Union Bank, to Wells Fargo or another bank. The transition will require the completion of new bank documents, submission of related documents, and coordination for the distribution of new bank cards which could potentially disrupt access to the NC funds;

b) In the event that a bank is not willing to provide its services to the NC System, the demand warrant process could be reinstated. This process could be implemented within the timeline described in the attached chart. However, the demand warrant process, which involves the City processing all the payments, will require a longer processing period compared to payments made with bank cards; and

c) Implementation of the new online Platform. This Platform, which uses Quickbase and Quickbooks software, will allow the NC System to submit its receipts and funding requests online and no longer require a hard-copy submission. While the Platform will

ultimately save the NC System Treasurers' time, transition to this new system will inevitably require a learning curve.

The proposed transfer includes the transfer of existing employees who currently administer the NC Funding Program from DONE to the City Clerk. In addition, four new positions with six-months funding were proposed for the City Clerk. DONE will maintain oversight of the Program and the employees until the NC checking account is successfully transferred to another bank, and the development of the Online Funding Program Platform has been completed. Effective, July 1, 2016, the City Clerk will initially be responsible for payroll related functions for the NC Funding Program positions. The attachment reflects a projected timeline for the transition of the management of the Program from DONE to the City Clerk.

Throughout this period, DONE, City Clerk, and the Office of the City Administrative Officer will continue to work collaboratively to ensure a smooth transition of the management of the NC Funding Program.

This memorandum is provided for informational purposes only.

MAS:LGC:08160090

Question No. 192

Attachment

Attachment

Projected Timeline for the Transition of the Management of the NC Funding Program from DONE to the City Clerk

May 2016	<ul style="list-style-type: none"> • Continue discussion with Wells Fargo & Company (Wells Fargo) as the replacement provider for the NC checking accounts (bank). • DONE and City Clerk's Systems Division plan for the new Online Funding Program Platform (Online Platform).
July 2016	<ul style="list-style-type: none"> • City Clerk senior and front-line staff will shadow DONE employees to obtain all necessary knowledge. • Establish banking relationship with the replacement bank. • Discuss with City Attorney on the necessary ordinance changes.
Aug 2016	<ul style="list-style-type: none"> • Coordinate with NCs for the transfer of bank accounts to the new bank. (ex. Obtain signatures for new bank documents, submit required documentation, assist with the transfer of scheduled monthly payments, and disseminate the new bank cards.) • Adopt necessary ordinances to enable the City Clerk to administer the Neighborhood Empowerment Trust Fund and NC checking accounts.
Nov 2016	<ul style="list-style-type: none"> • Start recruitment for the new positions provided in the budget • Pilot the new Online Platform.
Jan 2017	<ul style="list-style-type: none"> • New employees start. Employees will be located at DONE. • Train new staff • Report back to Council regarding the progress of this functional transfer.
Feb 2017	<ul style="list-style-type: none"> • Ensure that the Online Platform will also allow Department Field and Funding Program staff to adequately communicate any pending and outstanding funding-related issues. • Finalize the new Platform across all NCs.
Mar 2017	<ul style="list-style-type: none"> • Staff to provide training to NC System on how to use the Online Platform.
Apr 2017	<ul style="list-style-type: none"> • Official transfer of the NC Funding Program and related employees to the City Clerk. • Finalize the new Online Platform across all Neighborhood Councils.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 32

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FINANCE – EFFICIENCIES TO THE ACCOUNTS PAYABLE PROCESS**

The Budget and Finance Committee (Committee) requested a report back on the Office of Finance's recommendations to improve the efficiency of the City's accounts payable process.

The Office of Finance and Office of the Controller are preparing a response. However, the memo will not be released in time for Committee's consideration of budget memos. The Departments report that their response will not have a fiscal impact. Therefore, this Office recommends re-categorizing the memo as a special study.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:ECM:01160054

Question No.31

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 33

Date:

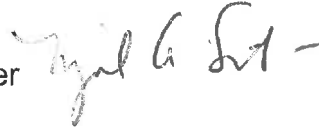
May 4, 2016

To:

Budget and Finance Committee

From:

Miguel A. Santana, City Administrative Officer



Subject:

CAPITAL IMPROVEMENT EXPENDITURE PROGRAM – BIKEWAY AND PEDESTRIAN IMPROVEMENTS FUNDING

During its consideration of the 2016-17 Capital Improvement Expenditure Program (CIEP) Proposed Budget, the Budget and Finance Committee requested this Office to report on the reasons for the decrease in funding for bikeway and pedestrian improvements. Funding for these improvements are provided by the Local Transportation fund (LTF).

In the 2015-16 Adopted Budget, LTF funded \$2,314,637 in CIEP projects related to bikeway and pedestrian improvements, compared to \$1,595,322 in the 2016-17 Proposed Budget. The difference in funding from 2015-16 to 2016-17 can be attributed to one-time funding anticipated to be received in 2015-16 for the following projects:

1. \$875,811 from Metro for the Figueroa Corridor Bike Station & Expo Line Bike Hub project; and
2. \$144,142 for the Expo Bike Path Phase 2 project, which was based on a funding swap with Prop C.

When these two one-time revenue and expenditure items are removed for the purpose of analysis, the funding level for bikeway and pedestrian improvements in the 2016-17 Proposed Budget of \$1,595,322 is slightly increased from the 2015-16 amount of \$1,294,684.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:IR:06160148

Question No. 606

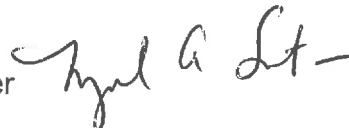
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 34

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **BUREAU OF SANITATION – COORDINATED INTEGRATED MONITORING PROGRAM FUNDING**

Attached is a memorandum from the Bureau of Sanitation dated May 2, 2016, addressing the Committee's request for additional information regarding the need to add \$1.5 million in funding from the Stormwater Pollution Abatement (SPA) Fund for the implementation of the Coordinated Integrated Monitoring Program (CIMP).

The City's Municipal Separate Sewer Storm System (MS4) permit requires the development of CIMPs to assess and monitor the pollutant levels in the receiving waters from various points of discharge within a Watershed. The CIMPs are monitoring plans that are developed by the City and its partner agencies within a Watershed. The objectives of the CIMPs are to assess the environmental impacts of discharges on the receiving waters, identify the source of pollutants in discharges, measure and improve the effectiveness of pollutant controls implemented, and measure compliance with Total Maximum Daily Loads (TMDL) and other receiving water limitations. The CIMPs for the Upper Los Angeles River, Santa Monica Bay, Dominguez Channel, and Ballona Creek were submitted to the Los Angeles Regional Water Quality Control Board (LARWQCB) in June 2014 and conditionally adopted in 2015. The City has developed cost sharing agreements with its partner agencies in the Watershed, which will reimburse the City up to 40 percent of the costs to implement the CIMPs, and these agreements are in the process of being executed. The CIMPs allow public agencies to leverage funds to protect public health and the environment while meeting MS4 requirements.

The 2016-17 Proposed Budget provides three positions and funding for equipment (Sanitation Blue Book Item 16) to implement the CIMPs, but does not provide funding for consultant services. Consultant services are required to install monitoring stations, conduct laboratory analysis of water samples, provide data management, investigate pollutant sources, and prepare semi-annual and annual reports to the LARWQCB. The 2016-17 Proposed Budget also includes \$4.77 million in revenues to the SPA Fund for 2015-16 and 2016-17 to reflect the reimbursement from the cost sharing agreements. Therefore, it is recommended that \$1.5 million in SPA funding be provided for consultant services to implement the CIMPs. Failure to comply with MS4 permit requirements will result in fines and penalties against the City that could exceed the cost of compliance.

RECOMMENDATION

Increase appropriation to the Sanitation Contracts line item in the Stormwater Pollution Abatement Fund special purpose fund appropriation by \$1.5 million and reduce the Reimbursement of General Fund Costs line item within the same fund by \$1.5 million.

FISCAL IMPACT STATEMENT

The recommendation in this report reduces General Fund revenues by \$1.5 million. To comply with the City's Financial Policies, a corresponding reduction to General Fund expenditures or an increase to other General Fund receipts will be required to offset this additional expense.

MAS:WKP:06160143

Question No. 150

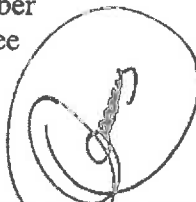
Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Honorable Paul Krekorian, Chair
Honorable Mitchell Englander, Vice Chair
Honorable Paul Koretz, Member
Honorable, Bob Blumenfield, Member
Honorable Mike Bognin, Member
Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director
LA Sanitation



SUBJECT: LA SANITATION – REPORT BACK ON BUDGET & FINANCE QUESTION NO. 150: THE NECESSITY OF \$1.5 MILLION IN CONTRACTUAL SERVICES FUNDING FOR WORK PERFORMED FOR PARTNER AGENCIES FOR CIMPS FOR STORMWATER

Question No. 150: Report back on the necessity of \$1.5 million in contractual services funding for work performed for partner agencies for CIMPs for Stormwater.

Recommended Action: Increase the Stormwater Pollution Abatement Fund appropriation in the amount of \$1.5 million for “Sanitation Contracts” on Schedule 7.

During the Fiscal Year 2016-17 Proposed Budget Deliberations held on April 27, 2016, LA Sanitation (LASAN) was asked to report back on the necessity of adding \$1.5 million in contractual services funding for work performed for partner agencies for the Stormwater Coordinated Integrated Monitoring Program (CIMP).

LASAN coordinates regional solutions with partner agencies for stormwater issues in the City's four watersheds. Implementation of the CIMPs is mandated to meet the water quality monitoring and reporting requirements of the Municipal Separate Storm Sewer System (MS4) Permit. The CIMPs are regional, watershed-wide water quality monitoring programs to be implemented by LASAN on behalf of the City as the largest agency and on behalf of the partner agencies in the City's watersheds. Regional water quality monitoring is more efficient and provides cost savings for individual agencies, including the City.

As part of the agreements with our partners, LASAN will conduct source investigations, gather data from the monitoring stations, conduct data analysis, and prepare semi-annual and annual analytical monitoring reports to the Regional Water Quality Control Board on behalf of other agencies. The work requires \$1.5 million contract services funding in FY 2016-17. Partner cities and agencies will fully reimburse LASAN for the costs expended on their behalf, approximately 40% of the total.

LASAN budgeted revenue of approximately \$2.1 million in reimbursement from other agencies in FY 2016-17 for reimbursement of labor and contractual services.. However, the budget does not include the \$1.5M contractual services appropriation needed to perform the work in order to receive reimbursement from our partner agencies.

LA Sanitation Question No. 150
FY 2016-17 Proposed Budget
2 of 2

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to have further discussion, please feel free to contact myself or Lisa B. Mowery, LASAN's Chief Financial Officer at (213) 485-2210.

LBM/ECZ:lbm

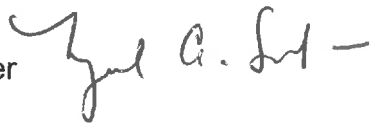
- c: Members of the City Council
 - Ana Guerrero, Chief of Staff, Mayor's Office
 - Matt Szabo, Deputy Mayor, Mayor's Office
 - Barbara Romero, Deputy Mayor, Mayor's Office
 - Matt Crawford, Budget & Innovation, Mayor's Office
 - Greg Good, Director of Operation-City Services, Mayor's Office
 - Kevin James, President, BPW
 - Heather Repenning, President Pro-Tempore, BPW
 - Sharon Tso, CLA
 - Miguel A. Santana, CAO
 - Richard Williams, Office of the City Clerk
 - LASAN Executive Team

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 35

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **RECREATION AND PARKS – BUDGET RESOURCES REQUIRED FOR VENICE BEACH RESTROOMS TO REMAIN OPEN FOR TWENTY FOUR HOURS**

During its consideration of the Department of Recreation and Parks' 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report back on budget resources required for Venice Beach restroom to remain open for twenty four hours. The Department's response is attached.

The Department currently operates six separate public restroom buildings (55 restroom stalls in total) at Venice Beach. These bathrooms are cleaned several times per day, 365 days per year from 6:00 a.m. until 10:00 p.m. The resources identified would allow the Department to open, maintain and clean the public restroom facilities for an additional eight hours per day.

The Department received \$1.1 million in funding for Park Restroom Enhancement Program (PREP) as part of the 20016-17 Homeless Budget to increase the frequency of restroom cleaning at heavily-used park locations and to expand bathroom operating hours at various park locations. A portion of the funding provided for PREP may be used for expanding Venice Beach Restroom hours. However, it would reduce funding available for other park locations throughout the City.

As stated in the Department's response, changes to the Los Angeles Municipal Code and Curfew regulations will also need to be made for the Venice Beach restrooms to remain open for twenty four hours.

FISCAL IMPACT STATEMENT

The General Fund impact is \$855,741 (\$709,870 direct cost and \$145,871 indirect cost) consisting of the following: two Gardener Caretaker positions (\$112,234), two Armed Security Officer positions (\$204,400), Part-time funding (\$272,786), and Materials and Supplies (\$120,450). Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JSS:08160097

Question No. 57

Attachment

BOARD OF RECREATION AND
PARK COMMISSIONERS

SYLVIA PATSAOURAS
PRESIDENT

LYNN ALVAREZ
VICE PRESIDENT

MELBA CULPEPPER
MISTY M. SANFORD
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COMMISSION EXECUTIVE ASSISTANT II

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

DEPARTMENT OF
RECREATION AND PARKS

EXECUTIVE OFFICE
221 N. FIGUEROA STREET
SUITE 350
LOS ANGELES, CA 90012

(213) 202-2633

MICHAEL A. SHULL
GENERAL MANAGER

May 2, 2016

Honorable Paul Krekorian, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Richard Williams, Legislative Assistant

Dear Councilmember Krekorian:

**FISCAL YEAR 2016-17 QUESTION NO. 57 – BUDGET RESOURCES REQUIRED FOR
VENICE BEACH RESTROOMS TO REMAIN OPEN FOR TWENTY FOUR (24) HOURS**

The Department of Recreation and Parks (RAP) is responding to your Committee's request for information regarding the resources required for the Venice Beach public restrooms to remain open for twenty four (24) hours per day, seven (7) days a week throughout the year.

There are six (6) separate public restroom buildings in various locations stretching across the more than two (2) miles of Venice Beach. All six (6) buildings have a combined total of fifty five (55) restroom stalls. The Venice Beach restrooms under the current maintenance model are open and cleaned several times per day, 365 days per year from 6:00 a.m. until 10:00 p.m. RAP typically does not keep any restrooms open at any park after a park closes due to ordinance restrictions and public safety concerns. These concerns include employee safety, increased vandalism and physical damage to the restroom facilities, increased criminal activities inside the facilities and loitering. In order to open, maintain and clean the public restroom facilities overnight for an additional eight (8) hours, it would require additional labor, materials and security resources and a change to the Los Angeles Municipal Code and Curfew regulations Attached is a breakdown of the additional resources needed and the estimated annual cost.

Should you have any questions, please contact me at (213) 202-2633.

Sincerely,



MICHAEL A. SHULL
General Manager

MAS:rad



Honorable Councilmember Krekorian
May 2, 2016
Page 2

Attachment

cc: Barbara Romero, Deputy Mayor, Office of the Mayor
Ryan Carpio, Office of the Mayor
Terry Sauer, Office of the City Administrative Officer
Jay Shin, Office of the City Administrative Officer
Anthony-Paul (AP) Diaz, Esq., Executive Officer & Chief of Staff, RAP
Ramon Barajas, Assistant General Manager, RAP
Kevin Regan, Assistant General Manager, RAP
Vicki Israel, Assistant General Manager, RAP
Noel Williams, Chief Financial Officer, RAP
Robert Davis, Superintendent, RAP Venice Beach

A handwritten signature in black ink, appearing to be 'APD', is written over the text 'RAP' in the distribution list.

**BUDGET & FINANCE COMMITTEE FISCAL YEAR 2016-17 QUESTION NO. 57
ADDITIONAL BUDGET RESOURCES REQUIRED FOR VENICE BEACH RESTROOMS TO REMAIN
OPEN AND CLEANED FOR TWENTY FOUR (24) HOURS, 365 DAYS PER YEAR**

Full Time Salaries

<u>Quantity</u>	<u>Classification</u>	<u>Annual Salary</u>	<u>Night Rate Bonus</u>	<u>Annual Total</u>
(2)	(1010) Gardener Caretaker	\$109, 230	\$3,004	\$112,234
(2)	(3040) Armed Security Officer	\$35/Hr./365 days	N/A	<u>\$204,400</u>

*Armed Security Officers will work at night in 8-hour shifts, 365 days per year

Full Time Salaries Total \$316,634

Part Time Hours

17,520 (1070) Special Program Assistant II @ \$15.57/hr

*Six (6) part time employees will work cleaning restrooms 3-4 times per night, 365 days per year

Part Time Salaries Total \$272,786

Materials/Janitorial Supplies

(1) (3160) Toilet Paper, Bags, Towels, Cleaners, Gloves, Tools, etc.

*All (55) restroom stalls are to be cleaned 3-4 times per night, 365 days per year

Supplies Total \$120,450

ESTIMATED TOTAL ANNUAL BUDGET \$709,870

**Estimates do not include potential damage or vandalism to facilities

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 36

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **CITY ATTORNEY – OUTSIDE COUNSEL FUNDING INCREASE**

During its consideration of the City Attorney's 2016-17 Proposed Budget, the Budget and Finance Committee requested the City Attorney's Office to report on the possible need of an increase in Outside Counsel funding from \$1.0 million to \$1.75 million.

FISCAL IMPACT STATEMENT

The General Fund impact of increasing Outside Counsel funding is \$750,000. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:FGO:04160104

Question No. 268

Attachment



MICHAEL N. FEUER
CITY ATTORNEY

May 3, 2016

TO: Honorable Members of the Budget and Finance Committee

FROM: Leela Kapur, Chief of Staff *Leela*

SUBJECT: BUDGET MEMO #268 – OUTSIDE COUNSEL

Over the past three years, the budget for General Fund Outside Counsel costs managed by the City Attorney has been reduced from \$4.0 million to \$2.5 million. For Fiscal Year 2016-17, this Office requested \$1.75 million, based on projected need. The Mayor's Budget included \$1.0 million.

During the City Attorney's budget hearing, the City Administrative Officer (CAO) acknowledged the potential shortfall and indicated that a mid-year adjustment might be needed. We will keep your Committee apprised of any impending shortfall in our monthly Financial Status Reports and requests submitted for Outside Counsel funding.

Please feel free to contact me if you require additional information.

cc: Miguel Santana, CAO
Sharon Tso, CLA

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 37

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **GENERAL SERVICES – SENIOR REAL ESTATE OFFICER AND FUNDING FOR THE SALE OF SURPLUS PROPERTIES AS PART OF THE AFFORDABLE HOUSING PROGRAM**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested this Office to report back on the necessity for one Senior Real Estate position and any funding required for work in support of the sale of surplus properties for the affordable housing units.

GSD requested the addition of a Senior Real Estate Officer (Class Code 1961) position and \$100,000 of contractual services funds to assist in the disposition of City-owned properties to support the production of affordable housing units, as proposed in the current budget. GSD will be responsible for performing the initial steps to dispose of potential affordable housing opportunity sites, including title research, preparation of appraisals, statutory notification requirements, etc. Subject to the specifics of each particular property and the desired outcome, responsibility for solicitation, negotiation, and transactional work may also be performed by GSD.

It should be noted that the program to leverage City properties for affordable housing is new to the City, and it is unclear that it will be continued long enough to justify a new position. As a result, this office does not support the additional staff position at this time. This position should be reconsidered at such time that it is determined that this work program will continue indefinitely. In the interim, the CAO's Asset Management Group will support the Department's work.

This office recommends approval of the \$100,000 of contractual services funds to support these efforts. Should this request be funded, offsetting General Fund revenues will need to be identified.

FISCAL IMPACT STATEMENT

The total General Fund impact is \$100,000 in the Contractual Services Account for consulting services.


MAS:DP:05160117H

Question No. 272

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **BUREAU OF SANITATION – STATUS OF TOTAL MAXIMUM DAILY LOAD (TMDL) COMPLIANCE**

Attached is a memorandum from the Bureau of Sanitation dated May 3, 2016, addressing the Committee's request for additional information regarding the City's status on complying with Total Maximum Daily Load (TMDL) requirements and potential funding sources for TMDL compliance positions.

The two positions addressed in the Bureau's memorandum were requested in the Bureau's Proposed Budget, but were not included in the Mayor's Proposed Budget as this Office determined that the Bureau could reassign existing positions from the Proposition O program to perform this work as the program is starting to wind down. In addition, as of March 2016, the Bureau is reporting 24 Engineering Associate II and III vacancies within its workforce and a discussion with the Bureau is required to understand why it can't reassign existing vacancies to perform this work.

The implementation of Enhanced Watershed Management Plans (EWMP) is required to comply with Municipal Separate Storm Sewer System (MS4) permit requirements and noncompliance may result in fines and penalties that could exceed the cost of compliance. Through cost sharing agreements with its partner agencies within the Watershed, the City is reimbursed for a portion of the costs for implementing the EWMPs.

These positions are funded from the Stormwater Pollution Abatement (SPA) Fund, which has a structural deficit and receives a General Fund subsidy for related cost reimbursements. Any additional SPA appropriation would reduce the amount of available SPA funds for related cost reimbursements and increase the General Fund subsidy for related costs. Therefore, if the Council elects to add these positions with funding, it is recommended that SPA revenues from cost sharing agreements be increased in a corresponding amount to minimize the impact to General Fund revenues.

FISCAL IMPACT STATEMENT

There is no fiscal impact to the General Fund if Stormwater Pollution Abatement (SPA) Fund revenues are increased by a corresponding amount or if the positions are added without funding. Any additional SPA appropriation will reduce General Fund revenues from related cost reimbursements if offsetting SPA revenues are not identified. Nine-month costs for these positions are \$243,386, which includes \$145,915 for direct costs and \$97,471 for indirect costs.

MAS:WKP:06160145

Question No. 135

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2016

TO: Honorable Paul Krekorian, Chair
Honorable Mitchell Englander, Vice Chair
Honorable Paul Koretz, Member
Honorable, Bob Blumenfield, Member
Honorable Mike Bonin, Member
Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director
LA Sanitation

SUBJECT: LA SANITATION – REPORT BACK ON BUDGET & FINANCE QUESTION NO. 135: REPORT BACK ON THE STATUS OF TMDL COMPLIANCE AND REQUIRED RESOURCES

Question No. 135: Report back on the status of TMDL compliance and resources required, including positions, to support compliance. What are potential sources of funds for TMDL compliance positions?

Recommended Action: Add nine-months funding and regular authority for one Environmental Engineering Associate II (7871-2) and one Environmental Engineering Associate III (7871-3). Funding in the amount of \$137,412 is provided by the Stormwater Pollution Abatement Fund (Salaries-General)

The City is subject to 22 Total Maximum Daily Loads (TMDLs) that set standards for bacteria, metals, toxics, trash, and other pollutants in the City's waters. The TMDL compliance status depends on the level of remedial action needed, remedial actions taken so far, and the implementation schedule with interim and final milestones for compliance with the TMDL. In general:

- The City is in compliance with the Trash TMDLs and the Santa Monica Bay Dry Weather Bacteria TMDL through the implementation of catch basin retrofits and low-flow diversion, respectively.
- The City is on schedule for compliance with the TMDLs for Machado Lake and Echo Park Lake.
- The City is under Time Schedule Orders by the Regional Water Quality Control Board (RWQCB) for Dry Weather Bacteria TMDLs for Inner Cabrillo Beach, Marina del Rey, and Ballona Creek, because final compliance milestones have passed but were not met.
- The City is at immediate risk of not meeting interim and final milestones of most TMDLs in the Ballona Creek, Marina del Rey, and Santa Monica Bay watersheds, as well as the dry weather requirements of the Bacteria TMDL for certain segments of Los Angeles River.
- In the longer term, the City is also at risk of not meeting interim and final milestones of the most TMDLs in the Los Angeles River and Dominguez Channel watersheds.

All TMDLs were incorporated in the 2012 NPDES Permit for the Municipal Separate Storm Sewer System (MS4 Permit) and they are now enforceable. LA Sanitation (LASAN) developed five Enhanced Watershed Management Programs (EWMPs) for the Upper Los Angeles River, Santa Monica Bay, Ballona Creek, Dominguez Channel, and Marina del Rey watersheds, that consolidate all strategies and actions needed for compliance with the MS4 Permit and the 22 TMDLs. The RWQCB approved the five EWMPs in April 2016, and requires the City to immediately begin implementation and report annually on the progress. The capital cost for construction of distributed (green streets) and regional stormwater capture projects across the City's watersheds is now estimated to be \$7.3 billion over the next 20-25 years. LASAN recently developed a 5-year Stormwater Capital improvement Program (CIP), which contains about 350-400 distributed and regional projects at an estimated capital cost of approximately \$1.5 billion. The goal of this Stormwater CIP is to identify and prioritize the projects that are most urgently needed for compliance with emerging TMDL milestones through 2021.

The Stormwater Pollution Abatement Fund is predominately funded by the payment of Stormwater Pollution Abatement Charges, which have not been adjusted since 1992. LASAN is currently working with Los Angeles County on the Drought Resiliency Work Plan as a potential future funding source for regional EWMPs implementation, but funding availability is expected no sooner than Fiscal Year 2018-19. LASAN also collaborates with other city departments such the Department of Water and Power to leverage resources, and applies for local, state, and federal grants to fund stormwater capture projects. While these are additional revenues, the amounts are very small compared to the needs.

LASAN is requesting two new Environmental Engineering Associate positions to assist with the Administrative Compliance with the new MS4 Permit and the 22 TMDLs. Administrative Compliance entails compliance with the minimum, and mostly administrative requirements of the MS4 Permit and the 22 TMDLs until the time that a new sustainable funding source for the Watershed Protection Program is available and the City can make significant progress towards compliance with the MS4 Permit and the TMDLs through the construction of distributed and regional stormwater capture projects. The goal of Administrative Compliance is to delay or prevent immediate enforcement actions by the Regional Water Board as a result of non-compliance, and to provide the City more time to develop regional funding strategies with the County and others. Specifically, the two requested positions will assist with the following tasks:

- Prepare Annual Reports for the MS4 permit and the five EWMPs (due to the Regional Water Board by December of every year);
- Prepare Reports of Waste Discharges for MS4 Permit and the five EWMPs (due to Regional Water Board July 1, 2017);
- Assist with the adaptive management process of the five EWMPs (due to the Regional Water Board every 2 years);
- Assist with the implementation of existing TMDL Time Schedule Orders, and the development of new Time Schedule Orders that are anticipated in the near future.

LA Sanitation Question No. 150
FY 2016-17 Proposed Budget
3 of 3

- Assist with further development of the 5-year Stormwater CIP and other implementation strategies for the EWMPs.

The positions will be funded with the Stormwater Pollution Abatement Fund.

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to have further discussion, please feel free to contact myself or Lisa B. Mowery, LASAN's Chief Financial Officer at (213) 485-2210.

LBM/ECZ:lbm

- c: Members of the City Council
Ana Guerrero, Chief of Staff, Mayor's Office
Matt Szabo, Deputy Mayor, Mayor's Office
Barbara Romero, Deputy Mayor, Mayor's Office
Matt Crawford, Budget & Innovation, Mayor's Office
Greg Good, City Services, Mayor's Office
Kevin James, President, BPW
Heather Repenning, President Pro Tempore, BPW
Sharon Tso, CLA
Miguel A. Santana, CAO
Richard Williams, Office of the City Clerk
LASAN Executive Team



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BUREAU OF SANITATION – CLIMATE CHANGE PROGRAM**

Attached is a memorandum from the Bureau of Sanitation dated May 2, 2016, addressing the Committee's request for additional information on the following issues related to the City's Climate Change Program:

1. \$10,000 for each of ten neighborhoods that have agreed to go carbon-neutral as part of the Cool Blocks Climate Program;
2. A study of the financial impacts of three scenarios (3 degrees, 4.5 degrees, and 6 degrees) for climate change to the City and if there are other things the City can do in terms of climate, sustainability, and air quality.

In its memorandum, the Bureau reports that Sanitation special funds may be eligible for funding the Cool Blocks Climate Program, but the Bureau would need to review the workplans developed by the Cool Blocks to determine if specific activities meet special fund eligibility requirements.

Regarding the study of the financial impacts on different levels of climate change, the Bureau has attached a report to the Energy and Environment Committee dated February 18, 2016, which provides a list of Climate Change activities which the Bureau has implemented. The Bureau also reports that Sanitation special funds may be eligible for certain activities, but also proposes the use of General Fund, Mobile Source Air Pollution Reduction Fund, and Cap and Trade funds as alternative funding sources.

FISCAL IMPACT STATEMENT

In compliance with the City's Financial Policies, any additional appropriation from the General Fund will require a corresponding reduction to General Fund expenditures or an increase to General Fund revenues.

MAS:WKP:06160139

Question No. 117

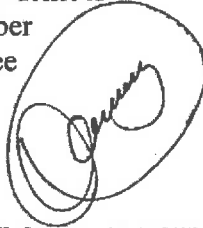
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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Honorable Paul Krekorian, Chair
Honorable Mitchell Englander, Vice Chair
Honorable Paul Koretz, Member
Honorable, Bob Blumenfield, Member
Honorable Mike Bonin, Member
Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director
LA Sanitation



SUBJECT: LA SANITATION - REPORT BACK ON BUDGET & FINANCE QUESTION NO. 117: CLIMATE CHANGE PROGRAM

Question No. 117: Report back on ability to fund two items as part of the Climate Change Program:

- a) \$10,000 for each of ten neighborhoods that have agreed to go carbon-neutral as part of the Cool Blocks Climate Program and
- b) a study of the financial impact of three scenarios (3 degrees, 4.5 degrees, and 6 degrees) for climate change to the City. Are there any other things we can be doing in terms of climate, sustainability, and air quality?

During the Fiscal Year 2016-17 Proposed Budget Deliberations held on April 27, 2016, LA Sanitation was asked to report back on a variety of issues related to climate change.

LASAN is recognized as a national leader in providing environmental services that address issues such as brownfields, solid resources management, resource conservation and recovery, water resources management and watershed protection. LASAN is also tasked with responsibilities related to climate change mitigation and adaptation and greenhouse gas emission (GHG) monitoring and reporting. LASAN develops the Community-wide and Municipal GHG Inventories in conjunction with the Mayor's Office.

- a) While there are limitations on how LASAN special funds can be used, LASAN may be able to provide assistance and share knowledge with the Department of neighborhood Empowerment and the Cool Blocks. LASAN can also review the workplans developed by the Cool Blocks to determine if any specific activities could be a compatible use of LASAN funds.
- b) Regarding the study of the financial impact of different levels of climate change to the City, LASAN special funds could be used for the portions of the study related to LASAN facilities and operations. Other special funds within the City could be used in a similar fashion for their sections of the study, as well as the Mobile Source Air Pollution Fund, cap and trade funds, and the General Fund.

LA Sanitation Question No. 126
FY 2016-17 Proposed Budget
2 of 2

A detailed description of activities that LASAN has undertaken related to climate change was presented to the Energy and Environment Committee on April 20, 2016 (attached -- CF#14-0907). These activities include:

- Developing a sustainable local water supply
- Deploying clean trucks, cars, and infrastructure
- Reducing vehicle miles travelled
- Implementing renewable energy projects
- Reducing, re-using, and recycling organic waste

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to discuss any of these items further, please feel free to contact myself or Lisa B. Mowery, LASAN's Chief Financial Officer at (213) 485-2210.

LBM/ECZ:lbn

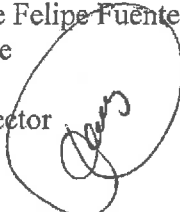
c: Members of the City Council
Ana Guerrero, Chief of Staff, Mayor's Office
Matt Szabo, Deputy Mayor, Mayor's Office
Barbara Romero, Deputy Mayor, Mayor's Office
Matt Crawford, Budget & Innovation, Mayor's Office
Greg Good, City Services, Mayor's Office
Kevin James, President, BPW
Heather Repenning, President Pro Tempore, BPW
Sharon Tso, CLA
Miguel A. Santana, CAO
Richard Williams, Office of the City Clerk
LASAN Executive Team

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: February 18, 2016

TO: Honorable City Council
c/o City Clerk, Room 395
Attention: Honorable Bob Blumenfield, Chair. Trade, Commerce, and
Technology Committee

Honorable Felipe Fuentes, Chair. Energy and Environment
Committee

FROM: Enrique C. Zaldivar, Director
LA Sanitation 

SUBJECT: CARBON DIOXIDE/GREENHOUSE GAS EMISSIONS/REDUCTIONS –
LA SANITATION ACTIONS TO REDUCE GREENHOUSE GAS
EMISSIONS BY 2050 AND STATUS UPDATE CITY OF LOS ANGELES
COMMUNITY GREENHOUSE GAS INVENTORY (CF#14-0907)

SUMMARY

The City of Los Angeles is committed to reducing greenhouse gas emissions. L.A. Sanitation (LASAN) as well as other City Departments have been instructed to report back to the Council on actions they can take to reduce the City's carbon dioxide and other greenhouse gas emissions.

RECOMMENDATION

That the City Council receive and file this report.

DISCUSSION

LASAN has long held the primary responsibility to collect, clean, and recycle solid and liquid waste generated by residential, commercial, and industrial customers in the City and contract cities in the Los Angeles region. In executing these responsibilities LASAN generates greenhouse gases and is taking action to reduce the amount of emissions in our region by 2050.

This report outlines the various ways in which LA Sanitation contributes to the City's overall efforts to reduce emissions.

LASAN is recognized as a national leader in providing environmental services that address issues such as brownfields, solid resources management, water resources management and watershed protection. LASAN is also tasked with responsibilities related to climate change mitigation and adaptation and greenhouse gas emission (GHG) monitoring and reporting.

We will continue to develop the Community-wide and Municipal GHG Inventories in conjunction with the Mayor's office and will share lessons learned and address obstacles identified in standardizing the municipal inventories with other cities in the U.S. via the Mayor's National Climate Action Agenda.

In 2015 we adopted a Strategic Plan that sets high goals for our utility which contribute to and build upon an overarching program of environmental sustainability. These efforts include the development of a sustainable local water supply which will reduce the demand for imported water, the deployment of clean trucks and vehicles and a reduction in the miles travelled to reduce air pollution and congestion, implementation of renewable energy projects to reduce the demand for fossil fuel energy, and increase the rate of recycling solid resources to conserve resources, reduce generation of GHG emissions and improve sustainability.

The 2015 Sustainable City pLAN identified high-impact measures to reduce greenhouse gas emissions over the long-term. LASAN partnered with the Mayor's office in developing these strategies many of which we have been implementing over the past ten years as we continue to reduce the utility's carbon footprint. This year we adopted the 2017 and 2025 Sustainability pLAN goals which serve as the blueprint of climate actions to reduce GHG emissions.

Key strategies for reducing GHG emissions include:

1. Reuse and capture more wastewater and stormwater to create a sustainable water supply and reduce reliance on imported water;
2. Deploy more clean trucks, cars and infrastructure including zero emission electric;
3. Reduce transportation emissions more by using smarter logistics decreasing vehicle miles travelled and trips and reducing congestion;
4. Implement more renewable energy projects to replace fossil fuel generated electricity for our wastewater treatment processes; and
5. Reduce, re-use and recycle more solid and organic waste to cut methane and other non-CO2 GHG emissions.

1. Develop Sustainable Local Water Supply

The City gets half of its water supply from imported water resources. Rising energy costs to move this water to Los Angeles is one of the reasons wholesale water rates have risen 75% in recent years. Increasingly this imported water is requiring higher levels of treatment to meet water quality expectations. The literature indicates that it takes more than twice the power to move water from Northern California than to recycle local wastewater using advanced water purification processes. LASAN is recycling water for reuse and has plans to significantly increase this production to augment local water supply thereby reducing the costs and the carbon emission generation related to the import of water. These efforts include the development of more stormwater capture.

Projects:

- Terminal Island Advanced Water Purification Facility Expansion. This project will expand and upgrade the Terminal Island Water Reclamation Plant to produce 10,000

acre-feet annually. By increasing capacity, this expansion project will provide enough water to supply the Dominguez Gap Barrier and replenish the water lost from evaporation at Machado Lake and provide various Harbor-area industrial users with recycled water.

- **Donald C. Tillman Advanced Water Purification Facility.** This project will construct full advanced water treatment and install infrastructure to get the water to Hansen and Pacoima spreading grounds. The project is designed to produce up to 30,000 acre-feet per year of recycled water for groundwater replenishment.
- **Machado Lake Wetlands and Water Multi-use Facility.** This project will capture, clean and use stormwater and recycle water using the wetlands and a bio-filter system. The water will be used for irrigation at the park and lake and other beneficial uses next to the lake. The project will increase water supply, improve water quality, and enhance habitat and the environment for healthy communities and neighborhoods. The project is designed to capture up to 10,000 acre-feet annually.

2. Deploy more Clean Trucks and Cars and Infrastructure

Use of clean fuels will slow the atmospheric buildup of carbon dioxide, a “greenhouse gas” that contributes to the potential for global warming. Clean fuels have a number of inherent properties that make them cleaner than conventional gasoline. In general, these fuels emit less hydrocarbons, and the hydrocarbons they do emit are less reactive (slower to form ozone) and less toxic. Clean fuels have benefits that reach beyond their air quality advantages. Employing a diversified fleet mix of clean fuels vehicles provides the advantage of ensuring reliable daily services and decreases dependence on imported oil.

Clean Fuel Program

LASAN continues to advance its clean fuel program to operate one of the largest municipal clean fuel solid resources collection fleets in the country with more than 700 heavy duty collection vehicles in service. LASAN has a goal to convert 100% of our solid resources collection fleet to clean fuel by 2017. In 2015, LASAN completed construction of a new clean natural gas fueling station at the West Los Angeles district yard.

Electric Vehicle Charging Stations

Plans are underway with the General Services Department to install 10 on-plant electric vehicle charging stations at the Hyperion Water Reclamation Plant. By creating more convenient charging station locations, we hope to further promote electric vehicle usage, thereby reducing emissions from fossil fueled cars. Other LASAN locations are being identified and assessed for these installations.

3. Reduce Vehicle Miles Travelled and Trips

LASAN employs two low carbon logistics strategies that also reduce congestion on our roadways. These low carbon logistics strategies use GPS fleet routing to improve fuel efficiency and reduce idle time which then lowers fuel usage and expenses. By optimizing route efficiencies, this program reduces miles traveled, engine hours and the number of trips which help to reduce costs. Reduced miles and hours also lowers maintenance and repairs and

minimizes vehicle downtime and replacement. Fewer miles driven, reduced idling time, and regularly scheduled maintenance extend the life of fleet vehicles.

San Star

This program utilizes a Global Positioning Satellite routing system for our collection truck drivers to map, guide and record their daily routes on a mobile application. This system inputs field requests from the 311 hotline to clear alleys, pick up bulky items, e-waste, and trash and automates route generation for the solid resource collection trucks. This system is an efficient method to address point-to-point and continuous routing solutions. This program is designed to reduce fuel and vehicle miles, GHG emissions, administrative costs, travel time, and increase customer satisfaction. SAN STAR is the first program to earn the Mayor's Civic Innovation Award.

Commercial Hauling Franchise

In 2014, the City established the Zero Waste L.A. Commercial and Multifamily Franchise System, which is scheduled to start 2017. LASAN identified eleven exclusive franchise zones. The Zero Waste L.A. Franchise System manages solid resources for the privately-serviced commercial and large multifamily customers in the City, and is designed to obtain a number of environmental goals. This program is designed to increase recycling, use clean fuel collection vehicles and employ efficient routing to reduce greenhouse gas emissions and enhance customer service.

4. Implement more renewable energy projects

The environmental and economic benefits of using renewable biogas energy include: generating electrical energy that produces no greenhouse gas emissions from fossil fuels and reduces some types of air pollution, transforms a waste product into a renewable resource; reduces amount of purchased electricity, reduces the demand on the electrical grid, and provides our facilities with the ability to continue operation in the event of local and regional power failures.

Hyperion Water Reclamation Plant - Self-Sustaining and Self-reliant.

The Digester Gas Utilization Project (DGUP) is a renewable biogas-to-energy project that is under construction with the goal of making this facility self-sufficient and sustaining in energy. For many years this facility has transformed wastes to be beneficially used as reclaimed water and biosolids for soil augmentation, and now it will use biogas as a renewable fuel to generate electricity and steam on-site. This project will install and operate a digester gas/natural gas-fueled combined cycle cogeneration system.

Additional environmental benefits of the DGUP project include: minimizing the use of flares as a methane disposal method, using a renewable fuel to reduce demand for fossil fuel electricity generation and reduce electrical demand on the local power grid.

This project implements several elements of the California Air Pollution Control Officer's Association statewide GHG mitigation strategies:

- Establish onsite renewable or carbon-neutral energy systems
- Utilize a combined heat and power system
- Establish methane recovery in wastewater treatment plants

5. Reduce, re-use and recycle solid and organic waste

Reducing the quantity of waste that is generated in the City will cut methane generation. In 2006, the City Council adopted the RENEW LA Plan which is the original blueprint to achieving zero waste in the City of Los Angeles by 2025. It has been amended several times to include additional stakeholder input. As a result of implementing this plan, a 2013 independent report concluded that Los Angeles diverts over 76% of waste from landfills making it a US leader. In April 2015, Mayor Garcetti released his Sustainable City pLAn which calls for implementing a waste franchise system to increase commercial recycling rates and expand commercial organics collection.

Currently, the City of Los Angeles is transitioning to the new waste and recycling system for all businesses and large apartment complexes. This franchise hauler program called Zero Waste LA is designed to increase the amount of material recycled, reduce street impacts, reduce air pollution and provide superior customer service at fair customer rates. Some of the program elements include: providing a blue bin at every customer site, building on existing organic waste separation and recycling programs; a phase-in of the City-wide organic diversion program; offering green waste collection to all multi-family customers; and includes landfill disposal reduction targets.

Community Greenhouse Gas Inventory Status

The City of Los Angeles updates its Community Wide GHG inventory on a recurrent basis. The most recently completed Community GHG inventory provides a snapshot of the sources and magnitude of emissions from the City of Los Angeles for the year 2013. This inventory identified the sectors, sources, and activities within the City that are contributing GHG emissions to establish a basis for developing an action plan. It is an established practice that the City makes periodic updates to the inventory to include the availability of new data and emission factors as well as changes in inventory methodology and guidance from International Council for Local Environmental Initiatives or other sources. This inventory is an accounting of GHGs emitted to or removed from the atmosphere over a period of time. Policy makers may use these inventories to track emission trends, develop mitigation strategies and policies, and assess progress in reducing the carbon footprint.

Conduct Greenhouse Gas Inventory Audit and Verification

The City has employed a third-party audit to assure the environmental integrity of these reports. This third-party verification of reported GHG emissions will assess conformance and completeness of reported data and review of the methodologies.

The verification review of the Los Angeles 1990 community-wide baseline inventory data has been completed using the Global Protocol for Community-Scale Greenhouse Gas Emissions Inventories (GPC). The GPC was released in 2014, and is an internationally recognized GHG accounting and reporting standard for cities (and is a required standard for signatories to the Compact of Mayors to use).

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BUREAU OF ENGINEERING – BUDGET LETTER REQUESTS**

During its consideration of the Bureau of Engineering's (Bureau) 2016-17 Proposed Budget, the Budget and Finance Committee requested that this Office report back on the costs to add funding for the position authorities requested in the Bureau's letter to the Committee, including applicable funding sources or fee revenue available to offset the costs of the positions.

The Bureau requests unfunded resolution authority for one Civil Engineer to assist with the Potrero Canyon Park project. The Proposed Budget provides one unfunded Civil Engineering Associate II for this purpose. Funding for one Civil Engineer for work performed on the Potrero Canyon project is available through the Potrero Canyon Trust Fund. Funding would be provided through 2016-17 Construction Projects Reports for the actual costs of the position. The maximum estimated reimbursement for this position would be \$174,107, inclusive of \$124,317 in Salaries General and \$49,790 in Related Costs.

The Bureau requests unfunded resolution authority for one Civil Engineer position to assist with the Department of Transportation (DOT) Bus Maintenance Facility project. The Proposed Budget provides one unfunded Civil Engineering Associate II for this purpose. The DOT Bus Maintenance Facility project is funded through \$35 million in various Federal Grant Funds and Proposition A funds. Staff costs for this project will likely be funded through Proposition A. However, this Office is projecting that a structural deficit in the fund will materialize in Fiscal Year 2019-20. The maximum estimated reimbursement for this position would be \$174,107, inclusive of \$124,317 in Salaries General and \$49,790 in Related Costs.

The Bureau requests one Senior Civil Engineer to assist with the Build LA initiative. Using the Bureau's new salary savings rate that is included in the Mayor's Proposed Budget, the cost of the position would be \$200,931, inclusive of \$145,031 in Salaries General and \$55,900 in Related Costs. The position would be funded through fee-supported activities at the Bureau's public counters, thereby offsetting the General Fund cost of the position.

FISCAL IMPACT STATEMENT

There will be no additional impact to the General Fund if the Bureau's two Civil Engineer positions are added to the budget. These positions would be included as unfunded resolution authorities and reimbursed by special funds throughout the year. The maximum estimated reimbursement for each authority would be \$174,107 per position, inclusive of \$124,317 in Salaries General and \$49,790 in Related Costs.

There will be an additional \$200,931 impact to the General Fund if the Bureau's requested Build LA position is added to the budget. Should this item be funded, offsetting General Fund revenues would need to be added to the Bureau's proposed permit revenue budget.

MAS:EMM:06160136

Question No. 110

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BOARD OF PUBLIC WORKS – INCREASE IN GRAFFITI AND POTENTIAL IMPROVEMENT IN GRAFFITI ABATEMENT RESPONSE TIME**

During its consideration of the Board of Public Works' (Board) 2016-17 Proposed Budget, the Budget and Finance Committee requested the Board to report on whether graffiti has been increasing, reasons for the decrease in the percentage of graffiti removal requests completed within 48 hours, and options to potentially address the issue. The Board's response is attached.

The Board reports that graffiti removal requests have increased by approximately 55,000, from 86,000 in 2010-11 to an estimated amount of 141,000 requests in 2015-16. In comparison, funding for graffiti abatement has remained relatively flat during this same period where demand for graffiti abatement has increased. The Board references this issue as the cause for the decrease in the percentage of graffiti removal requests completed within 48 hours.

The Board recommends the addition of \$1.5 million for additional graffiti abatement services which would fund 13 new Strike Teams, as well as an Anti-Graffiti Educational Outreach Program. Should this be funded, this Office recommends that these additional Strike Teams be utilized to further increase the proactive removal of graffiti in the City, which would in turn reduce the amount of graffiti abatement performed in response to service requests. If proactive graffiti abatement is increased, the existing performance metric for graffiti abatement should be further evaluated to determine the most appropriate measure of service. The Board also recommends reducing the one-time General Fund salary savings in the Proposed Budget from \$403,000 to \$200,000 to eliminate the likelihood of not backfilling vacant positions that support graffiti abatement, as well as other programs.

FISCAL IMPACT STATEMENT

The General Fund impact of increasing graffiti abatement services as recommended by the Board is \$1,500,000. There is an additional General Fund impact of \$203,000 to reduce the one-time General Fund salary savings in the Proposed Budget. Should this be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:REM:06160138

Question No. 162

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

C.F. 16-0600

TO: Honorable Paul Krekorian, Chair
Budget and Finance CommitteeMiguel Santana, City Administrative Officer
Office of the City Administrative OfficerFROM: Kevin James, President
Board of Public Works

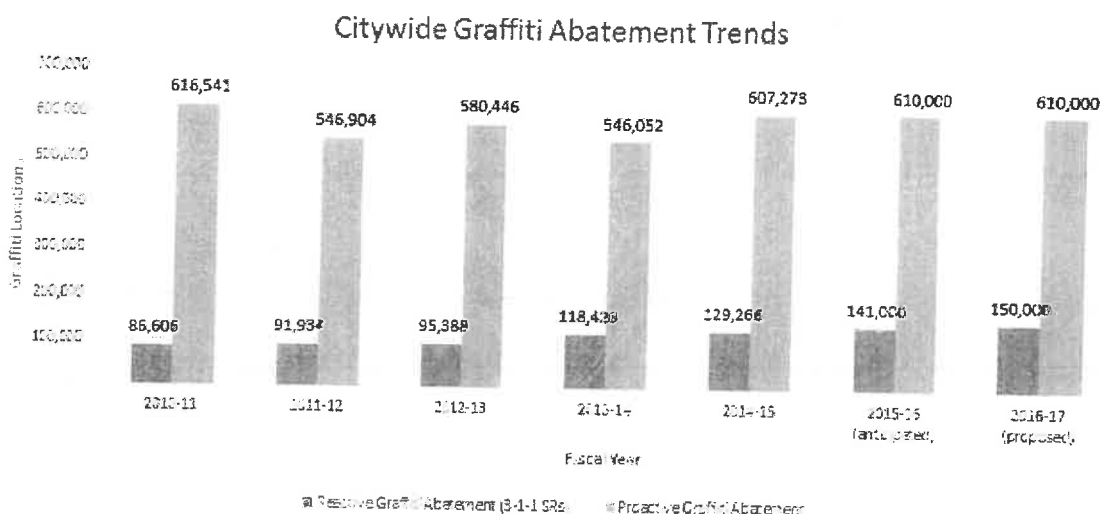
**SUBJECT: BOARD OF PUBLIC WORKS – BUDGET MEMO QUESTION 162
GRAFFITI ABATEMENT METRICS AND FUNDING OPTIONS**

During its consideration of the Board of Public Works (BPW's) proposed budget for Fiscal Year (FY) 2016-17, the Budget and Finance Committee requested a report back on (1) whether or not graffiti has increased; (2) why the percent of graffiti removal service requests completed in 48 hours has decreased, and (3) other options to address graffiti abatement and if additional funding is necessary.

Is Graffiti On the Rise? - Quantifying the amount of graffiti at any point-in-time is difficult due to the fluid nature of when, where, and how much graffiti is placed on public and private property throughout the City of Los Angeles. However, based on observations made from the City's 13 Graffiti Abatement Community Based Organizations, the general consensus from the field is that *Graffiti is on the rise*. The primary observation is due to increased gang activity (i.e. gang related graffiti). This increase in graffiti is not only observed visually when driving through City neighborhoods, but also supported by the increase in service requests received. Thanks to new technologies deployed and used by the City, reporting graffiti has become more accessible and user friendly (i.e. Calling 3-1-1 or using MyLA311 Website or Mobile Application). Within the past seven (7) years, the number of graffiti removal service requests has increased by approximately 55,000 requests; from approximately 86,000 in Fiscal Year 2010-11 to approximately 129,000 during Fiscal Year 2014-15.

<i>Fiscal Year</i>	<i>2010-11</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>	<i>2014-15</i>	<i>2015-16</i>	<i>2016-17</i>
<i>No. of Community Requests Serviced (SR)</i>	86,606	91,934	95,388	118,428	129,266	141,000	150,000
<i>Percent Change From Prior Year</i>	-	6%	4%	24%	9%	9%	6%
<i>48 Hour Closeout Rate</i>	74%	73%	69%	77%	67%	66%	65%
<i>No. of Locations Graffiti Removed</i>	616,541	546,904	580,446	546,052	607,273	610,000	610,000

Decreased in 48 Hour Service Close-Outs: The number of completed service requests (SRs) within 48 hours has decreased by approximately 8%, from 74% in Fiscal Year 2009-10 to 67% in Fiscal Year 2014-15 (see graph below). However, the total amount of SRs has increased by approximately 57% during the same time period (see chart above). The primary reason for this drop in completion time is because the number of abatement crews has remained flat, while the number of service requests has increased substantially.



Approximately 75% of the graffiti removed citywide is done proactively, meaning that service crews abate the graffiti without a service request being submitted. Additionally, the adopted graffiti abatement funding amount has remained relatively flat between Fiscal Years 2009-10 through 2015-16 at approximately \$7.7 million with some additional funding provided throughout the fiscal year at about \$1 million to \$1.5 million. The 2016-17 proposed budget regularizes the additional funding for an aggregate contractual services total of approximately \$8.7 million, making funding relatively flat (or no increase from prior levels) albeit service demands are on the rise.

The decrease is exacerbated also by the inability to back-fill much needed positions due to salary savings and one-time salary reductions. For example, the 2016-17 proposed budget anticipates a reduction of nearly \$450,000 in these categories. This equates to approximately 6 to 8 general funded positions, which primarily impacts the Office of Community Beautification (graffiti support) and Office of Accounting (graffiti contractor payments, other vendor payments, B and U-Permit revenues, etc.) within the Board. This limited personnel trend will continue in the upcoming year unless funding is restored.

Furthermore, the location of graffiti and/or the unusual circumstance of the report graffiti can cause delays in addressing the graffiti removal request. For example, some graffiti abatement requests are located on murals or on high elevation locations, which require

evaluation, special equipment and field experts to effectively complete the work. This process can be laborious, thus postponing the service request past the 48 hour desired metric.

Recently, the Office of Community Beautification conducted some general research on the budgetary impacts of graffiti not only within the City, but also in some of the surrounding areas. Based on the information gathered, when compared to these surrounding cities and the amount spent on graffiti, the City of Los Angeles displayed high levels of cost efficiency. On average, most cities spend around 60 cents per square foot removing graffiti while Los Angeles spends approximately 20 cents per square foot removing graffiti, even as the service request levels continue to rise.

Other Graffiti Abatement Options:

(1) Service Request Strike Teams

In order to offset this slow, yet downward service request close-out trend, the creation and funding of strike force crews, one within each of the 13 graffiti abatement contractors, is desired. These crews would be in addition to the current staffing levels of the contractors and will focus strictly on responding to service requests and not proactive graffiti abatement. Non-strike teams or crews will continue proactive abatement. This option provides a dedicated crew (strike team) that would supplement current service delivery, and would create an estimated 13 new graffiti removal jobs, while also providing a dedicated resource to our contractors to focus on improving the City's graffiti abatement metrics – restoring them back to at least 2009-10 levels or better. Based on preliminary cost estimates received from our current contractors, the cost of creating and funding the proposed strike teams (crews) of at least one crew per contractor coverage area may range between \$80,000 to \$120,000 or an average of \$100,000 per contractor. The total proposed amount to fund this option is \$1.3 million per year.

(2) Anti-Graffiti Educational Program

In prior years (before the Great Recession), the Office of Community Beautification implemented an anti-graffiti educational program that was effective and targeted LAUSD students. This Educational Outreach Program was greatly welcomed by the community and highly-sought after by various community organizations, including schools, churches, youth clubs, and non-profits. Over 250 anti-graffiti assemblies were presented each year, aimed at elementary and middle school students. Reintroducing such preventative anti-graffiti programs would yield positive results that are tangible and noticeable in the community. In order to re-launch and initiate this component, the proposed anti-graffiti educational program is expected to cost approximately \$200,000.

Recommendation

The Board of Public Works respectfully requests that the Budget and Finance Committee consider:

- (1) Funding an additional amount of \$1.5 million for Graffiti Abatement Contractual Services (\$1.3 million to fund 13 new Strike Teams (Crews) and \$200,000 to fund an Anti-Graffiti Educational Outreach Program); and
- (2) Reducing One-Time Salary Savings from \$403,000 to \$200,000 to eliminate the likelihood of not backfilling vacant positions that support Graffiti Abatement and collection of revenues, including making payments to the City's graffiti contractors (community based organizations).

For further information, contact me at 213-978-0251 or our Budget Coordinator, Teri Schmidt, at 213-978-0256.

Cc: Matt Szabo, Deputy Mayor, Mayor's Office
Greg Good, Director, Mayor's Office
Sharon Tso, Chief Legislative Analyst
David Hirano and Raoul Mendoza, CAO's Office

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BOARD OF PUBLIC WORKS – INCREASE IN GRAFFITI AND POTENTIAL IMPROVEMENT IN GRAFFITI ABATEMENT RESPONSE TIME**

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INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

C.F. 16-0600

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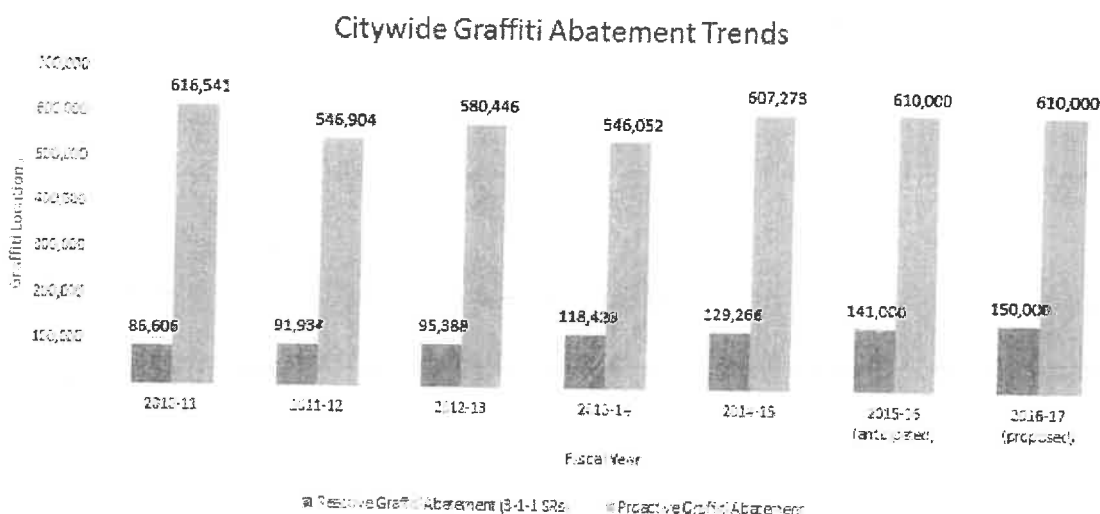
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The decrease is exacerbated also by the inability to back-fill much needed positions due to salary savings and one-time salary reductions. For example, the 2016-17 proposed budget anticipates a reduction of nearly \$450,000 in these categories. This equates to approximately 6 to 8 general funded positions, which primarily impacts the Office of Community Beautification (graffiti support) and Office of Accounting (graffiti contractor payments, other vendor payments, B and U-Permit revenues, etc.) within the Board. This limited personnel trend will continue in the upcoming year unless funding is restored.

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Other Graffiti Abatement Options:

(1) Service Request Strike Teams

In order to offset this slow, yet downward service request close-out trend, the creation and funding of strike force crews, one within each of the 13 graffiti abatement contractors, is desired. These crews would be in addition to the current staffing levels of the contractors and will focus strictly on responding to service requests and not proactive graffiti abatement. Non-strike teams or crews will continue proactive abatement. This option provides a dedicated crew (strike team) that would supplement current service delivery, and would create an estimated 13 new graffiti removal jobs, while also providing a dedicated resource to our contractors to focus on improving the City's graffiti abatement metrics – restoring them back to at least 2009-10 levels or better. Based on preliminary cost estimates received from our current contractors, the cost of creating and funding the proposed strike teams (crews) of at least one crew per contractor coverage area may range between \$80,000 to \$120,000 or an average of \$100,000 per contractor. The total proposed amount to fund this option is \$1.3 million per year.

(2) Anti-Graffiti Educational Program

In prior years (before the Great Recession), the Office of Community Beautification implemented an anti-graffiti educational program that was effective and targeted LAUSD students. This Educational Outreach Program was greatly welcomed by the community and highly-sought after by various community organizations, including schools, churches, youth clubs, and non-profits. Over 250 anti-graffiti assemblies were presented each year, aimed at elementary and middle school students. Reintroducing such preventative anti-graffiti programs would yield positive results that are tangible and noticeable in the community. In order to re-launch and initiate this component, the proposed anti-graffiti educational program is expected to cost approximately \$200,000.

Recommendation

The Board of Public Works respectfully requests that the Budget and Finance Committee consider:

- (1) Funding an additional amount of \$1.5 million for Graffiti Abatement Contractual Services (\$1.3 million to fund 13 new Strike Teams (Crews) and \$200,000 to fund an Anti-Graffiti Educational Outreach Program); and
- (2) Reducing One-Time Salary Savings from \$403,000 to \$200,000 to eliminate the likelihood of not backfilling vacant positions that support Graffiti Abatement and collection of revenues, including making payments to the City's graffiti contractors (community based organizations).

For further information, contact me at 213-978-0251 or our Budget Coordinator, Teri Schmidt, at 213-978-0256.

Cc: Matt Szabo, Deputy Mayor, Mayor's Office
Greg Good, Director, Mayor's Office
Sharon Tso, Chief Legislative Analyst
David Hirano and Raoul Mendoza, CAO's Office

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **BUREAU OF STREET SERVICES – WEST NILE VIRUS MITIGATION PROGRAM**

The Budget and Finance Committee requested a report back on the resources needed to repair curbs and gutters in order to mitigate the West Nile Virus. Attached is the Bureau’s response.

The Bureau’s memorandum estimates full year cost for two crews (14 positions) to remove and replace off-grade gutters to improve the drainage flow of water at \$1.5 million (direct cost). This amount reflects full year funding for positions and expenses (direct costs only). The Bureau’s Proposed Budget request submitted to the Mayor, requested Stormwater Pollution Abatement (SPA) funding for this purpose. However, the SPA Fund faces a structural deficit and receives a General Fund subsidy for related cost obligations. Therefore, any additional SPA appropriation will reduce the amount of available SPA funds available to pay for related cost reimbursements and will increase the General Fund subsidy for related costs.

Should the Committee approve this item, it is recommended that only six months funding be provided to account for the time it will take to hire staff. Also, the General Fund would have to provide funds, given that SPA funds have already been fully allocated. Six months funding for two crews is as follows:

West Nile Virus Mitigation Program

Positions:

Quantity	Class Title	Class Code	Wages & Count Salary	Salary Savings Rate (%)	Number of Months Funding Requested	Net Salary
2	MAINTENANCE LABORER	3112	\$ 53,035	8.0%	6	\$ 48,792
2	MAINT & CONSTR HELPER	3115	\$ 54,771	8.0%	6	\$ 50,389
2	CEMENT FINISHER WORKER	3351	\$ 65,506	8.0%	6	\$ 60,266
2	CEMENT FINISHER	3353	\$ 76,196	8.0%	6	\$ 70,101
2	EQUIPMNT OPERATOR	3525	\$ 93,317	8.0%	6	\$ 85,851
2	HEAVY DUTY TRUCK OPER	3584	\$ 68,925	8.0%	6	\$ 63,411
2	ST SVCS SUPVR I	4152	\$ 98,572	8.0%	6	\$ 90,687
14	TOTALS					\$ 469,497

Budget:

Acct	Account Name	TOTAL
001010	Salaries General	\$ 469,497
001090	Salaries Overtime	\$ 52,500
002120	Printing and Binding	\$ 1,400
003030	Construction Expense	\$ 62,500
003040	Contractual Services	\$ 65,000
003090	Field Equipment Expense	\$ 9,800
003310	Transportation	\$ 42,000
004430	Uniforms	\$ 2,009
006010	Office and Admin	\$ 5,500
006020	Operating Supplies	\$ 4,900
TOTAL DIRECT COSTS:		\$ 715,106
Indirect Cost - Pension/Health (Add/Delete Rate):		\$ 322,126
Total Direct & Indirect Costs:		\$ 1,037,231

FISCAL IMPACT STATEMENT

The total General Fund cost for the West Nile Mitigation Program is \$1,037,231 for six months. This includes \$715,106 for direct costs and \$322,126 for indirect costs. Should this request be funded, offsetting General Fund appropriations or revenues will need to be identified.

MAS:SMS:06160159C

Question No.159
Attachment

CITY OF LOS ANGELES
 INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Budget and Finance Committee

FROM: Nazario Saucedo, Director
 Bureau of Street Services

SUBJECT: **2016-17 BUDGET MEMO – QUESTION NO. 159**
WEST NILE VIRUS MITIGATION PROGRAM

The Budget and Finance (B&F) Committee instructed the Bureau of Street Services (BSS) to report on the funding and position authorities required to repair curbs and gutters in order to mitigate the West Nile Virus.

As referenced in the 2016-17 BSS Proposed Budget submitted to the Mayor, the BSS proposed two crews to remove and replace off-grade gutters to improve the drainage flow of water ponding situations, thereby abating the conditions for breeding of West Nile Virus carrying mosquitos. The goal of the West Nile Virus Mitigation Program is to repair 25 linear feet of curb and gutter per day.

The BSS requests the following 14 position authorities and associated expenses to implement the proposed West Nile Virus Mitigation Program, with a direct cost of approximately \$1.5 million:

No.	Classification	Class Code
2	Maintenance Laborer	3112
2	Maintenance & Construction Laborer	3115
2	Cement Finisher Worker	3351
2	Cement Finisher	3353
2	Equipment Operator	3525
2	Heavy Duty Truck Operator	3584
2	Street Services Supervisor I	4152-1

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BUREAU OF ENGINEERING – NEW MOBILITY PLAN PERMIT PROCESSING**

Attached is a memorandum from the Bureau of Engineering dated May 2, 2016, addressing the Committee's request for a report back on the staffing and funding necessary reconciling street standards for the new Mobility Plan.

The Bureau's memorandum estimates that two Civil Engineering Associate III positions would adequately meet the Bureau's needs for reconciliation of previously approved B-Permits with updated street standards per the new Mobility Plan at a cost of \$171,815 in direct costs. Using the Bureau's new four percent salary savings rate that is included in the Mayor's Proposed Budget, this Office has estimated the cost as follows:

Classification	Count	Direct Cost	Indirect	Total
Civil Engineering Associate III	2	\$170,044	\$76,395	\$246,439

FISCAL IMPACT STATEMENT

A direct appropriation of \$170,044 from the General Fund will be required to provide funding for the additional permit support positions. Related costs are \$76,395 for a total cost of \$246,439. Should this item be funded, a corresponding increase in projected Development Services Revenues can be added to offset the cost of the positions.

MAS:EMM:06160154

Question No. 113

Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: May 2, 2016

To: Miguel A. Santana, City Administrative Officer
Office of the City Administrative Officer

Attn: Elyse Matson



From: Gary Lee Moore, PE, ENV SP, City Engineer
Bureau of Engineering

Subject: Budget and Finance Committee Question No. 113

The Budget and Finance Committee, during its April 27, 2016 hearing on the Mayor's fiscal year (FY) 2016-17 Proposed Budget, requested that the Bureau of Engineering (ENGINEERING) report back on the process for the reconciliation of the old and new street standards relative to the new Mobility Plan. The Committee also requested ENGINEERING to provide information on the resources, including positions and costs, for the process of reconciling the street standards, and the anticipated time frame for ENGINEERING to review the plans under the new process.

ENGINEERING anticipates developers will be requesting reconsideration of previously approved B-Permit requirements where street widening requirements have been reduced under the new Mobility Plan standards. ENGINEERING staff, at the level of a Civil Engineering Associate (CEA) III, would be expected to work on these previously approved B-Permits to reconcile the updated street standards per the new Mobility Plan. It is uncertain how many developers will request reconsideration of their approved B-Permits. However, since ENGINEERING'S Development Services Program (DSP) has been approving over 300 B-Permits per FY in recent years, the estimated resources needed for this reconciliation process would be two CEA III positions, class code 7246-3, for FY 2016-17. Nine-months funding for the fully fee supported CEA III positions would be \$171,815, with the DSP revenues generated from this reconciliation process offsetting the front-funding provided.

If there is any additional information required, please contact me at (213) 485-4935.

cc: Barbara Romero, Office of the Mayor
Matt Szabo, Office of the Mayor
Matt Crawford, Office of the Mayor
Greg B. Good, Office of the Mayor
Ted Bardacke, Office of the Mayor
Kevin James, Board of Public Works
Joel F. Jacinto, Board of Public Works
Sharon Tso, Office of the Chief Legislative Analyst

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 44

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **BUREAU OF ENGINEERING – SUCCESSION PLANNING AND INTERNS**

Attached is a memorandum from the Bureau of Engineering dated May 2, 2016, addressing the Committee's request for a report back on the Bureau's succession strategy and the need for additional interns.

The Bureau's memorandum requests 30 as-needed authorities including Student Engineers, Student Architects, and Administrative Interns. As-needed authorities are authorized by classification to be employed in such numbers as required by workload and therefore position counts are not necessary. The Bureau's memorandum does not request additional funding for these positions. The Bureau would use salary savings from retirement and attrition to fund these authorities. According to the plan detailed in the Bureau's memorandum, the maximum potential savings that would need to be identified is \$1.2 million. Funding source allocation will be dependent upon which vacant positions the Bureau uses to fund the as-needed authorities.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. The maximum potential cost of the request is \$1.2 million across all funding sources and the Bureau is proposing to use salary savings to fund this request.

MAS:EMM:06160153

Question No. 104


Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: May 2, 2016

To: Miguel A. Santana, City Administrative Officer
Office of the City Administrative Officer

Attn: Elyse Matson


Gary Lee Moore, PE, ENV SP, City Engineer
Bureau of Engineering

From: Gary Lee Moore, PE, ENV SP, City Engineer
Bureau of Engineering

Subject: Budget and Finance Committee Question No. 104

The Budget and Finance Committee, during its April 27, 2016 hearing on the Mayor's fiscal year (FY) 2016-17 Proposed Budget, requested that the Bureau of Engineering (ENGINEERING) report back on its succession strategy and the need for more interns.

ENGINEERING currently utilizes interns on an intermittent basis, based on funding availability. Student Engineer, Student Architect, and Administrative Intern are currently the three classifications utilized in ENGINEERING to provide internship opportunities to students majoring in Engineering and Architecture as well as students who have recently graduated with a four-year degree. In compliance with Executive Directive No. 11 regarding Gender Equity in City Operations, internships provide an opportunity for even greater diversity within ENGINEERING. Adding a minimum of 30 as-needed positions, 10 Student Engineer (Class Code 7203), 10 Student Architect (Class Code 7921), and 10 Administrative Intern (Class Code 1535) in the 2016-17 Proposed Budget would assist ENGINEERING in increasing the number of interns it can hire next FY. Increasing the number of interns available to ENGINEERING would also be a part of our succession plan as interns will assist in reducing the impacts caused by anticipated retirements and attrition.

As for a succession strategy, ENGINEERING has been working closely with the Personnel Department since September 2015 on completing its portion of the citywide workforce planning program. The Personnel Department is currently completing a draft workforce planning report for ENGINEERING that will provide the necessary data and succession strategy to better predict and plan for anticipated vacancies, thereby providing ENGINEERING the opportunity to fill its vacant positions in a timelier manner.

If there is any additional information required, please contact me at (213) 485-4935.

cc: Barbara Romero, Office of the Mayor
Matt Szabo, Office of the Mayor
Matt Crawford, Office of the Mayor
Greg B. Good, Office of the Mayor
Ted Bardacke, Office of the Mayor
Kevin James, Board of Public Works
Joel F. Jacinto, Board of Public Works
Sharon Tso, Office of the Chief Legislative Analyst


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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT ON DISABILITY – REPORT ON REQUESTS CONTAINED IN THE DEPARTMENT’S LETTER**

During its consideration of the Department on Disability’s (Disability) 2016-17 Proposed Budget, the Budget and Finance Committee (Committee) requested a report from the Office of the City Administrative Office (CAO) on all four requests included in Disability’s letter to the Committee.

Summary of Disability’s requests:

Request	Amount Requested	Notes
AIDS Coordinator’s Office Expense Funding	\$86,784	Requested for only \$4,835 in the budget request to the Mayor
Section 508 of the Rehabilitation Act Remediation Team	\$96,749	Information Technology Agency provided funds and the City Clerk one position in 2016-17 for Section 508 Compliance.
Adjustment of Classification for Sidewalk Repair and Small Business Liaison	\$16,662	Senior Project Coordinator salary level is commensurate with other public entity positions with CASp certification requirements
Staff Training and Travel	\$20,400	No new travel related funding was provided to any department in the 2016-17 Proposed Budget
Total	\$220,595	

AIDS Coordinator’s Office (ACO) Expense Funding (\$86,784)

Disability’s budget submission to the Mayor only included a request for \$4,835 in ACO expense funding.

The Mayor’s Proposed Budget provided a General Fund appropriation in the amount of \$672,584 to offset the reduction in Community Development Block Grant (CDBG) through the Consolidated Plan. The General Fund appropriation provides the following:

- HIV Prevention Services Contracts (\$374,305) – Services include syringe collection and disposal, HIV/AIDS education among targeted communities, and treatment and intervention programs was provided.
- AIDS Coordinator’s Office (\$298,279) – Funding for salaries (\$292,542) for four positions and partial funding for the AIDS Coordinator’s salary and expenses (\$5,737)

In 2014-15, Disability's actual ACO expense funding totaled \$51,400 which included \$4,800 in AIDS related training and advocacy related travel expenses, \$46,000 in technical grants, and \$600 in ACO related supplies. Technical grants are separate from the HIV Prevention Services contracts. In 2015-16, Disability's actual ACO expense funding to date totals \$53,500 which included \$3,900 in AIDS related training and advocacy related travel expenses, \$43,000 in technical grants, and \$6,600 in ACO related supplies. Disability's 2016-17 budget submission to the Mayor requested for \$4,835 in ACO expense funding, and was provided \$5,737 in funding.

Disability has previously awarded technical grants to HIV/AIDS related service providers for purchasing materials for a planning retreat, funding training sessions, funding studies to determine correlation of sex trafficking with HIV, or hire consultants to plan a service provider event.

Section 508 Remediation Team and Compliance Resource (\$96,749)

The Department's Proposed Budget included a request for two Management Analyst I positions to assist with the remediation of City documents currently online to ensure that the documents are in a format accessible to the disabled community consistent with the requirements of Section 508 of the Rehabilitation Act.

The responsibility to remediate existing documents should remain with the City departments that produce the documents rather than being centralized within Disability. Providing City departments with the training to create and remediate documents would enable a greater number of staff to work towards bringing the City into Section 508 compliance. It should be noted that the Information Technology Agency was funded in the amount of \$132,000 to develop and maintain City websites to comply with Section 508 accessibility standards. In addition, the Office of the City Clerk was also provided with a Senior Management Analyst position whose duties include ensuring accessibility of the City Clerk's website and documents posted through the Council File Management System.

Adjustment of Classification for Sidewalk Repair and Small Business Liaison (\$16,662)

The Department's Proposed Budget requested for the continuation of the Project Coordinator resolution authority position added in 2015-16 to serve as a Sidewalk Repair Program and Small Business liaison.

The Department began recruitment for the Project Coordinator position in December 2015 and has not received any candidates with a Certified Access Specialist certification. A similar job posting for a Los Angeles Unified School District position offers a salary range that is closer to the level of a Senior Project Coordinator. Changing the classification from a Project Coordinator to a Senior Project Coordinator may assist Disability in attracting a more qualified candidate pool. Deletion of the proposed Project Coordinator and addition of a new Senior Project Coordinator resolution authority position will require an additional appropriation of \$10,760 in direct cost and \$3,191 in indirect cost.

Staff Development Training and Related Travel (\$20,400)

The Department's Proposed Budget requested \$20,400 for staff development training and travel related expenses.

The Mayor's 2016-17 Proposed Budget did not fund any new travel related requests for any department. Departments historically absorb the cost of travelling with the Department's surplus funds. In 2015-16, Disability used the People with Disabilities Trust Fund (Trust Fund) for training and related travel expenses.

FISCAL IMPACT STATEMENT

A General Fund appropriation of \$220,595 will be required to provide funding for all four of the Department's request. If a General Fund appropriation is provided, offsetting General Fund revenues or appropriations will need to be identified.

MAS:LGC:08160091

Question No. 226

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **CITY ATTORNEY – FORECLOSURE REGISTRY PROGRAM POSITIONS**

During its consideration of the City Attorney’s 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on potential funding sources for the Foreclosure Registry Program positions.

On March 16, 2016, the Housing Committee forwarded to Council for consideration position authority for one Deputy City Attorney III and one Paralegal I in the City Attorney’s Office to support the Foreclosure Registry Program (C.F. 12-0647-S6). Council approved interim authority for these positions for 2015-16 and for 2016-17 on March 29, 2016. However, a funding source was not identified for these positions.

In the same Housing Committee report, the Housing and Community Investment Department (HCID) was authorized position authority for six positions to support the Foreclosure Registry Program (FRP), to be funded by the FRP Fund fees. The FRP Fund is used to support the FRP, which serves to prevent blight by ensuring that mortgage lenders maintain foreclosed properties located within the City. The City Attorney FRP positions will assist HCID with fee and penalty enforcement and negotiation with lenders. The salary costs are an eligible expenditure of the FRP fund, and the costs can be fully supported by the fees as a component of the FRP.

Appropriations of FRP funding for one Deputy City Attorney III and one Paralegal I position to the City Attorney budget requires Council approval and can be accomplished through the 2016-17 budget process, within a subsequent Financial Status Report, or under a separate report.

FISCAL IMPACT STATEMENT

There is no fiscal impact to the General Fund as sufficient funds are available from the Foreclosure Registry Program Fund to support the costs of one Deputy City Attorney III and one Paralegal I provided in the City Attorney’s Office for the Foreclosure Registry Program. The total full year costs for one Deputy City Attorney III and one Paralegal I is \$349,542, consisting of \$208,532 in direct costs and \$141,010 in related costs.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BUREAU OF STREET SERVICES – SERVICE COORDINATOR**

The Budget and Finance Committee requested a report back on the costs and benefits of adding an exempt Service Coordinator position to the Bureau of Street Services. The Bureau's response is attached.

The Bureau is currently authorized one Service Coordinator. This position is currently filled, and is the only Service Coordinator position in the entire City. The Bureau's memo does not address how the duties and workload will be different from the existing Service Coordinator, or quantify how the addition of this position will improve the Bureau's ability to respond to media and constituent requests. It is recommended that the Bureau report back with additional information regarding the workload of this position and how the addition of this position will impact the Bureau's metrics.

Lastly, the Bureau is proposing to absorb the cost of the requested Service Coordinator position in perpetuity by holding positions vacant. As this would be an on-going position, it is recommended that the Bureau identify vacant positions to delete to fully offset the ongoing cost of this addition.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund in Fiscal Year 2016-17, if the Committee adds this new position without funding or requests the Bureau to an equivalent dollar value of General Fund positions to fully offset the cost.

MAS:SMS:06160159C

Question No.156
Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Budget and Finance Committee

FROM: Nazario Saucedo, Director
Bureau of Street Services

SUBJECT: **2016-17 BUDGET MEMO – QUESTION NO. 156**
SERVICE COORDINATOR

The Budget and Finance (B&F) Committee instructed the Bureau of Street Services (BSS) to report on the costs and benefits of adding an exempt Service Coordinator position to act as a liaison to the Council and Mayor. In addition, the BSS was requested to include potential sources of funding for the position.

The exempt Service Coordinator position (Class Code 0883) will act as a liaison to the Council and Mayor. In addition, this position will improve the Bureau's ability to respond to the numerous media and constituent requests for information that are received on a daily basis, as well as support the BSS social media effort. The duties of the Service Coordinator extend beyond transmitting information and includes researching and analyzing records from multiple data sources, and attending night and weekend community meetings to address concerns relating to BSS service delivery.

The salary range for a Service Coordinator is \$82,476 to \$120,582. The BSS proposes to absorb the cost of the Service Coordinator position in perpetuity by holding positions vacant.

NS:JFC:RL:GS:VPV:ce

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BOARD OF PUBLIC WORKS – PETROLEUM ADMINISTRATION AND PETROLEUM EXPERT FUNCTIONS**

During its consideration of the Board of Public Works' 2016-17 Proposed Budget, the Budget and Finance Committee requested the Board of Public Works (Board) to report on the Petroleum Administration function, a separate Petroleum Expert position, the appropriate department for the placement of these functions, and whether either of those would address methane emissions. The Board's response is attached.

On April 1, 2015, a motion was introduced instructing the Chief Legislative Analyst (CLA) to hire an expert in petroleum and natural gas (P/NG) (C.F. 15-0387). On August 19, 2015, the Energy and Environment Committee considered the motion and instructed the CLA and City Administrative Officer (CAO) to work with departments and report back on resources needed for the P/NG administration throughout the City. Subsequent to that meeting, on February 25, 2016, Council adopted a motion instructing the CAO to report on how best to institutionalize the Petroleum Administration function (C.F. 16-0129).

On April 14, 2016, the CLA and CAO released a joint report with recommendations on the implementation of P/NG functions in the City. The report recommends that the Board first hire a Principal Project Coordinator as the City's Petroleum Administrator, then report back to Council within 90 days on the necessary resources to effectively establish a P/NG Administration and Safety Office within the Board. The report also recommends utilizing the Bureau of Engineering's pre-qualified on-call list of geotechnical and environmental engineering consultants for as-needed technical expertise. It should be noted that the proposed scope and qualifications for the Petroleum Administrator also includes a working knowledge of the Building and Safety Methane Ordinance and oversight of methane gas mitigation in the City. Additional technical expertise related to the evaluation of methane mitigation requirements could potentially be acquired through the on-call list.

The joint CLA and CAO report attempts to address several of the questions raised during Budget and Finance Committee. However, these recommendations have not yet been adopted by Council. Further discussion on issues related to the P/NG function will continue during consideration of the recommendations contained in the joint CLA and CAO report. The report is currently pending in the Energy and Environment Committee.

This memorandum is provided for informational purposes only. There is no fiscal impact.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

C.F. 16-0600

TO: Honorable Paul Krekorian, Chair
Budget and Finance CommitteeMiguel Santana, City Administrative Officer
Office of the City Administrative OfficerFROM: Kevin James, President
Board of Public Works

**SUBJECT: BOARD OF PUBLIC WORKS – BUDGET MEMO QUESTION 161
PETROLEUM ADMINISTRATION AND EXPERT FUNCTION**

During its consideration of the Board of Public Works (BPW's) proposed budget for Fiscal Year (FY) 2016-17, the Budget and Finance Committee requested a report back on the (1) transfer of the Petroleum Administration function and resources required to perform this function; (2) positions for the Petroleum Administrator and Petroleum Expert, including why are both combined; (3) whether or not two positions should be authorized and where should they reside; and (4) how will this function address methane emissions (see CF 15-0387-S1 and 14-0469).

Transfer of Function and Resources – In April 2016, the Chief Legislative Analyst (CLA) and City Administrative Officer (CAO) released a joint report (CF 15-0387-S1) recommending that the Petroleum Administration function be transferred to the Board of Public Works, including the creation of an Office of Petroleum and Natural Gas Administration and Safety. The report recommends that the initial step is to hire a Principal Project Coordinator as the Petroleum Administrator, then report back to Council within 90 days on the necessary resources to establish the Petroleum and Natural Gas Administration and Safety Office (see page 3, Recommendation # 3).

Recommendation: Due to the limited response time to this budget question, the Board concurs with the proposed timeframe from the CLA/CAO's report to properly respond and review resource requirements within 90 days after the report is adopted by City Council.

Petroleum Administrator and Petroleum Expert Positions – On April 1, 2015, City Council adopted motion no. 15-0387, which instructed CLA to hire a petroleum expert. On August 19, 2015, the Energy and Environment Committee considered the item and concluded that the proposed scope of work should be expanded to fully address a variety of Petroleum and Natural Gas administrative and technical issues (see Page 1 of CLA report). Separately, City Council instructed the CAO to hire a full-

time Petroleum Administrator (CF 16-0129). The CLA/CAO report recommends a hybrid approach where the Petroleum Administrator has an expanded list of duties, and when the additional "expert" knowledge is needed, support can be procured through the Bureau of Engineering's pre-qualified on-call list of geotechnical and environmental engineering consultants (Page 3 of CLA report). Therefore, the proposed report recommendation is to hire a Petroleum Administrator (one position) and then contract out the subject matter expertise (second position). Due to the limited response time to this budget question, the Board recommends that this question be included in its response upon review of potential resource requirements needed to fully launch the proposed new office (see CF 15-0387-S1).

In terms of why these two positions are being combined, whether or not two positions should be authorized, and where should they both reside: the Board does not interpret the CLA/CAO report as combining these two positions into one. Rather, the second position of Petroleum Expert is recommended to be procured through outside consulting services. However, the Budget and Finance Committee could consider the creation of a new position known as the Petroleum Expert, which would require the CAO and Personnel Department to make a determination of an agreed upon classification upon evaluation of the proposed duties and expertise. Overall, should the City Council consider approving two separate positions, these positions would be housed in the Board of Public Works.

Recommendation: Due to the limited response time to this budget question, the Board recommends that this question be included in its response upon review of potential resource requirements needed to fully launch the proposed new office (see CF 15-0387-S1).

Methane Emissions – The proposed CAO/CLA report recommends that the scope and qualifications for the Petroleum Administrator would include working knowledge of the City's Methane Ordinance, designing investigations, and understanding of methane gas mitigation for structures (Page 14 of CLA/CAO report). However, in general the proposed Petroleum Administrator would most likely not have technical expertise to evaluate the existing methane mitigation requirements, including Methane Zones and Methane Buffer Zones. Therefore, the Petroleum Administrator would not address methane emissions entirely; rather the function would rely on the Petroleum Expert (Consultant) in this instance.

For further information, contact me at 213-978-0251 or our Budget Coordinator, Teri Schmidt, at 213-978-0256.

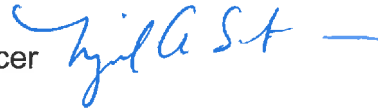
Cc: Matt Szabo, Deputy Mayor, Mayor's Office
Greg Good, Director, Mayor's Office
Sharon Tso, Chief Legislative Analyst
David Hirano and Raoul Mendoza, CAO's Office

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **CITY ATTORNEY – LIABILITY CLAIMS FUNDING**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the City Attorney's Office to report on the \$68 million provided for Liability Claims and whether the funding is reasonable given the anticipated litigation and settlements. The City Attorney's letter is attached.

The City Attorney's Office indicates that cases with substantial payouts (\$5 million or more) may be resolved next Fiscal Year. Should a similar number of these cases be resolved in 2016-17 as were in 2015-16, supplemental funding will need to be provided to the Liability Claims budget.

Consistent with the City Attorney's assessment, this Office reported to the City Council in its letter on the Mayor's Proposed Budget that actual expenditures in 2016-17 may likely exceed the budgeted amount. This Office in conjunction with the City Attorney's Office will continue to report on a regular basis to the Budget and Finance Committee on the status of the Liability Claims budget during FY 2016-17 and request any necessary adjustments to the level of funding through the Financial Status Report process.

This memorandum is for informational purposes only. There is no fiscal impact.

MAS:FGO:04160103

Question No. 267

Attachment



MICHAEL N. FEUER
CITY ATTORNEY

May 3, 2016

TO: Honorable Members of the Budget and Finance Committee

FROM: Leela Kapur, Chief of Staff *Leela Kapur*

SUBJECT: BUDGET MEMO # 267 – Liability Claims

The Mayor's Proposed Budget includes \$68.4 million for Liability Claims, \$60 million of which is for General Fund cases and \$8.4 million for cases involving the Bureau of Sanitation. The budget changes the account from a centralized pot out of which all funds are paid to an account with separate line items for each of the top 8 liability producing departments. The funded amount is based on a 5-year historical average.

As detailed in discussions with the Mayor's Office and City Administrative Officer (CAO), funding included in the Liability Claims account will not be adequate to cover costs associated with significant cases (valued at \$5 million or more) that may resolve next Fiscal Year, whether being handled by the CAO's conflict counsel or by this Office. Supplemental funding would be required to handle those cases.

The Mayor's Office or CAO can provide additional information on this matter.

cc: Miguel Santana, CAO
Sharon Tso, CLA

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **FIRE – HAZARDOUS MATERIALS COMPLIANCE REIMBURSEMENT OPPORTUNITY AND REQUESTED POSITIONS**

During its consideration of the Fire Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on any reimbursement opportunity for State-mandated costs related to hazardous materials compliance as well as position authority for the Department in support of the collection of hazardous materials in compliance with the California Department of Toxic Substances Control (DTSC) guidelines and the California Health and Safety Code.

In its letter to the Committee dated April 21, 2016, the Fire Department requested position authority without funding for one Truck Operator and one Fire Captain II in support of hazardous materials and waste transportation and disposal compliance at its 106 Fire Stations. The cost of funding these two positions is \$310,378. \$80,000 in expense funding has already been provided to the Department in the Proposed Budget to cover the cost of Hazardous Waste Generator permit fees and to use the services of a City vendor for hazardous waste disposal.

The City's contractor (MGT of America) for the City's State Mandate Claims reports that there are no current reimbursable State mandates nor pending mandates for hazardous materials enforcement or handling compliance. If State legislation is passed in the future, reimbursement may be pursued through a test claim to the State. This process would take a few years before any determination on the claim is made, which may or may not result in reimbursements to the City. Therefore, it would be premature to recognize reimbursements for this function at this time.

FISCAL IMPACT STATEMENT

The General Fund impact of funding one Truck Operator and one Fire Captain II is \$310,378 consisting of \$201,617 in direct costs and \$108,761 in indirect costs. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JCY:04160113

Question No. 678

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 51

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **POLICE DEPARTMENT – CIVILIAN HIRING AND COSTS**

During its consideration of the Police Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested the Police Department to report back on: 1) Civilian hiring and salary costs; 2) Sworn redeployment as civilians are hired; and, 3) The implications of the Coalition of City Unions' proposal relative to hiring 250 civilians. The Department's response (attached) identifies \$5.1 million in additional costs to hire 300 civilian positions, including 125 above attrition, followed by a discussion of sworn redeployment and civilianization questions.

FISCAL IMPACT STATEMENT

The General Fund impact of the Department's civilian hiring plan would be a maximum of \$5.1 million. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

*MAS:TJM:04160128**Question No. 627*

Attachment

LOS ANGELES POLICE DEPARTMENT

CHARLIE BECK
Chief of Police



ERIC GARCETTI
Mayor

P. O. Box 30158
Los Angeles, Calif. 90030
Telephone: (213) 486-8590
TDD: (877) 275-5273
Ref #: 3.5

May 4, 2016

The Honorable Budget and Finance Committee
c/o Richard Williams
Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

Subject: Budget Impact Letter No. 627 – Prioritized List of Civilian Positions with Associated Costs and Discussion of Coalition Recommendation

Honorable Members:

In conjunction with the Fiscal Year 2016-2017 Budget, your Committee requested a prioritized list of civilian positions for restored funding with associated costs as well as addressing the Coalition's recommendation to hire 250 additional civilian personnel.

The Los Angeles Police Department (Department) requested funding to hire 125 civilians over attrition, totaling 300 hires. Enclosed is the Department's hiring plan along with a priority list by Civil Service Class and/or function. The implementation of the plan would require \$5.1 million in additional funds.

The Department plans to hire 84 detention officers next year, which will put 64 officers back into the field. The officers will be moved from Custody Services Division to various Areas in the Department, depending on operational necessity, once sufficient numbers of detention officers are hired. Additionally, the Department is awaiting results of our internal survey to determine the numbers of officers working in civilian positions. Once the survey is completed and analyzed we will have an idea of where and how many officers may be redeployed through civilian hiring.

With regard to hiring 250 civilians in lieu of hiring police officers; the sworn hiring process is a long involved process that cannot be stopped without adverse impact to sworn hiring in the future. Once halted it is not easily, or more importantly, quickly resumed due to all the moving parts and entities involved in the process. Moving 250 officers into the field would seem to create an immediate and positive impact, and it would be more efficient and productive

Budget and Finance Committee

Page 2

3.5

financially (\$9.2 million less) and operationally to hire 250 civilian personnel. However, reducing sworn hiring by 250 would have an overall long term negative consequences on the Department's deployment as we continue to struggle to hire to attrition. Not hiring sworn is not an option.

If you have any questions regarding this information, please feel free to contact me at, (213) 486-8410.



JORGE A. VILLEGAS, Assistant Chief
Director, Office of Administrative Services

Enclosure

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 52

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **PERSONNEL DEPARTMENT – POLICE AND FIRE RECRUITMENT**

During its consideration of the Personnel Department (Department) 2016-17 Proposed Budget, the Budget and Finance Committee (Committee) requested the Department to report on funding for Police and Fire recruitment and hiring, whether there was sufficient funding for the recruitment effort, and the resources needed to aid in Firefighter hiring. In addition, the Committee requested the Department to report on the service impact if the \$270,000 requested in the Department's letter to expand Police sworn hiring is funded. Attached is the Department's response.

FISCAL IMPACT STATEMENT

The General Fund impact of the Department's requests for additional resources for Police and Fire recruitment is outlined in the chart below.

Item Description	Direct Cost	Indirect Cost	Total Amount
Salaries General			
1. Seven new Background Investigator positions			
- 1 Background Investigator II	\$89,032	\$39,380	\$128,412
- 6 Background Investigator I	\$477,168	\$219,461	\$696,629
Sub-total (assuming 12-months funding for new positions)	\$566,200	\$258,841	\$825,041
Salaries As-Needed and Expenses			
1. Salaries As-Needed for Background Investigators	\$160,000	\$0	\$160,000
2. Firefighter Advertising and Recruitment	\$350,000	\$0	\$350,000
3. Police Advertising and Recruitment	\$270,000	\$0	\$270,000
4. Fingerprinting Costs	\$125,500	\$0	\$125,500
Sub-total Expense Funding	\$905,500	\$0	\$905,500
TOTAL DEPARTMENT REQUEST (assuming 12-months funding for new positions)	\$1,471,700	\$258,841	\$1,730,541
TOTAL (assuming 9-months funding for new positions)	\$1,330,150	\$217,083	\$1,547,233
TOTAL (assuming 6-months funding for new positions)	\$1,188,600	\$175,326	\$1,363,926

The Department's request assumes 12-months funding for the seven new Background Investigator positions. Should nine-months funding be provided, the direct and indirect salary cost would be \$641,733 for a total General Fund impact of \$1,547,233, or a total reduction of \$183,308 from the Department's request. Should six-months funding be provided consistent with funding levels of most new positions in the Proposed Budget, the direct and

indirect salary cost would be \$458,426 for a total General Fund impact of \$1,363,926, or a total reduction of \$366,615 from the Department's request.

Should these items be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JMY:11160091c

Question No. 237

Attachment

BOARD OF CIVIL SERVICE
COMMISSIONERS

Room 360, PERSONNEL BUILDING

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PRESIDENT

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CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

PERSONNEL DEPARTMENT
PERSONNEL BUILDING
700 EAST TEMPLE STREET
LOS ANGELES, CA 90012

Wendy G. Macy
GENERAL MANAGER

May 3, 2016

The Honorable Members of Budget and Finance Committee
c/o Erika Pulst
Room 395, City Hall
Los Angeles, CA 90012

Attn: Jenny Mach Yau, City Administrative Office

BUDGET AND FINANCE COMMITTEE QUESTION 237

The Committee asked the Department to report back on funding for Police and Fire recruitment and hiring.

Is there enough funding for the recruitment effort?

No. The Proposed Budget makes no new allowance for firefighter recruitment funding and anticipates only \$115,000 in new funds for police recruitment, a fraction of the amount allotted for such recruitment a decade ago – over \$3 million for the 2006-2007 fiscal year and upwards of \$1 million, annually, between 2005 and 2009.

An additional \$270,000 is being requested for LAPD recruitment so that the City can meet the challenge of reaching and maintaining a 10,000-member police force in a competitive labor market, while countering attrition. The funds would be utilized to develop an effective branding campaign with both short-term and long-term goals; to ensure a continuous marketing presence aimed at cultivating a viable candidate pool; and to enhance diversity outreach. Specifically, the funds would be earmarked for generating new marketing materials; running recruitment ads on mass transit; utilizing social media (in particular, streaming services) to tap potential applicants; and expanding the geographic range of outreach efforts. A portion of the funding would be utilized to revitalize an employee referral incentive program.

While the LAFD typically receives a large number of applicants, the pool of candidates is often not reflective of the City's diversity. Funding in the amount of \$350,000 is being sought to continue the recruitment campaign to improve diversity in LAFD. Toward this end, an ad campaign is already being featured on Metro buses; the requested funding would allow such campaigns to be prevalent and continuous, rather than sporadic, and thereby yield both short- and long-term results.

What resources are needed to aid in Firefighter hiring, including additional background investigators, increased fingerprinting costs, and advertising to target diverse hiring?

Funding in the amount of \$350,000 would be geared toward diverse hiring, as discussed above. Further, an increase in the number of background investigators (\$566,200 for 1 Background Investigator II and 6 Background Investigators I) would ensure speedier hiring, as would \$160,000 in funding for As Needed Background Investigators. Finally, \$125,500 is sought to supplement fingerprinting for over 4,000 applicants for sworn positions, at an estimated cost of \$55 each.

What would be the service impact if the \$270K requested to expand LAPD sworn hiring support is funded?

If \$270,000 is funded, the Department would effectuate integrated short-term and long-term marketing campaigns to hire sufficient numbers of LAPD officers to make up for attrition and to narrow the gap between the current deployment and the goal of 10,000.

The City would generate new marketing materials (including promotional videos); increase its advertising presence on mass transit (Metro trains and buses); continue and expand print, radio, and streaming service advertising started in 2015-2016; revitalize an employee recruitment incentive program; enhance diversity outreach; and combine these efforts with available City assets to amplify their effect. The integrated campaign would help the City overcome recruitment challenges ranging from low unemployment to increased hiring competition from other public safety agencies.

If you have any questions or need additional information, please contact me at (213) 473-3470 or Susan Nakafuji at (213) 473-9120.



WENDY G. MACY
General Manager

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – BREAKDOWN OF FUNDING FOR LAHSA ADMINISTRATION**

During its consideration of the Los Angeles Homeless Services Authority's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report with a detailed breakdown of how the funding for LAHSA Administration and Operations (\$4.64 million) is proposed to be spent. LAHSA was also asked how much of that funding is being spent in the City.

Attached is a report from LAHSA addressing these questions. Page 1 of the report indicates that the \$4.64 million is divided as follows: 85 percent to support personnel costs, and 15 percent to support other broad categories of spending such as insurance, expense accounts, parking, mileage, office space, services, travel, training and outreach. Page 2, while not providing a specific number regarding how much of this funding will be spent in the City, indicates that the "great majority" of the \$4.64 million funds support staff and operations in the City.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:KDU:02160104

Question No. 534

Attachment



May 3, 2016

To: Budget and Finance Committee
From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority
Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – LAHSA ADMINISTRATION AND OPERATIONS**

Peter Lynn
Executive Director

During its consideration of the Los Angeles Homeless Service’s (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested that LAHSA report back with a detailed breakdown of how the funding for LAHSA Administration and Operations (\$4.64 million) is being spent. How much is being spent in the City of Los Angeles?

LAHSA Administration and Operations **\$4,640,536**

Board of Commissioners

The 2016-17 Proposed Budget increases the funding commitment for LAHSA by \$35,889,624 to \$50,838,698. The \$4,640,536 represents a 9% administrative rate.

Mike Neely
Chair

The 2016-17 Proposed Budget represents a 242% increase in funding for LAHSA. The LAHSA Administration and Operations funding line item is necessary for LAHSA to undertake and conduct these significantly increased administrative and operations responsibilities.

Shane Goldsmith
Vice Chair

Larry Adamson

LAHSA Administration and Operations funding supports personnel resources of 85% and non-personnel resources of 15% and consist of the following basic categories: personnel, Insurance, office expense, parking & mileage, office space, professional services, travel & training, and Outreach.

Sarah Dusseault

Noah Farkas

Wendy Greuel

Kerry Morrison

Owen Newcomer

Booker Pearson

Kelvin Sauls

On January 7, 2016, City of Los Angeles and L.A. County released a series of strategies for ending homelessness in the region, committing to a coordinated approach encompassing the entire region. Both City and County plans place LAHSA at the center of this concerted effort. LAHSA is named as the lead or co-lead on 24 of the strategies, and collaborating agency on 22 strategies, bringing with it increased operational and coordination responsibilities.

Administrative Office

811 Wilshire Blvd.
6th Floor
Los Angeles, CA 90017

As a joint-powers authority created by L.A. City and County, LAHSA is uniquely positioned to lead this new fight by bridging the public and private partners together. The new strategies recognize this, with local government recommending a central role for LAHSA in shaping policy, and in planning and execution. It requires one unified system for servicing homeless adults, families, unaccompanied minors, youth and young adults ages 18 to 24, as well as more robust analytics for the data management process that brings the homeless of Los Angeles from a place of deprivation to a place of wraparound support and permanent housing. A greater capacity is required to move clients towards recovery from drugs and alcohol addiction, so they can take full advantage of the services, shelter and housing options they are entitled to. It also requires expanded use of shared housing in a time of apartment scarcity.

213 683.3333 - PH
213 892.0093 - FX
213 553.8488 - TY

www.lahsa.org

During fiscal Year 2015-2016, LAHSA completed its transition from an administrator of federal funds to a pivotal entity at the center of the concerted effort to end homelessness. To meet these responsibilities and add management depth, LAHSA experienced a 65% increase in staffing during Calendar Year 2015. LAHSA is currently hiring project manager personnel in the Executive department; accounting, monitoring, and analyst personnel in the Finance department; associate director, project manager, coordinator, contract specialist, and funding analyst personnel in the Programs department; associate director, coordinator, and analyst personnel in the Policy and Planning department; and analyst personnel in the Human Resources department. Under the new City and County strategies, we project further necessary increases in our workforce to ensure that we have the capacity in-house to efficiently and effectively administer the programs.

For LAHSA to fulfill this vastly expanded mission, the implementation of a broad-based training programs for new personnel is required. Even LAHSA's most experienced personnel will require extensive retraining to fulfill their greatly expanded roles before the new system is launched this summer; which presents a very tight timeframe. Personnel must acquire a firm grasp of how the new battle-plan affects their areas of expertise, and be given the tools they will need to satisfy obligations that have expanded or changed entirely. Targeted human resource training will be essential in the months ahead to ensure individuals hired will be able to fulfill specific responsibilities under a new framework for ending homelessness. Executive training for management will focus on staff recruitment, development, strategic planning and retention. Additionally, trainings focused on mentoring models and leadership succession will be invaluable in the current climate of rapid expansion.

With the expanded workforce, LAHSA has expanded its non-personnel cost as well. Leased office space was expanded during FY 2015-16, and will be expanded further, building out more floor space during FY 216-17. With the increase in personnel and leased space, LAHSA incur an increase in costs associated with insurance, office expenses, and parking & mileage.

In addition to the organizational growth and capacity of LAHSA itself, LAHSA will also need to support expanding capacity among our community based providers who are tasked with delivering the programmatic functions called for in the budget line items. LAHSA has engaged technical assistance providers, and is facilitating a dialog with them to identify capacity constraints and how LAHSA investment can be of assistance. Consulting, contracting for shared services, and other capacity enhancement strategies are all under discussion.

The City and County both provide LAHSA with funds to support the administrative functions. LAHSA's administrative headquarters is located in the City of Los Angeles, and the great majority of LAHSA Administration and Operations funding support staff and operations in the City. Additionally, programmatic City administrative funding supports programs in the City.

This memorandum is provided for informational purposes only. There is no fiscal impact.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT OF CITY PLANNING – STAFFING TO IMPLEMENT THE HOMESHARING/SHORT-TERM RENTAL ORDINANCE**

During its consideration of 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of City Planning (Department) to report on the resources needed to implement the Homesharing/Short-Term Rental Ordinance, as well as, include resources needed both to establish and support an online registration system and enforce the Ordinance.

FISCAL IMPACT STATEMENT

The General Fund impact of adding one Management Analyst II and one Senior Administrative Clerk resolution authorities is \$217,602. Related costs consisting of employee benefits totaling \$69,113 are included in the total.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified. Our Office will work with the Department and the Office of the City Attorney to establish a fee to fully recover the costs associated with administering and enforcing the Homesharing/Short-Term Rental Program.

MAS:JLK:02160089c

Question No. 408


Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

TO: Honorable Members of the City Council
Budget and Finance Committee
c/o Miguel A. Santana, City Administrative Officer

Attention: Jason Killeen, Senior Administrative Analyst

FROM: Vincent P. Bertoni, AICP 
Director of Planning
Department of City Planning

SUBJECT: **REPORT BACK REGARDING RESOURCES FOR IMPLEMENTATION
OF THE HOMESHARING/SHORT TERM RENTAL ORDINANCE
(BUDGET IMPACT NO. 408)**

The Department of City Planning was requested to report back on the resources needed for implementation of the Homesharing/Short-Term Rental Ordinance ("HSO"). Upon approval of the ordinance, which is anticipated to be adopted by the end of 2016, the Department will require additional staff and consultant resources to support an on-line registration system and enforce the ordinance.

Registration

The development of the on-line registration system will likely involve the Department of Building and Safety and/or the Office of Finance. In order to have the registration system up and running by the time the HSO takes effect, it will be necessary to determine system requirements to include online payments and permits, as well as ongoing systems maintenance.

The Department of City Planning is proposing two new positions to administer the registration program: 1 Management Analyst II and 1 Senior Administrative Clerk. The registration process will include reviewing application materials, verifying the accuracy of the application, issuing an invoice for the registration fee, working with the Department of Building and Safety and/or Office of Finance to confirm payment of the fee and preparing and issuing the registration number.

The amount required to fund two new positions is as follows:

Job Classification	Salary	Pension/Health and Welfare	Total
Management Analyst II	\$ 87,472	\$ 38,358	\$ 126,010
Senior Administrative Clerk	\$ 61,017	\$ 30,575	\$ 91,592
Total	\$ 148,489	\$ 69,113	\$ 217,602

Enforcement

Enforcement of the Homesharing Ordinance will be on a complaint-driven basis handled by the Department of Building and Safety (LADBS) and the Housing and Community Investment Department (HCID). If a violation is verified by LADBS or HCID, the respective Department will issue an Order to Comply and assess the Code Violation Inspection Fee. If the registrant fails to comply, LADBS or HCID will assess the Non-Compliance Fee and forward the case to the City Attorney's office for further enforcement. The fees can provide revenue to fund ongoing enforcement of the program. Initially this program may be staffed on an overtime basis similar to the Foreclosure Registry Program.

If the Home Sharing/Short-Term Rental program grows beyond its current capacity, LADBS and/or HCID will require full time staff to address the additional workload, which may be funded this through the collection of violation fees.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – LAHSA-BUDGETED PROGRAMS FOR HOMELESS FAMILIES AND SINGLES**

During its consideration of the Los Angeles Homeless Services Authority's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report on what programs are being funded for homeless families, as compared with singles, and if spending is proportionate to population size. The funding breakdown was requested to be shown by funding sources available to LAHSA, including funding allocated by the City, County, and any other grants or donations.

Attached is a report from LAHSA with the information requested. Funding by sources information appears on Pages 1 and 2 of the report and includes funds from the City, Consolidated Plan, County, and the United States Department of Housing and Urban Development through its Notice of Funding Availability. Page 3 shows total spending allocated as a percentage of either individuals or families.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:KDU:02160103

Question No. 510

Attachment



LAHSA

**LOS ANGELES
HOMELESS
SERVICES
AUTHORITY**

May 3, 2016

To: Budget and Finance Committee
From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority
Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – FAMILY VS SINGLES PROGRAMS**

Peter Lynn
Executive Director

During its consideration of the Los Angeles Homeless Service’s (LASHA) 2016-17 Proposed Budget, the Budget and Finance Committee requested that LASHA report on what programs are being funded for homeless families vs singles and if spending is proportionate to population size. Provide a breakdown of this funding as allocated by all funding sources available to LAHSA, including funding allocated by the City, County, and any other grants or donations.

Board of Commissioners

Mike Neely
Chair

Shana Goldsmith
Vice Chair

Larry Adamson

Sarah Dusseault

Noah Farkas

Wendy Greuel

Kerry Morrison

Owen Newcenter

Booker Pearson

Kelvin Sauls

This memorandum is provided for informational purposes only. There is no fiscal impact.

Attachment

Administrative Office

811 Wilshire Blvd.
6th Floor
Los Angeles, CA 90017

213 683 3333 - PH

213 692 0093 - FX

213 553 8488 - TY

www.lasha.org

City of Los Angeles
 Budget & Finance Committee
 FY 2016-2017 Proposed Budget
 Budget Impact & Special Study Request
 Los Angeles Homeless Services Authority
 Question No. 510 - Funding for Singles

Funding by Sources

City	Rapid Rehousing	Crisis and Bridge		Homelessness Prevention	CES Regional Coordination	CES Coordinated Case Management		Domestic Violence Program	Transitional Housing	Permanent Supportive Housing	Total	% to Total Funding
		Housing	Homelessness Prevention			Housing Navigator & Outreach	Housing					
CDBG	-	1,364,738	-	-	-	-	-	-	-	-	1,364,738	103%
ESG	-	2,713,483	-	-	-	-	-	-	-	-	2,713,483	222%
General Fund	18,250,027	15,614,368	-	700,000	-	-	539,616	-	-	-	35,104,011	2035%
Total City	18,250,027	19,692,589	-	700,000	-	-	539,616	-	-	-	39,182,232	918%
County												
DPSS	-	-	-	-	-	-	-	-	-	-	-	0%
ESG	-	920,317	-	-	-	-	-	-	-	-	920,317	159%
HPI	-	-	-	-	-	-	-	-	-	-	-	0%
DCFS	-	-	-	-	-	-	-	-	-	-	-	0%
General Fund *	2,000,000	6,800,000	-	700,000	#####	#####	-	2,629,267	-	-	2,629,267	405%
Supervisory Funds	-	2,024,000	-	-	-	-	-	-	-	-	12,740,000	299%
Total County	2,000,000	9,744,317	-	700,000	3,240,000	3,240,000	-	2,629,267	-	-	18,313,584	101%
HUD**												
CoC (NOFA 15)	7,633,070	-	-	-	-	-	-	4,283,075	-	6,946,054	18,862,199	356%
Total HUD	7,633,070	-	-	-	-	-	-	4,283,075	-	6,946,054	18,862,199	356%
TOTAL	27,883,097	29,436,906	-	1,400,000	3,240,000	3,240,000	539,616	6,912,342	-	6,946,054	76,358,015	275%

* Projected budget is dependent upon County's Approval

** Includes funding for Singles, Youth & All, does not include Planning, Coordinated Assessment & HIMIS grants

City of Los Angeles
 Budget & Finance Committee
 FY 2016-2017 Proposed Budget
 Budget Impact & Special Study Request
 Los Angeles Homeless Services Authority
 Question No. 510 - Funding for Families

Funding by Sources

City	Crisis and Bridge		Homelessness Prevention		CES Regional Coordination		CES Coordinated Case Management, Housing Navigator & Outreach		Domestic Violence Program		Transitional Housing		Permanent Supportive Housing		% to Total Funding
	Rapid Rehousing	Housing	Housing	Prevention	Coordination	Housing Navigator & Outreach	Violence Program	Housing	Housing	Supportive Housing	Total	Total			
CDBG	324,984	995,268	-	-	-	-	-	-	-	-	1,320,252	-	-	100%	
ESG	1,221,310	-	-	-	-	-	-	-	-	-	1,221,310	-	-	100%	
General Fund	250,158	1,401,467	-	-	-	-	73,584	-	-	-	1,725,209	-	-	100%	
Total City	1,796,452	2,396,735	-	-	-	-	73,584	-	-	-	4,266,771	-	-	100%	
County															
DPSS	7,311,337	2,408,663	-	-	-	-	-	-	-	-	9,720,000	-	-	100%	
ESG	364,086	213,332	-	-	-	-	-	-	-	-	577,418	-	-	100%	
HPI	677,375	222,625	1,800,000	-	-	-	-	-	-	-	2,700,000	-	-	100%	
DCFS	650,000	-	-	-	-	-	-	-	-	-	650,000	-	-	100%	
General Fund *	4,054,800	200,000	-	-	-	-	-	-	-	-	4,254,800	-	-	100%	
Supervisory Funds	-	276,000	-	-	-	-	-	-	-	-	276,000	-	-	100%	
Total County	13,057,598	3,320,620	1,800,000	-	-	-	-	-	-	-	18,178,218	-	-	100%	
HUD **															
CoC (NOFA 15)	2,180,621	-	-	-	-	-	-	-	-	-	1,520,105	1,594,531	-	100%	
Total HUD	2,180,621	-	-	-	-	-	-	-	-	-	1,520,105	1,594,531	-	100%	
TOTAL	17,034,671	5,717,355	1,800,000	-	-	-	73,584	-	-	-	27,740,246	1,594,531	-	100%	

* Projected budget is dependent upon County's Approval
 ** Excludes Planning, Coordinated Assessment & HMIS grants

**Budget Impact & Special Study Request
 Los Angeles Homeless Services Authority
 Question No. 510 - Total Funding**

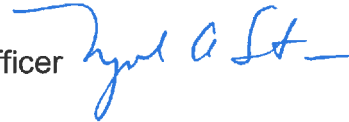
Population	Population Size	Percentage Allocation (Population Size)	Funding Allocation	Percentage of Funds Allocated
Individuals (Singles and Youth)	37,726	86.03%	\$76,358,015.00	73.35%
Family Members (Families)	6,128	13.97%	\$27,740,246.00	26.65%
Total	43,854		\$104,098,261.00	

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **HOUSING AND COMMUNITY INVESTMENT DEPARTMENT – NON-PROFIT
MANAGED FAMILY SOURCE CENTERS AND LOS ANGELES UNIFIED
SCHOOL DISTRICT CONTRACTS**

During its consideration of the 2016-17 Proposed Budget for the Housing and Community Investment Department (HCID), the Budget and Finance Committee requested that HCID report back regarding the appropriate mix of funding for each Family Source Center (FSC) if the General Fund (included in the General City Purposes budget) and Community Development Block Grant (CDBG) funding allocated for the centers were to be distributed equally among the centers.

The Mayor's Proposed Budget includes \$4,790,000 in the General City Purposes budget to support the non-profit managed FSC contracts and the Los Angeles Unified School District (LAUSD) contract for continued services including co-located of Pupil Services and Attendance Counselors at the FSCs. HCID provided the following attachment which includes funding recommendations for the FSC and LAUSD contracts with an equal distribution of CDBG and General Fund allocation.

This memorandum is for information purposes only. There is no fiscal impact.

MAS:LJS:02160098C

Question No. 490

Attachment



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Office of the General Manager
1200 West 7th Street, 9th Floor, Los Angeles, CA 90017
tel 213.808.8808 | fax 213.808.8616
hcidla.lacity.org

May 4, 2016

Honorable Paul Krekorian
Chair, Budget and Finance Committee
200 N. Spring Street, Room 395
Los Angeles, CA 90012

Attn: Richard Williams, Legislative Analyst

Dear Councilmember Krekorian:

Subject: FISCAL YEAR 2016-17 BUDGET AND FINANCE COMMITTEE QUESTION NO. 490 - APPROPRIATE MIX OF FUNDING FOR EACH FAMILY SOURCE CENTER IF THE GENERAL FUND (INCLUDED IN THE GENERAL CITY PURPOSES BUDGET) AND COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING ALLOCATED FOR THE CENTERS WERE TO BE DISTRIBUTED EQUALLY AMONG THE CENTERS.


The Housing and Community Investment Department is responding to your Committee's request for information regarding the appropriate mix of funding for each of the Family Source Centers.

Included below are the funding recommendations for the 16 contractor FamilySource Centers with an equal distribution of Community Development Block Grant (CDBG) funding and General Fund allocation.

The FamilySource System (FSS) is a place-based model that funds 16 FamilySource Centers (FSCs) in communities with the highest concentrations of poverty. All FSS contractors provide a common menu of social services with a target population of low and moderate income parents and guardians with children up to the age of 18. The HCIDLA also partners with the Los Angeles Unified School District (LAUSD) to offer a comprehensive level of educational services to FSS youth and families. This partnership has co-located LAUSD Pupil Services and Attendance (PSA) counselors at 13 FSCs to provide: 1) direct access to student records to accurately track academic achievement, 2) clinical case management for parents and families, and 3) parent engagement and education services to ensure youth academic success. These services are funded jointly by the LAUSD and the City. The funding allocation assumes a contract term of April 1, 2016 to June 30, 2017.

Contractor	Council District	42nd YR FUNDING SOURCES					42nd Yr Total	GF Request 4/1/16-6/30/17	Total for 04/01/16 - 06/30/17
		42nd Yr CDBG (4/1/16- 3/31/17)	2016 CSBG Savings	2016 CSBG (4/1/16- 12/31/16)	2017 CSBG Projected (1/1/17-3/31/17)				
Westlake/Pico Union	1	\$ 312,500	\$ 23,054	\$ 168,454	\$ 75,110	\$ 579,118	\$ 283,382	\$ 862,500	
South East/Watts	8, 9 & 15	\$ 312,500	\$ 23,054	\$ 168,454	\$ 75,110	\$ 579,118	\$ 283,382	\$ 862,500	
South West	6 & 9	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,110	\$ 579,117	\$ 283,383	\$ 862,500	
South East	9	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,110	\$ 579,117	\$ 283,383	\$ 862,500	
El Sereno/Lincoln Heights	1 & 14	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,110	\$ 579,117	\$ 283,383	\$ 862,500	
Boyle Heights	14	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,110	\$ 579,117	\$ 283,383	\$ 862,500	
South West/Florence	8	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,109	\$ 579,116	\$ 283,384	\$ 862,500	
Van Nuys	2 & 6	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,109	\$ 579,116	\$ 283,384	\$ 862,500	
West Adams	10	\$ 312,500	\$ 23,055	\$ 168,453	\$ 75,109	\$ 579,117	\$ 283,383	\$ 862,500	
Hollywood	13	\$ 312,500	\$ 23,055	\$ 168,453	\$ 75,109	\$ 579,117	\$ 283,383	\$ 862,500	
Wilshire	10 & 13	\$ 312,500	\$ 23,055	\$ 168,453	\$ 75,109	\$ 579,117	\$ 283,383	\$ 862,500	
Pacoima	7	\$ 312,500	\$ 23,055	\$ 168,453	\$ 75,109	\$ 579,117	\$ 283,383	\$ 862,500	
Wilmington/San Pedro	15	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,109	\$ 579,116	\$ 283,384	\$ 862,500	
Echo Park/Cypress Park	1 & 13	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,109	\$ 579,116	\$ 283,384	\$ 862,500	
Westside	11	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,109	\$ 579,116	\$ 283,384	\$ 862,500	
Canoga Park	12 & 13	\$ 312,500	\$ 23,054	\$ 168,453	\$ 75,109	\$ 579,116	\$ 283,384	\$ 862,500	
The Los Angeles Unified School District	Citywide			\$ 750,000		\$ 750,000	\$ 250,000	\$ 1,000,000	
The University Corporation or TBD Evaluator	Citywide			\$ 60,000		\$ 60,000	Total GF Requested	\$ 60,000	
TOTAL PROPOSED FUNDING		\$ 5,000,000	\$ 388,868	\$ 3,505,250	\$ 1,201,750	\$ 10,075,868	\$ 4,784,132	\$ 14,860,000	

As long as sufficient General Fund support is available (as currently proposed) for all 16 FSCs, this mix is appropriate. If General Fund support is not available, the City risks losing its match from the non-profit service providers and LAUSD resulting in the remaining grant funding not being sufficient to provide the same quality of services at all 16 centers.


Sincerely,

 Rushmore D. Cervantes
 General Manager

cc: Matt Szabo, Deputy Mayor
 Miguel Santana, City Administrative Officer
 Sharon Tso, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **REPORT BACK ON RESOURCES NEEDED FOR A GRANT MANAGEMENT SYSTEM**

Your Committee requested that the Department of Transportation (DOT) report back on the resources needed for the grant management and/or project management system which includes discussion on whether the BOE system could be used and what the return on investment would be. Attached is the department's response.

The department request of \$350,000 to expand the capacity of the Uniform Project Reporting System (UPRS) allows the DOT to be more effective. It is unknown what additional on-going costs would be required to maintain the system.

FISCAL IMPACT STATEMENT

The General Fund fiscal impact is \$350,000 for additional resources. Should this be funded, off-setting General Fund revenues or appropriations will need to be identified.

MAS/IR: 06160160

Question No. 76

CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: May 4, 2016

To: Budget & Finance Committee
c/o City Clerk, Room 395, City Hall
Attention: Honorable Paul Krekorian, Chair

From: Seleta J. Reynolds, General Manager
Department of Transportation

Subject: **REPORT BACKS FOR FISCAL YEAR 2016-17 PROPOSED BUDGET – NO. 76**

QUESTION

Report back on funding required for a grant management system and/or project management system. What would be the cost of implementation? What would be the ROI on such a system? Would such a system better manage federal, state, and local grant-funded projects? Is it possible that the system that BOE currently uses could be adapted for DOT use? Would the City be able to secure additional grants if such a system were in place?

RESPONSE

The Los Angeles Department of Transportation (LADOT) seeks a grants and project management system to assist staff in managing and delivering over \$250 million in grant-funded capital projects. The estimated cost for this system is \$350,000.

It is anticipated that this system will be compatible with the Uniform Project Reporting System (UPRS) utilized by the Department of Public Works Bureau of Engineering (BOE). There have been several discovery sessions with BOE and LADOT project staff on the implementation details required. The consensus is that the UPRS is a close enough fit for use by LADOT, but LADOT does need additional system components which would allow for automating costs and reimbursements associated with managing its grant funded projects. The requested \$350,000 would expand upon UPRS by providing such capability. The department estimates that the new system will take approximately 18 months for an outside vendor to customize and complete.

The return on investing in this system includes the following:

- Improved project reporting on project status and costs.
- The ability to get an aggregate view of the department's projects.
- Reduction in manual report generation and compilation.
- Improved accuracy of costs and expenses by integration with FMS for project labor and expenses.
- The ability to monitor the timely and frequency of billings.
- The ability to monitor and follow up the outstanding receivables.

- The ability to account for cash flow of each project and provide baseline for future funding projection.

While it cannot be guaranteed that the new system will result in additional grant awards, the system would simplify and automate the LADOT's capabilities to capture grant reimbursements in a timelier manner, and avoid potential risks of de-obligation of funds, which will keep the department in good standing for award of future grants.


SJR:cr:ms:sc

c: Miguel A. Santana, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **BUREAU OF SANITATION – CLEAN STREETS LOS ANGELES RELATED COST EXPENDITURES**

During the Budget and Finance Committee's consideration of the Bureau of Sanitation's (Bureau) 2016-17 Proposed Budget, this Office was requested to report back on an additional General Fund appropriation of \$4.0 for Clean Streets Los Angeles (CSLA) related cost expenditures.

The 2016-17 Proposed Budget provides 66 positions and \$8.3 million in funding for the CSLA Program, which includes four strike teams and the Street Indexing and Trash Receptacle programs. The \$8.3 million in funding covers salaries, tip fee expenses, hazardous waste disposal services, and the one-time purchase of new and replacement trash receptacles and new surveillance cameras for illegal dumping enforcement. The \$8.3 million does not cover indirect costs such as vehicle fuel, vehicle depreciation, fleet maintenance, or water and electricity expenses. These costs are directly paid by the Solid Waste Resources Revenue Fund (SWRRF) and the General Fund is required to reimburse SWRRF for these costs as the CSLA Program is not an eligible SWRRF expenditure. This reimbursement is also required to comply with Proposition 218 provisions.

The total salaries for 56 positions in the CSLA Program that utilize SWRRF vehicles and equipment is \$3,267,763 and applying a modified Cost Allocation Plan (CAP) 37 Rate of 97.27 percent, the total General Fund reimbursement to SWRRF is approximately \$3,200,000. The remaining salaries for 10 positions that utilize vehicles and equipment paid from the Stormwater Pollution Abatement (SPA) Fund was not included in this calculation as SPA receives a General Fund subsidy for related costs. The modified CAP Rate removes Central Services and Fringe Benefits costs centers that are directly funded by SWRRF.

RECOMMENDATIONS

1. Create an account within General City Purposes for Clean Streets Los Angeles Related Cost Expenditures and appropriate \$3.2 million from the General Fund; and
2. Instruct the Bureau of Sanitation to submit quarterly invoices based on actual work order expenditures to this Office and the Office of the Chief Legislative Analyst for reimbursement.

FISCAL IMPACT STATEMENT

To comply with the City's Financial Policies, the recommendation in this report requires a corresponding \$3.2 million reduction to General Fund expenditures or an increase of \$3.2 million in General Fund revenues.

MAS:WKP:06160131

Question No. 185

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **INFORMATION TECHNOLOGY AGENCY – VOICE OVER INTERNET PROTOCOL**

During its consideration of the Information Technology Agency (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on the resources required to transfer City phone lines to Voice over Internet Protocol (VoIP). Attached is the Department's response.

The Department has reported that the total cost of VoIP implementation is \$9.7 million and recommended a phased approach over three years for this implementation. As noted in the Department's letter to the Budget and Finance Committee dated April 21, 2016, the Department has modified the initial budget request of \$3.2 million to \$1.3 million and will increase the funding required in 2017-18 and 2018-19.

FISCAL IMPACT STATEMENT

The General Fund impact of the Department's request to fund the first year of the VoIP project would be \$1,312,000. Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:CEA:11160092

Question No.308

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

REF: FAS-067-16

To: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 460

Miguel Santana, City Administrative Officer

From: Ted Ross, General Manager 
Information Technology AgencySubject: **RESPONSE TO BUDGET & FINANCE COMMITTEE QUESTION 308 –
FY 2016-17 PROPOSED BUDGET**

Pursuant to the FY 2016-17 Council budget hearing, the following responses are provided regarding ITA's proposed staffing.

Question No. 308: Report back on resources required to transfer City phone lines over to voice over IP (VOIP). What savings would there be from an accelerated transition to VOIP?

The City of Los Angeles currently uses a traditional, "Plain Old Telephone System" (POTS) for voice communications across 30,000 phone lines across the City. These systems are scheduled for deactivation by multiple phone companies in the year 2020. The phone solution used by over 80% of businesses is Voice over IP (VoIP). In short, the City of LA needs to transition our 30,000 phone lines to VoIP to meet this deadline, improve user features, and move voice communications into the 21st century. The ITA has been piloting Cloud-hosted VoIP services through the Da Vinci Fire incident that impacted over 500 staff at Fig Plaza. The resources to perform this transition are straightforward. In addition to our limited staffing levels, the ITA requires \$320.00 for each line replaced to cover the cost of a handset (or headphone device if using a computer), contractor labor to install and connect the service, and training users in the new VoIP features. As each facility is converted to VOIP, ITA engineers will be confirming line usage and disconnecting unnecessary lines, determining the most cost-effective device for the users, evaluating network capacity and expanding it if required, and custom programming the system for specific uses. Making the transition now would be much more cost effective than deferring until closer to the deadline. If we wait until the final year, it will cost us, in order of magnitude nearly five times current projections, forcing ITA to refocus all available staff and professional contract services to meet the deadline (e.g. overtime costs, premiums for contractors, etc). This will prove not only costly and inefficient, but will disrupt other IT services and severely delay department requests across the city due to the shift in priority.

Based on our research, beginning the VoIP transition now, in a phased approach is prudent, cost effective and will introduce new communication capabilities for City employees. VoIP phones will allow complete mobility and portability during office moves or off-site work locations supporting a modern workforce. In concept, wherever

Honorable Paul Krekorian
Chair, Budget and Finance Committee
May 4, 2016
Page 2

you have a network connection, you will be able to connect your phone, alleviating the need of traditional order processing of moves, changes and disconnects. VoIP also allows the removal of traditional telephone handsets, leveraging your desktop computer as a "softphone", or convergence to your cell phone with all voice messages delivered to your email address. This both increases the value of our communication system, while reducing the cost of the telephone handset, maintenance and hardware replacements on the legacy telephone systems. Moving to VoIP removes the maintenance and labor costs of troubleshooting traditional wired infrastructure, leveraging the same network connection of your desktop computer. VoIP increases operational efficiencies and reduces overtime allowing the department to better serve our customers in a more timely and effective manner.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

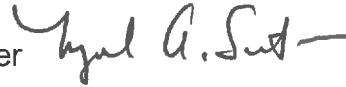
REVISED

Memo No. 60

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **CONTROLLER – RETURN ON INVESTMENT FOR ITEMS REQUESTED**

During its consideration of the 2016-17 proposed budget, the Budget and Finance Committee requested this Office to report on resources required to fund all the requests included in the Controller's letter to the Budget and Finance Committee. Additionally, it requested the Office of the Controller to report on the anticipated return on investment if these items were to be funded.

The total cost of the Office of the Controller's requests, as detailed in its letter to Budget and Finance, is \$1,424,088 which includes \$1,114,857 in direct costs and \$309,231 in indirect costs.

1. \$590,747 - Salary Account reduction restoration
2. \$475,183 - PaySR Risk Mitigation Funding
(1 Fiscal Systems Specialist II, 1 Senior Management Analyst II; 2 paygrades, one Fiscal Systems Specialist I to a II and one Sr. Systems Analyst I to a II)
3. \$200,000 - Audit Contractual Services reduction restoration
4. \$158,159 - Fraud, Waste and Abuse Funding (1 Special Investigator II)

The Office of the Controller response concerning the return on investment from funding these requests is attached.

FISCAL IMPACT STATEMENT

The General Fund impact of fully funding the Controller's request is \$1,424,088. This includes \$1,114,857 in direct salary costs and \$309,231 of indirect costs.

Should these items be funded, offsetting General Fund revenues or reductions to appropriations will need to be identified.

MAS:BGF: 03160025


Question No.199

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

TO: Budget and Finance Committee

FROM: Office of the Controller 

SUBJECT: CONTROLLER REPORT BACK - BUDGET IMPACT

The Committee requested that the Office of the Controller report back on the anticipated return on investment on requested items if they are funded. Below is the requested information for the areas that the Controller feel are essential for the Controller's Office to adequately perform its Charter-mandated duties and responsibilities:

Salary Account Reduction & Salary Saving Rate Increase

The majority of the vacant positions within the Controller's Office are in critical operational areas. There are currently 10 vacant positions in Accounting Operations (Demand Audit, Funds and Appropriation and Paymaster) out of a total of 50 authorized positions (20% vacancy rate). Payroll (Payroll operations and PaySR) has 9 vacancies out of 31 (29% vacancy rate). Auditing has 4 vacancies out of a total of 21 positions (19% vacancy rate). The average position cost for the Controller's Office is about \$90,000. With the proposed new salary saving rate along with the proposed one-time reduction and unfunded obligations (i.e., estimated retirement and sick leave payouts), this Office would have to hold 14 positions vacant for the entire fiscal year. The requested restoration will allow this Office to reduce that number to 9 vacant positions for the entire fiscal year.

The Charter mandates that the Controller is responsible for ensuring the City exercises diligent controls on expenditure of public funds. The ability to fill critical positions would result in the avoidance of discounts lost due to slow payments. In the first ten month of Fiscal Year 2015-16 the City processed 125,587 invoices totaling \$370,701,441, and has taken 94.68% of the \$1.38 million total discount available. Without adequate staffing level, more discount could be lost. Critical positions would also assist in the avoidance of penalty and liability due to improper use of tax payments. The potential penalty could be upwards to \$2 million (paid \$1.5 mil in past). Further, without the positions there could be a delay of year-end closing of the books, and potential downgrading of the City's credit rating (upwards of millions of dollars). The IRS imposes penalties for incorrect withholding of taxes and for any delays in remitting the tax withheld. Furthermore new rules on health benefits, mileage reimbursements and other benefits increase the complexity of reporting and withholding taxes. The recently approved raises and retroactive payments require special handling and careful calculations as staff must take into consideration several factors that are not considered during the negotiations phase. Any errors in implementing these changes will have long term consequences with potential for lawsuits. However, given the

City's budget of several billion dollars and the Controller's role as accountant and auditor for the City, the cost of the staff is a worthy investment. The ROI for operations staff is at least 3:1 in cost avoidance given the potential impact of vacancies in critical operations.

Auditing

The Audit Division's key activities focus on protecting and preserving City resources and ensuring they are effectively managed while maximizing program results. Auditing's ROI benchmark is at least 3:1 in identified savings, operational efficiencies, revenue enhancements and refunds of overpayments. For the last 3 years, the Division has exceeded this benchmark. The ROI for the last three years are as follows:

- FY 14-15 16.80 to 1
- FY 13-14 3.46 to 1
- FY 12-13 11.00 to 1

Audit reports issued during FY 2014-15 resulted in a quantifiable impact of \$59 million in future avoidable costs and/or increased revenue. Comparing the financial impact of audits issued (\$59 million) to the audit resources, i.e., direct labor for filled positions plus consulting funds (\$3.03 million), ROI is 16.80:1 for FY 2014-15.

Some notable audits:

- Overtime Controls and Practices at the Department of Transportation demonstrated that because several City labor agreements provide for premium overtime rates even when employees have not worked more than 40 hours, \$1.2 million could be saved annually (by DOT employees alone), if the City adopted provisions consistent with requirements of the federal Fair Labor Standards Act.
- Used Computer-Assisted Auditing Techniques (CAATs) on 4 audits where electronic data was available to ensure maximum coverage of auditable population and develop strong issues.

Audits, reviews and studies seek to enhance the quality of Departmental operations as well as save costs and/or increase revenue. Audit work is not always measurable in quantifiable dollar recoveries or savings, such as when the primary focus is on improvements in service delivery or program quality. However, the Controller's Office does attempt to quantify the financial impact of our audit findings whenever possible. We strive to identify and recommend actions that will result in real financial impact, whereby the City can achieve significantly more through cost savings and/or increased revenue than the cost of the audit function.

PaySR

The PaySR system processes payroll for over 40,000 employees every two weeks. Each payroll averages around \$140 million. The system is held together by patches and fixes and is currently at risk of failure. The system contains the payroll records for all City employees, past and present since 2003 and is critical for paying employees correctly and on time. Currently, the City relies on one person to hold the system together. While there are City (ITA) staff and contract staff also involved in supporting the system, they perform tasks under the direction and control of the sole contractor. Additional resources will help mitigate the risk of over reliance on outside contractor to maintain the PaySR system. The anticipated return on investment are:

1. Reduction in risk related to reliance on contractor for PaySR system support over the 3-5 years timeframe that it will take to replace the system. The City relies on the PaySR system to not only pay employees every pay period, but also to enforce FLSA regulation, comply with union agreements and calculate tax withholdings. Any breakdown of the system exposes the City to employee unrest (pay delays, short pay), labor union complaints and action (MOU terms violation, delayed implementation of MOUs, breach of contract) and penalties (incorrect Federal and State tax withholding and remittance). Failure of the system could further result in massive lawsuits and liabilities for the City.
2. Enhancement of City's internal capabilities can be realized through the development of skillsets to support the PaySR system in short-term and the ability to build business requirements for future HR and Payroll system. It is imperative that the City builds up a robust base to not only ensure the short term viability of the system but also to have the expertise to lead the acquisition, development and implementation of the next system.

Fraud Waste and Abuse Unit (FWA Unit)

Within the last 4 years the FWA Unit's investigations resulted in over \$5 million of savings for the City. The savings included over \$3.5 million of wasteful spending identified, \$744,000 in pending lawsuits for recovery and \$300,000 in funds recovered. The Unit's investigations also resulted in several instances of City time abuse and payroll fraud being identified and eliminated. Every year the unit receives approximately 300 whistleblower complaints. These complaints have been instrumental in uncovering cases like wage theft, time abuse and petty theft that limited City losses by early discovery to cases where fraud, neglect or waste resulted in the City recovering or suing to recover hundreds of thousands of dollars. The FWA Unit ROI for 2015-16 is 6:1 and for 2014-15 is 2.5:1. The ROI does not take into account the numerous cases of employee misconduct uncovered which resulted in disciplinary action but no actual or potential money recovery.

FWA Unit Historical Achievements

In 2004, the Controller began tracking reported allegations of fraud and waste of City resources, which led to a proposal to establish an independent Fraud and Waste Investigative Unit. In September 2005, City Council approved the proposal and formally established a unit within the Office of the Controller to screen, monitor, and investigate allegations involving fraud, waste and abuse of City resources.

In 2008, an ordinance was added to the Los Angeles Administrative Code setting forth the powers and duties of the FWA Unit. Since then the FWA Unit has identified underpayments of over \$25,000 by an Official Police Garage, assisted the City Attorney in prosecuting a top City tax debtor, identified over \$1 million in overbilling by a Sanitation contractor, uncovered over \$2 million in waste at Recreation and Parks campsites and recovered duplicate worker's compensation payments to a medical services vendor.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **POLICE DEPARTMENT – FEASIBILITY OF ESTABLISHING A SEASONAL
DETAIL FOR WILL ROGERS STATE BEACH**

During its consideration of the Police Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested the Police Department to report back on the feasibility and staffing needs to establish a seasonal West LA Division Beach Detail for Will Rogers State Beach. The Department's response (attached) indicates that in lieu of a proposed foot beat deployment which was not funded, the Chief will direct Operations-West Bureau to realign existing staffing should the deployment of the beach detail remain a critical need versus other deployment concerns.

The Department's proposal for deploying a foot beat in West Bureau assumed one Sergeant I to supervise eight Police Officer IIs year-round with the Police Officer II positions coming from an expansion of the force above 10,000 Officers. The annual expense for the proposed foot beat deployment would be \$797,248 for Sworn Salaries and \$461,476 for Related Costs for a total cost of \$1.26 million. While the foot beat deployment to the Will Rogers State Beach would be seasonal, annual funding would be required because the Officers would be hired on a full-time basis.

FISCAL IMPACT STATEMENT

The General Fund impact of adding a year-round foot beat would be \$1.26 million. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:TJM:04160127

Question No. 82

Attachment

LOS ANGELES POLICE DEPARTMENT

CHARLIE BECK
Chief of Police



ERIC GARCETTI
Mayor

P. O. Box 30158
Los Angeles, Calif. 90030
Telephone: (213) 486-8590
TDD: (877) 275-5273
Ref #: 3.5

May 4, 2016

The Honorable Budget and Finance Committee
c/o Richard Williams
Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012


Subject: Budget Impact Letter No. 82 – Feasibility of Seasonal Staffing at Will Rogers State Beach

Honorable Members:

In conjunction with the Fiscal Year 2016-2017 Budget, your Committee requested additional information regarding the feasibility and staffing needs to establish a seasonal West Los Angeles Division Beach Detail for Will Rogers State Beach.

The Los Angeles Police Department requested additional funds in its Fiscal Year 2016-2017 Budget for 32 Police Officers to add one foot beat (eight officers) to each geographic bureau. However, given other budgetary priorities this request was not included. These officers would have been deployed on a seasonal basis at Will Rogers State Beach. The Chief will ask Operations-West Bureau to realign existing staffing from within the Bureau itself should the deployment of the beach detail remain a critical need versus other deployment concerns.

If you have any questions regarding this information, please feel free to contact me at, (213) 486-8410.


JORGE A. VILLEGAS, Assistant Chief
Director, Office of Administrative Services

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **MAYOR – DATA DRIVEN HOMELESSNESS CHALLENGE**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Mayor's Office to report on the funding provided for the Data Driven Homelessness Challenge, what jurisdictions have implemented a similar program and what the results were. The Mayor's Office response is attached.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:CLF:02160095c

Question No. 562

Attachment

DATA DRIVEN HOMELESSNESS CHALLENGE

During its consideration of the \$138 million in proposed funding for the the City's Comprehensive Homeless Strategy, the Budget and Finance Committee requested a report back on the proposed \$500,000 investment in the Data-Driven Homelessness Challenge component.

What is the Data-Driven Homelessness Challenge?

In support of the Comprehensive Homeless Strategy, the Homelessness Challenge will seek out and fund innovative pilot solutions to our Homeless issues (somewhat similar to how the City's Innovation Fund works), such as rapid rehousing, housing for justice-involved residents (reentry), domestic violence survivors, and homeless women. The challenge will build a body of evidence and provide data to the City on the effectiveness of those solutions (cost, benefit, etc) and their potential for longer term expansion.

Benefits of the Homelessness Challenge

- Brings the best and brightest ideas to the City
- Allows for cost-effective testing of potential solutions
- Engages a greater circle of people on issues and solutions

How will the Homelessness Challenge be implemented?

- LAHSA will manage the \$500,000 Homelessness Challenge (either directly or through a contractor) and create a process for review which will include the Homelessness and Poverty Committee and City Council.
- The University of Chicago offered to provide pro-bono assistance which includes:
 - support on the creation and implementation of the Challenge;
 - rigorous evaluation services, including randomized control trials (which typically cost between \$215,000 and \$300,000 per evaluation).

Case Studies

University of Chicago

The University of Chicago Urban Labs program uses scientific inquiry to assess real-time impact and help cities bring successful strategies to scale. For example, in the 2009-2010 school year, Urban Labs funded a pilot program developed by two nonprofits in partnership with Chicago Public Schools, called *Becoming a Man-Sports Edition*, that assigned over 2,500 disadvantaged males in grades 7-

10 to one year of social cognitive skill development through in-school and after-school programming. Analysis of this program by Urban Labs revealed that participation increased future graduation rates and reduced violent-crime arrests during the program year by 44 percent.

UCLA


The UCLA Grand Challenges was established in 2012 with the premise that by working together with shared goals, the UCLA community could have an even bigger impact on society's greatest problems. Currently, there are two grand challenges: the Sustainable LA Grand Challenge and the Depression Grand Challenge. UCLA's Sustainable LA Grand Challenge announced the awarding of its first competitive research grants today, providing \$1.2 million to 11 projects, which range from developing lightweight solar panels that double as batteries to exploring how to unite the region's 215 water systems to minimize imported water. The Depression Grand Challenge (DGC) selected seven early demonstration projects and three research cores to receive internal seed funding over a two-year period. More than 100 investigators from 20 departments teamed up to submit 60 proposals.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BUREAU OF ENGINEERING – RESOURCES FOR BUILD LA**

Attached is a memorandum from the Bureau of Engineering dated May 2, 2016, addressing the Committee's request for a report back on the staffing and funding necessary for the implementation of Build LA.

The Bureau's memorandum estimates the full year cost of the positions at \$146,542 for direct costs only. Using the Bureau's new four percent salary savings rate that is included in the Mayor's Proposed Budget, this Office has estimated the cost as follows:

Classification	Count	Direct Cost	Indirect	Total
Senior Civil Engineer	1	\$145,031	\$55,900	\$200,931

FISCAL IMPACT STATEMENT

A direct appropriation of \$145,031 from the General Fund will be required to provide funding for the additional Build LA position. Related costs are \$55,900 for a total cost of \$200,931. Should this item be funded, a corresponding increase in projected Development Services Revenues can be added to offset the cost of the positions.

MAS:EMM:06160152

Question No. 103

Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: May 2, 2016

To: Miguel A. Santana, City Administrative Officer
Office of the City Administrative Officer

Attn: Elyse Matson



From: Gary Lee Moore, PE, ENV SP, City Engineer
Bureau of Engineering

Subject: Budget and Finance Committee Question No. 103

The Budget and Finance Committee, during its April 27, 2016 hearing on the Mayor's fiscal year (FY) 2016-17 Proposed Budget, requested that the Bureau of Engineering (ENGINEERING) report back on the staffing and funding necessary for BuildLA implementation. With BuildLA entering the implementation phase in the upcoming FY, ENGINEERING proposes to add a Senior Civil Engineer, Class Code 9485, to oversee the BuildLA coordination, provide direction on all permit workflow processes and applications to be transitioned, and serve as the primary ENGINEERING point of contact for the project with the BuildLA team.

A Senior Civil Engineer is requested because the BuildLA coordination position requires the skills, knowledge and experience to be able to oversee the transition of all aspects of ENGINEERING's permit process, including the transition of applications exclusively used in our Development Services Program. Therefore, ENGINEERING believes it is more cost effective to provide one senior level position rather than multiple lower level positions that would each only have knowledge of a part of the entire process. At the present time, ENGINEERING does not have any positions dedicated to BuildLA, and ENGINEERING is the lead entity on 21 of the 60 computer applications slated for full replacement that are related to BuildLA.

ENGINEERING believes that the Senior Civil Engineer position will be sufficient to provide the required coordination with the BuildLA team in FY 2016-17. The direct salary cost for a Senior Civil Engineer for FY 2016-17 is \$146,542.

If there is any additional information required, please contact me at (213) 485-4935.

cc: Barbara Romero, Office of the Mayor
Matt Szabo, Office of the Mayor
Matt Crawford, Office of the Mayor
Greg B. Good, Office of the Mayor
Ted Bardacke, Office of the Mayor
Kevin James, Board of Public Works
Joel F. Jacinto, Board of Public Works
Sharon Tso, Office of the Chief Legislative Analyst

c:/GLM/rmk/B&F Committee Report Back No. 103.doc

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT – REPORT ON DEPARTMENT’S REQUEST FOR ADDITIONAL SALARY FUNDING FOR NEW POSITIONS AND \$20,000 FOR EMPOWERLA AWARDS EVENT**

During its consideration of the Department of Neighborhood Empowerment’s (DONE) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report from this Office on using unspent Neighborhood Council (NC) funds from 2015-16 or reducing the proposed salary savings rate to provide an additional six-months funding for the positions provided for the NC Subdivision and Boundary Adjustment Policy and \$20,000 for the EmpowerLA Awards event, for a total requested amount of \$118,370.

DONE is funded through the DONE Trust Fund which is completely funded by the General Fund. Any reduction of the Department’s salary savings rate will require an equivalent General Fund appropriation to fund the additional salary amount for the Department.

The Mayor’s Proposed Budget already assumes a reallocation of \$200,000 of unspent 2015-16 DONE and NC funds towards the 2016-17 DONE and NC budgets. It should be noted that if the actual total of unspent funds realized at the end of the fiscal year is less than the estimated amount included in the Proposed Budget, an additional General Fund appropriation will be required to ensure that the DONE Trust Fund will have a sufficient cash balance to support the 2016-17 Proposed Budget appropriations.

FISCAL IMPACT STATEMENT

A General Fund appropriation of \$118,370 will be required to provide funding for the Department’s request for an additional six-months funding for two Project Coordinators and one Project Assistant and \$20,000 for the EmpowerLA Awards. If a General Fund appropriation is provided, offsetting General Fund revenues or appropriations will need to be identified.


MAS:LGC:08160093

Question No. 461

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **DEPARTMENT OF CITY PLANNING – HISTORIC PRESERVATION OVERLAY ZONE PROGRAM**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the cost to restore two City Planning Associate resolution authorities to support the Department of City Planning's Historic Preservation Overlay Zone (HPOZ) Program particularly as it relates to neighborhood conservation.

The amount required to fund the direct and indirect costs of two City Planning Associate resolution authorities are outlined in the table below:

Job Classification	Salary	Pension/Health and Welfare	Total
City Planning Associate	\$ 85,648	\$ 37,989	\$ 123,637
City Planning Associate	\$ 85,648	\$ 37,989	\$ 123,637
Total	\$ 171,296	\$ 75,978	\$ 247,274

FISCAL IMPACT STATEMENT

The General Fund impact of restoring two City Planning Associate resolution authorities is \$247,274. Related costs consisting of employee benefits totaling \$75,978 are included in the total.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JLK:02160084c

Question No. 10

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT OF CITY PLANNING – EXPANDED COMMUNITY PLANNING PROGRAM DESCRIPTION**

During its consideration of the 2016-17 Proposed Budget (Proposed Budget), the Budget and Finance Committee requested this Office to: 1) describe the timeline and plan for how the Community Plan update proposal will be rolled out, including community outreach and EIRs; 2) how will updates to community plans be prioritized; and, 3) how long until plans are updated in each Council District.

Historically, the the Department of City Planning's (Department) Community Plan Program has involved sparse staff resource allocation. Most Community Plans underway over the past ten years have been allocated a single Planning Assistant or City Planning Associate. Furthermore, Community Plans were approached on an individual basis, each with its own extensive outreach process and Environmental Impact Report. This approach led to a nine-year process to update an individual Community Plan. Factors, such as the fiscal crisis in 2008 contributed to delays beyond the nine-year path.

The Proposed Budget provides the Department the resources required to reduce the processing time for a Community Plan update from nine years to three years. Attachment 1 illustrates the proposed three-year timeline and the current nine-year timeline. To achieve this timeline, the Department's Community Plan updates will be carried out in geographic groupings of multiple Community Plans at a time. The geographic groupings will be organized around three geographic regions: 1) Valley; 2) Central/East; and, 3) South/West/Harbor. Attachment 2 is an information map which illustrates the three geographic regions and the Community Plan groups within each region. The chart in Attachment 3 identifies the Region, the Area Planning Commission, the Council District, the Group, the plan adoption date, and current age in years for each of the City's 35 Community Plans. As of May 4, 2016, the average age of the City's 35 Community Plans is 16.5 years.

The Proposed Budget expands the number of positions within the Department dedicated to the Community Planning Program from 10 to 38. These additional positions will allow the Department to establish three geographic teams. Each team will have 10 dedicated positions consisting of one Senior City Planner, three City Planners, three City Planning Associates, and three Planning Assistants. Additionally, the teams will be complemented by a City-wide support team (eight positions) consisting of one Principal City Planner, one Public Information Director I, one Operations and Statistical Research Analyst I, one Senior Administrative Clerk, and four Geographic Information Specialists. Attachment 4 is an organization chart for the expanded program.

Since Community Plan areas often deal with similar issues, have overlapping environmental study areas, and share neighborhood councils, this approach will create multiple efficiencies including, but not limited to, providing economies of scale with respect to conducting outreach and completing regional Environmental Impact Reports (EIRs) which reduce the contractual services obligations from 35 individual EIRs (\$35 million - \$1 million each) to 11 regional EIRs (\$16.5 million - \$1.5 million each). The regional EIR strategy allows the Department to update multiple Community Plans in a shorter timeframe and saves the City \$18.5 million over the course of a 35 Community Plan update cycle. The addition of staff, coupled with the geographic team approach, will allow the Department to expand community outreach efforts, as well as, conduct additional community meetings under the new timeline.

The Department has historically considered a range of quantitative and qualitative factors in determining when to update an individual Community Plan. Examples of the criteria considered by the Department are the age of the Community Plan, overall volume of development (depicted through building permits), overall volume of development requiring discretionary actions, demographic projections, and current Department work programs within an area that could be augmented by a more comprehensive planning effort. By batching Community Plan updates geographically and updating groups throughout different regions of the City, the criteria and methodology the Department use can be narrowed to which batch of Community Plans within a region should be addressed first, second, third, and fourth during a 10-year cycle. As illustrated in Attachment 5, three groups of Community Plans will be underway in any given fiscal year.

The Proposed Budget provides the Department six-months funding to initiate the expanded Community Planning Program. These additional resources, in conjunction with the additional staff resources in the Office of the City Attorney (two Deputy City Attorney IIIs, one Paralegal II, and one Senior Administrative Clerk) and Department of Transportation (one Transportation Engineering Associate III and two Transportation Planning Associates) that will be funded by the Planning Long Range Planning Fund (52F) and recommended in an upcoming joint report to the Planning and Land Use Management Committee will enable the Department to update all 35 Community Plans by June 30, 2026. By January 1, 2020, Community Plans impacting at least a portion of all 15 Council Districts will be underway or completed. Attachment 6 illustrates all of the positions and annual funding required to maintain a Community Planning Program capable of updating every Community Plan at least once every 12 years.

Additionally, the Proposed Budget isolates all of the resources within the Department allocated to the expanded Community Planning Program within one budget program and introduces a new metric for the budget program tied to the number of Community Plans less than 10 years old. The successfulness of the program will be measured over the next several fiscal years as the Department increases the number of Community Plans less than ten years old. The eight Community Plan updates currently underway should be completed over the next three fiscal years. The first group of Community Plans initiated under the expanded program should be adopted by the end of Fiscal Year 2019-20.

This memorandum is for informational purposes only.

MAS:JLK:02160086c

Question No.398

Attachments

Proposed Process

Year One: Plan Formation

Data & Demographics Compilation
(economies of scale with General Plan work underway)

Plan Research

Community Outreach

Initial Concept Mapping

Project Description Draft & Completion

Consultant Bidding & Contracting

Year Two: Plan Evaluation

CEQA Initial Study & Admin Draft EIR w/City Attorney Input

Policy Formation/Completion

Zoning with re:code new zones, no other new implementation tools

Focused Outreach with PIO

Release of Draft EIR

Year Three: Plan Adoption

Release of Final EIR

Focused Outreach & Public Hearings

City Planning Commission

City Council Adoption Process

Current Process

Year One: Plan Formation

Data & Demographics Compilation

Plan Research

Year Two: Plan Formation

Community Outreach

Year Three: Plan Formation

Initial Concept Mapping

Project Description Draft

Consultant Bidding & Contracting

Year Four: Plan Evaluation

Project Description Completion

CEQA Initial Study and Admin Draft EIR

Year Five: Plan Evaluation

Draft Zoning and Implementation Tools (CPIO) & Policy Document

Complete Draft EIR

Year Six: Plan Evaluation

Complete Zoning and Implementation Tools (CPIO) & Policy Document

Year Seven: Plan Adoption

Continued Outreach & Public Hearing

City Planning Commission

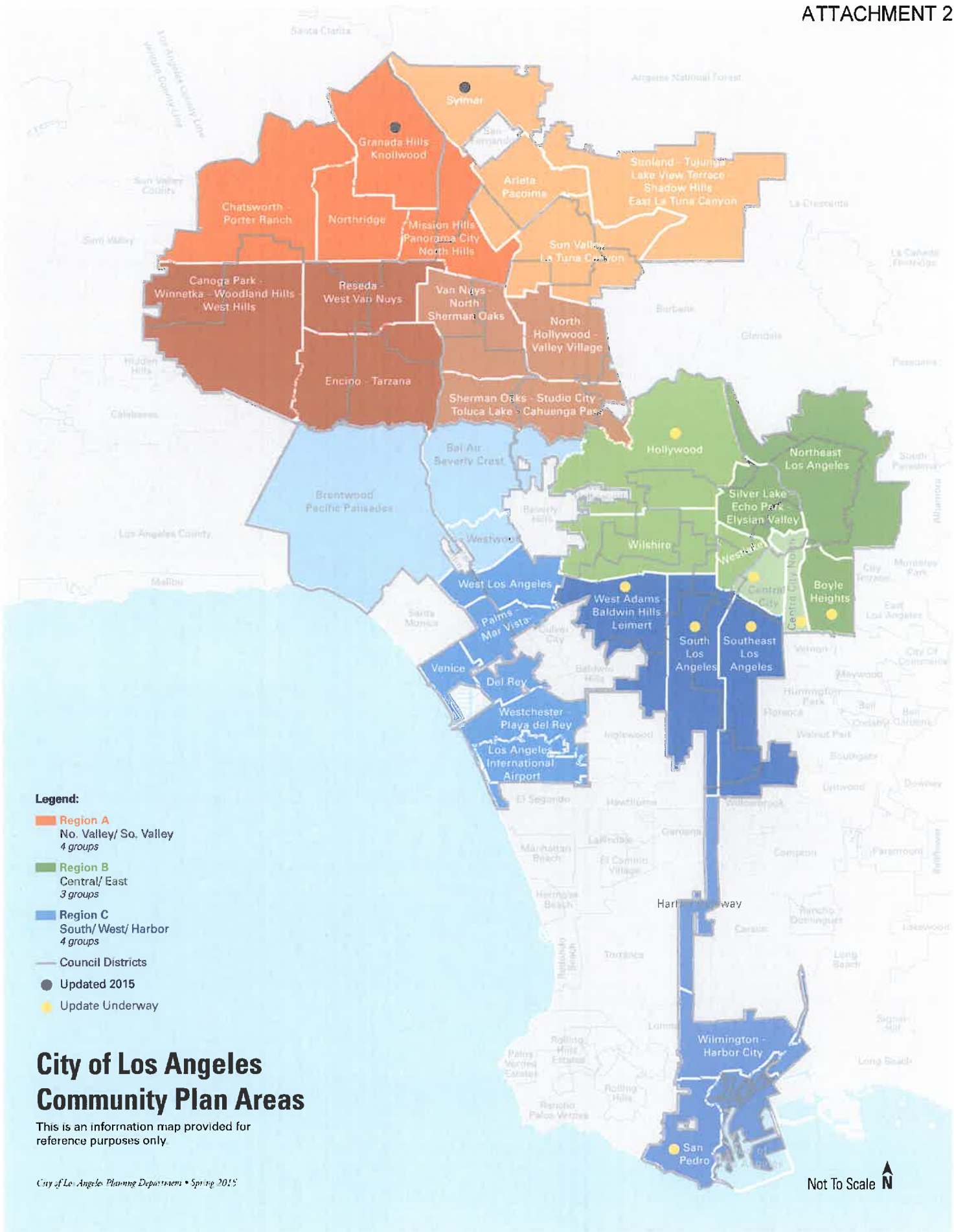
Year Eight: Plan Adoption

City Attorney Review of Admin Final EIR & Community Plan & Implementing Ordinances

City Planning Commission Revisit

Year Nine: Plan Adoption

City Council Adoption Process



- Legend:**
- **Region A**
No. Valley/ So. Valley
4 groups
 - **Region B**
Central/ East
3 groups
 - **Region C**
South/ West/ Harbor
4 groups
 - Council Districts
 - Updated 2015
 - Update Underway

City of Los Angeles Community Plan Areas

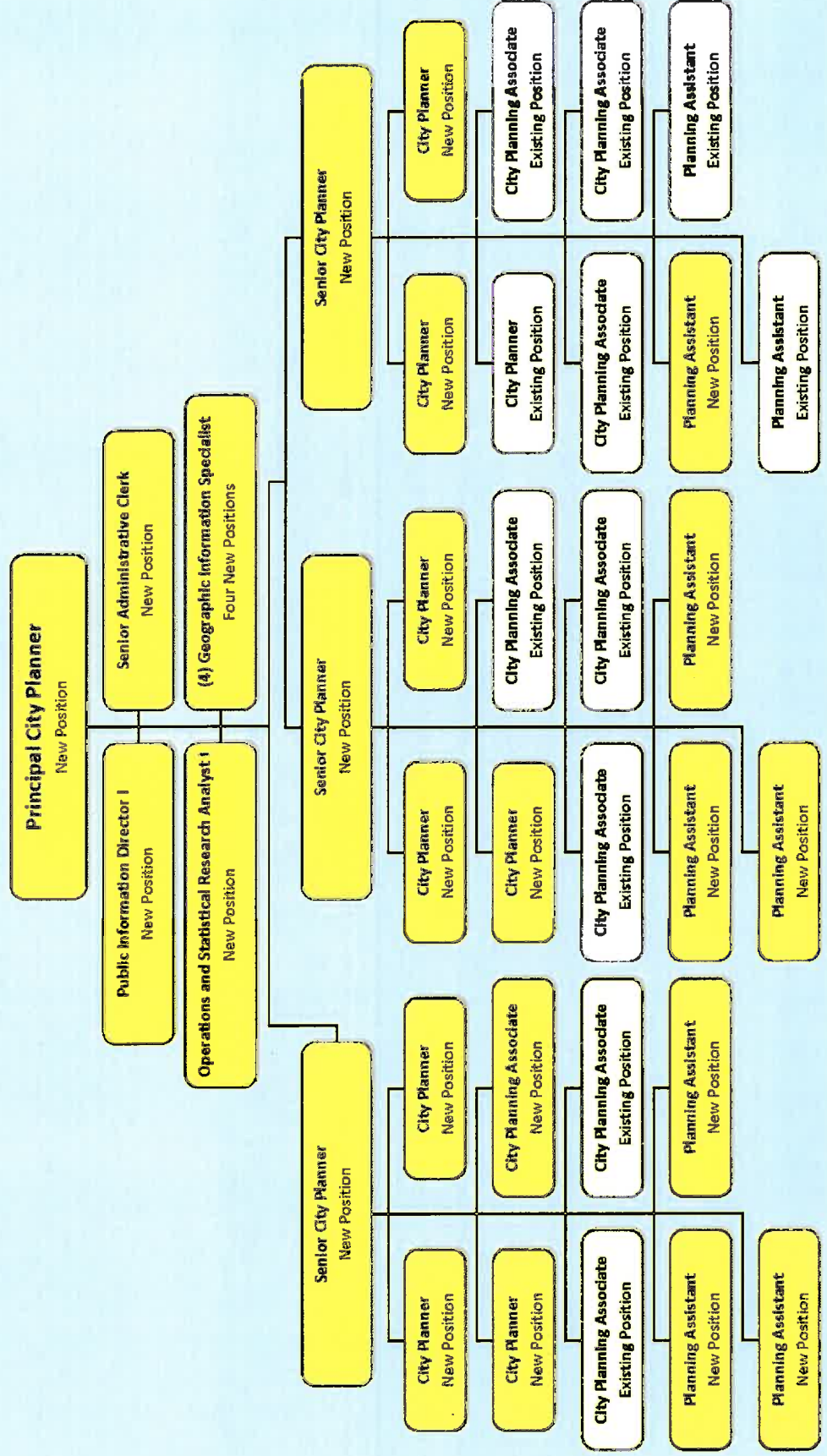
This is an information map provided for reference purposes only.

ATTACHMENT 3

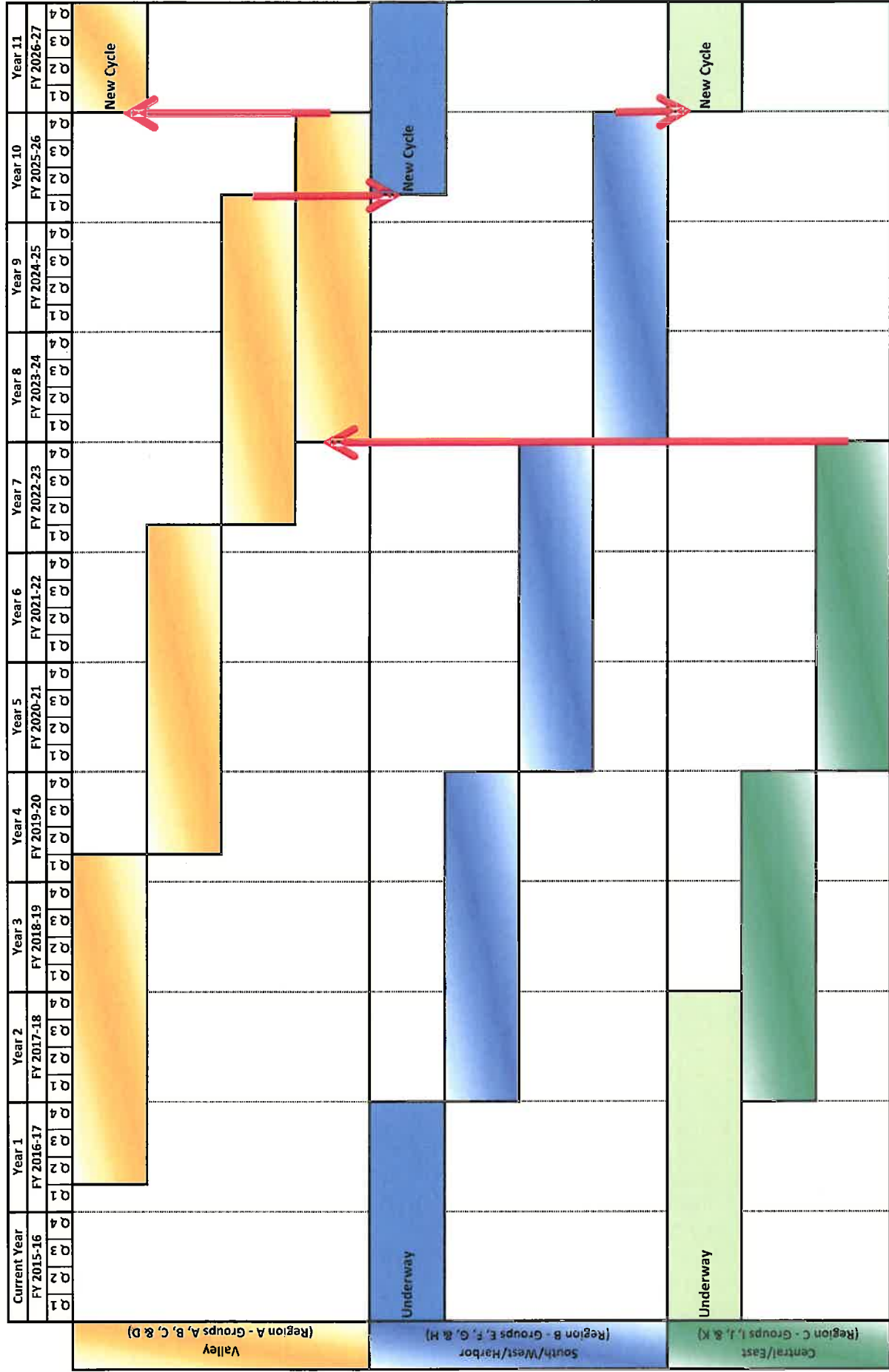
Region	APC Area	Council Districts	Group	Community Planning Area Name	Plan Adoption Date	Current Age in Years
Valley - Region A	North Valley	3, 6, 7, 12	A	Chatsworth - Porter Ranch	7/14/1993	22.81
				Granada Hills - Knollwood	10/28/2015	0.52
				Mission Hills-Panorama City-North Hills	6/9/1999	16.91
				Northridge	2/24/1998	18.19
	North Valley	2, 6, 7	B	Arleta - Pacoima	11/6/1996	19.49
				Sun Valley-La Tuna Canyon	8/13/1999	16.73
				Sunland-Tujunga-Lakeview Terrace-East La Tuna Canyon	11/18/1997	18.46
				Sylmar	6/10/2015	0.90
	South Valley	3, 5, 6, 12	C	Canoga Park-Winnetka-Woodland Hills-West Hills	8/17/1999	16.72
				Encino - Tarzana	12/16/1998	17.39
				Reseda -West Van Nuys	11/17/1999	16.47
	South Valley	2, 4, 6	D	North Hollywood-Valley Village	5/14/1996	19.98
Sherman Oaks-Studio City-Toluca Lake-Cahuenga Pass				5/13/1998	17.98	
Van Nuys-North Sherman Oaks				9/9/1998	17.65	
South/West/Harbor - Region B	South LA	1, 5, 8, 9, 10, 14, 15	E	South Los Angeles	3/22/2000	16.12
				Southeast Los Angeles	3/22/2000	16.12
				West Adams-Baldwin Hills-Leimert	5/6/1998	18.00
	Harbor	15	F	Harbor Gateway	12/6/1995	20.41
				San Pedro	3/17/1999	17.14
				Wilmington - Harbor City	7/14/1999	16.81
	West LA	5, 11	G	Palms-Mar Vista-Del Rey	9/17/1997	18.63
				Venice	9/29/2000	15.60
				West Los Angeles	7/27/1999	16.77
				Westchester-Playa Del Rey	4/13/2004	12.06
	West LA	4, 5, 11	H	Bel Air-Beverly Crest	11/6/1996	19.49
				Brentwood-Pacific Palisades	6/17/1998	17.88
Westwood				7/27/1999	16.77	
Central/East - Region C	Central	1, 9, 14	I	Central City	1/8/2003	13.32
				Central City North	12/15/2000	15.39
	East LA	1, 4, 13, 14	J	Boyle Heights	11/10/1998	17.48
				Northeast Los Angeles	6/15/1999	16.89
				Silver Lake-Echo Park-Elysian Valley	8/11/2004	11.73
	Central	4, 5, 10, 13	K	Hollywood	12/13/1988	27.39
				Wilshire	9/19/2001	14.63
Westlake				9/16/1997	18.63	
Average Age of the City's 35 Community Plans (as of 05/05/16)						16.50

Proposed Fiscal Year 2016-17 Community Planning Program

Program



ATTACHMENT 5



The chart above illustrates the phasing plan for the expanded Community Planning Program. The Planning Department is committed to completing all of the Community Plans currently underway. To date, the Director of Planning has not prioritized the Community Plan groups by region. Therefore, no assumptions should be made to prioritization when comparing Attachments 2, 3, and 5.

Department:
Program Name:

City Planning
6802 - Community Planning - Blue Book #20

Existing Positions	New Positions Proposed Budget & C.F. 16-0422	Class Title	Department	Number of Months Funding Requested	Cost of Existing Positions	Full Year Cost of New Positions	Full Year Salary Cost of Expanded Program
	1	Principal City Planner	City Planning	12	\$ -	\$ 150,338	\$ 150,338
	3	Senior City Planner	City Planning	12	\$ -	\$ 377,289	\$ 377,289
1	8	City Planner	City Planning	12	\$ 106,654	\$ 853,229	\$ 959,883
7	2	City Planning Associate	City Planning	12	\$ 599,537	\$ 171,296	\$ 770,834
2	7	Planning Assistant	City Planning	12	\$ 119,181	\$ 417,135	\$ 536,316
	1	Public Info Director I	City Planning	12	\$ -	\$ 114,969	\$ 114,969
	4	Geog Info Specialist	City Planning	12	\$ -	\$ 282,933	\$ 282,933
	1	Senior Administrative Clerk	City Planning	12	\$ -	\$ 50,157	\$ 50,157
	1	Oper & Stat Res Analyst	City Planning	12	\$ -	\$ 78,095	\$ 78,095
	1	Transportation Eng Assoc. III	Transportation	12	\$ -	\$ 83,331	\$ 83,331
1	2	Transportation Planning Assoc. II	Transportation	12	\$ 84,879	\$ 169,757	\$ 254,636
1	2	Deputy City Attorney III	City Attorney	12	\$ 123,459	\$ 246,918	\$ 370,377
	1	Paralegal II	City Attorney	12	\$ -	\$ 81,109	\$ 81,109
	1	Senior Administrative Clerk	City Attorney	12	\$ -	\$ 50,157	\$ 50,157
12	35	TOTALS					
		Salaries General		\$ 1,033,710	\$ 3,126,713	\$ 4,160,424	
		Contractual Services		\$ 500,000	\$ 1,000,000	\$ 1,500,000	
		Pension/Health (Add/Delete Rate):		\$ 457,655	\$ 1,368,456	\$ 1,826,111	
		TOTAL		\$ 1,991,365	\$ 5,495,169	\$ 7,486,534	

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT OF CITY PLANNING – EXPANDED COMMUNITY PLANNING PROGRAM**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the resources required to reduce the processing time for a Community Plan update from 8-10 years to 3-4 years. The 2016-17 Proposed Budget provides the Department of City Planning (Department) six-months funding for the additional resources necessary to achieve the goal of reducing the processing time for a Community Plan update to 3-4 years. Furthermore, the additional resources will enable the Department to update all 35 Community Plans by June 30, 2026.

After consulting with the Department, the Office of the Chief Legislative Analyst (CLA), the Office of the City Attorney (City Attorney), and the Department of Transportation (DOT), this Office in its report back to the Planning and Land Use Management (PLUM) Committee addressing a recently adopted Council Motion (C.F. 16-0422) will recommend authorizing by resolution authority an additional seven new positions (three for DOT and four for the City Attorney) to support the expanded Community Planning Program. On-going funding for these seven positions will be provided by the Planning Long Range Planning Fund (52F).

Table 1 illustrates the positions and annual funding required to maintain a Community Planning Program capable of reducing the processing time for a Community Plan update from 8-10 years to 3-4 years.

This memorandum is for informational purposes only.

MAS:JLK:02160085c

Question No.25

Table 1. Full Year Funding and Position Authorities Necessary to Support an Expanded Community Planning Program.

Department:
Program Name:

City Planning
6802 - Community Planning - Blue Book #20

Existing Positions	New Positions Proposed Budget & C.F. 16-0422	Class Title	Department	Number of Months Funding Requested	Cost of Existing Positions	Full Year Cost of New Positions	Full Year Salary Cost of Expanded Program
	1	Principal City Planner	City Planning	12	\$ -	\$ 150,338	\$ 150,338
	3	Senior City Planner	City Planning	12	\$ -	\$ 377,289	\$ 377,289
1	8	City Planner	City Planning	12	\$ 106,654	\$ 853,229	\$ 959,883
7	2	City Planning Associate	City Planning	12	\$ 599,537	\$ 171,296	\$ 770,834
2	7	Planning Assistant	City Planning	12	\$ 119,181	\$ 417,135	\$ 536,316
	1	Public Info Director I	City Planning	12	\$ -	\$ 114,969	\$ 114,969
	4	Geog Info Specialist	City Planning	12	\$ -	\$ 282,933	\$ 282,933
	1	Senior Administrative Clerk	City Planning	12	\$ -	\$ 50,157	\$ 50,157
	1	Oper & Stat Res Analyst	City Planning	12	\$ -	\$ 78,095	\$ 78,095
	1	Transportation Eng Assoc. III	Transportation	12	\$ -	\$ 83,331	\$ 83,331
1	2	Transportation Planning Assoc. II	Transportation	12	\$ 84,879	\$ 169,757	\$ 254,636
1	2	Deputy City Attorney III	City Attorney	12	\$ 123,459	\$ 246,918	\$ 370,377
	1	Paralegal II	City Attorney	12	\$ -	\$ 81,109	\$ 81,109
	1	Senior Administrative Clerk	City Attorney	12	\$ -	\$ 50,157	\$ 50,157
12	35	TOTALS					
				Salaries General	\$ 1,033,710	\$ 3,126,713	\$ 4,160,424
				Contractual Services	\$ 500,000	\$ 1,000,000	\$ 1,500,000
				Pension/Health (Add/Delete Rate):	\$ 457,655	\$ 1,368,456	\$ 1,826,111
				TOTAL	\$ 1,991,365	\$ 5,495,169	\$ 7,486,534

FORM GEN. 160

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **CULTURAL AFFAIRS – VERA DAVIS CENTER REQUEST FOR PROPOSALS**

During its consideration of the Department of Cultural Affairs 2016-17 Proposed Budget, the Budget and Finance Committee requested Cultural Affairs to report on the resources and steps required to issue a Request for Proposals (RFP) for the Vera Davis Center in Venice and the anticipated timeline for RFP release, review, and contract execution, including what resources would be needed, if any, after award of the RFP. The Department's response is attached.

The Oakwood Junior Arts Center (also known as the Vera Davis Center) is one of the remaining specified projects that the City must complete as part of the Proposition K Program. Currently, the project qualifies for up to \$850,000 in Proposition K monies to convert the facility into a junior arts center (\$500,000 in specified funds, plus an inflationary factor). The total projected cost of renovating the Vera Davis Center is estimated as \$4,489,200. If the facility is shared, Proposition K would only renovate the portion used as a junior arts center. Other occupants would have to fund their proportionate share of renovation costs. The project could potentially qualify for additional Proposition K funds to offset a portion of the remaining shortfall, with the specific amount to be determined based on funding availability and relative need for other specified projects the City is required to complete under the terms of the 1996 Ballot Measure that established the program.

Should the Department of Cultural Affairs be tasked to operate the facility as a junior arts center, a minimum of three positions are required: one Art Center Director I, one Art Instructor I, and one Administrative Clerk. Nine months funding for these positions, consisting of salaries and related costs would total \$268,625. Salaries and expense funding could be provided in the 2017-18 Proposed Budget from the Arts and Cultural Facilities and Services Trust Fund.

FISCAL IMPACT STATEMENT

There is no General Fund impact. However, it should be noted that if the junior arts center is not constructed, any expenditures from Proposition K funds would have to be reimbursed to the program from other non-program funds.


MAS:EOS:01160101

Question No. 371

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Honorable Members of the Budget and Finance Committee

From: Danielle Brazell, General Manager
Department of Cultural Affairs 

Subject: **REPORT BACK WITH THE STEPS AND RESOURCES TO ISSUE A REQUEST FOR PROPOSAL FOR THE VERA DAVIS CENTER IN VENICE – BUDGET MEMO 371**

At its meeting of April 28, 2016, the Budget and Finance Committee requested a report back detailing the resources and steps required to issue a Request for Proposal (RFP) for the Oakwood Junior Arts Center (Vera Davis McClendon Youth and Family Center) in Council District 11 (CD-11) and the anticipated timeline for the RFP release, review, and contract execution.

As part of the FY 16-17 budget process, the Proposed Budget provides the Department of Cultural Affairs (DCA) with administrative support with partial year funding to assist with the current contracting backlog. This RFP would be assigned to one of these new support positions (Senior Management Analyst I) to be hired once funding is available.

A successful contracting process with the timeline listed below is contingent on the following factors:

- Community meetings, led by CD-11, to gather community input and support for the RFP development process;
- The hiring of a qualified Senior Management Analyst I (nine-months funding is provided in FY 2016-17 Proposed Budget); and,
- Receipt of a qualified bidder who will be able to raise the more than \$3 million in funds needed to perform the building improvement work (according to the Bureau of Engineering's (BOE) current budget estimate, which includes \$500,000 in Proposition K improvement funds), and provide art-related activities/programming.

The steps and approximate timeline for the release of an RFP for the selection of a qualified arts organization to assume the management, operation, renovation and maintenance of the Oakwood Junior Arts Center (aka Vera Davis McClendon Youth and Family Center) located at 610 California Avenue 90291 are listed below:

STEPS	LENGTH OF TIME
1. CD-11 led community outreach meetings;	Two months
2. Confer with and solicit input from CAO, CD- 11, BOE and City Attorney to finalize terms and approve release of RFP;	Two months
3. Release RFP (60 day response) and conduct bidders conference(s);	One month
4. Proposals due, reviewed by evaluation committee and selection of non-profit arts organization;	One-Two months
5. Draft contract and request Executive Directive-3 approval, which may or may not include review by CAO;	One month
6. Contract approved by Council;	One month
7. Execute contract and transfer Oakwood Junior Arts Center to DCA.	One month
TOTAL TIME	Approx. 10 Months from Start Date

Once the contract is awarded, DCA is prepared to provide administrative oversight as part of the portfolio of partnered art centers currently overseen by our Community Arts Director. The selected qualified arts organization is required to incur all maintenance and operational costs, as well as, provide arts-related programming to children and youth populations.

Please contact Alma Gibson (213) 202-5530 or Leslie Thomas (323) 669-1017 with questions or for additional information.

cc: Elaine Owens-Sanchez, Office of the City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **CIEP (Municipal Facilities) – FUNDING FOR CITY FACILITY SECURITY PLAN**

During its consideration of the Los Angeles Police Department (LAPD) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the available funding for the City Facility Security Plan.

There is no specified funding provided in the 2016-17 Proposed Budget for the City Facility Security Plan. Project costs for the security upgrades and related improvements for the first and third floors of City Hall are estimated to range between \$750,000 and \$1.1 million based on a rough order of magnitude provided for this scope.

FISCAL IMPACT STATEMENT

Should Council fund the City Facility Security Plan, offsetting General Fund revenues or appropriations will need to be identified in an amount ranging between \$750,000 and \$1.1 million.

MAS:AST:05160122

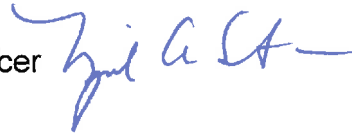
Question No. 667

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT – FUNDING REQUESTS IN DEPARTMENT LETTER TO COMMITTEE**

During its consideration of the Economic and Workforce Development Department's (EWDD) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the funding requests included in the Department's letter to the Committee, and the impact of not restoring funding for the seven Day Laborer sites. EWDD's requests in the letter include new funding for real estate asset management services (\$700,000) and continued funding for workforce development services formerly funded by the Community Development Block Grant (CDBG) (\$1,657,000) for a total request of \$2,357,000.

The EWDD requests resolution authority for three new positions and funding in the amount of \$700,000 from the Economic Development Asset Management line item in the FY 2015-16 Unappropriated Balance (UB) for real estate asset management activities in FY 2016-17. EWDD proposes to use \$276,992 for salaries and \$423,008 for real estate asset management consultant services and other expenses. However, based on six months funding for new position requests, we revise these amounts to be \$193,214 for salaries and \$506,786 for consultant services and other expenses. The positions and related salaries are as follows:

<u>No</u>	<u>Class Code</u>	<u>Class Title</u>	<u>FY 2016-17 Salary (Six Months)</u>
1	9191-2	Industrial and Commercial Finance Officer II	\$56,470
1	1964-2	Property Manager II	65,647
1	1964-3	Property Manager III	71,097
Total: 3			\$193,214

The EWDD also requests continuation of funding for four workforce development programs which were previously funded by CDBG in FY 2013-14 for participants not eligible for workforce grant funding.

YouthSource Centers in Boyle Heights and Watts	\$573,000
Hire LA	285,000
Cash for College	49,000
Day Laborer Program	<u>750,000</u>
TOTAL:	\$1,657,000

The funding for the YouthSource Centers in Boyle Heights and Watts, Hire LA and Cash for College programs provides educational development, civic engagement, volunteer and community leadership and engagement opportunities for youth not eligible for federal workforce development grants. The Day Laborer Program provides supportive services to adults who are seeking temporary jobs and are ineligible for federal workforce grants.

The impact of not restoring funding for the Day Laborer Program is the elimination of funding to provide fixed hiring sites (Centers) in designated areas of the City where job seekers can congregate to solicit employers seeking temporary day laborers. EWDD indicated that 1,774 day laborers utilized the seven Centers in FY 2014-15, and 884 laborers procured 28,389 short-term jobs, representing \$2,188,688 in earnings. During this same period, 16 Day Laborer Program clients were assisted with wage theft claims and recovered \$4,714 in unpaid wages.

FISCAL IMPACT STATEMENT

The General Fund impact of funding the requests in the Department's budget letter is \$2,357,000 for FY 2016-17. Of this amount, \$700,000 in one-time funding is available in the FY 2015-16 Unappropriated Balance Economic Development Asset Management item. An additional \$1,657,000 is required to fund the Department's workforce development programs formerly funded by the Community Development Block Grant.

MAS:SAM:02160083

Question No. 480

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **ZOO DEPARTMENT – ANALYSIS OF CONVERTING CUSTODIAL STAFF FROM PART-TIME TO FULL-TIME EMPLOYEES**

During its consideration of the Zoo Department's (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report back on converting part-time custodial staff to full-time employees, including an analysis of the potential revenue enhancement, reduction in overtime, impact to special events, and all costs and benefits associated with the conversion. The Department's response is attached.

The proposed budget for the Department currently provides funding in the amount of \$76,920 in the Salaries As-Needed Account to support increased part-time custodial staff. As an alternative, the Department is requesting nine months funding in the amount of \$95,300 to fund four Custodian positions at the level of a Vocational Worker II. Vocational Worker II is a temporary training position and is the point of entry of most custodial hiring.

The Department recommends reducing the allocation of \$76,920 in the Salaries As-Needed Account and increasing the Salaries General Account by the same amount. The remaining \$18,380 required to fully fund the request could be offset by reducing the Reserve for Revenue Fluctuations line item in the Zoo Enterprise Trust Fund by the same amount and appropriating those monies to the Salaries General Account. The General Fund impact would be \$41,230 for related costs for the four full-time positions.

An alternative to the reduction in the Reserve for Revenue Fluctuation line item is a further reduction to the Salaries-As Needed Account in the amount of \$18,380.

FISCAL IMPACT STATEMENT

The General Fund impact of the Department's request for converting part-time custodial staff to full-time employees is \$41,230 for related costs for four Custodian positions.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JDS:08160104

Question No. 225

Attachment

CITY OF LOS ANGELES
LOS ANGELES ZOO
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2016

TO: Budget and Finance Committee

FROM: John R. Lewis, General Manager
Zoo Department



**SUBJECT: ZOO DEPARTMENT - BUDGET AND FINANCE COMMITTEE REPORT
BACK QUESTION NO. 225**

This memo is in response to the Budget and Finance Committee's request for information regarding converting part-time custodial staff to full-time including an analysis of the potential revenue enhancement, reduction in overtime, impact to special events, and all costs and benefits associated with converting part-time to full-time.

Background

As part of the Zoo's 2016-17 Proposed Budget, the Department requested four new positions of custodian to address the maintenance and cleanliness needs of the Zoo. The Zoo's custodial services staffing peaked at three supervisory positions, 12 full-time positions and 27,000 part-time hours in Fiscal Year 2008-09. Today, the Zoo has one supervisor, eight full-time positions and 16,000 part-time hours. This represents a 40% reduction to resources that are critically needed to maintain a 113 acre facility of this size and complexity, particularly as it relates to increased night-time events. The reduction in positions occurred during the height of the economic downturn and the City's fiscal crisis to reduce budgets through the elimination of vacant positions.

Custodial Services Operations

Custodial Services at the Zoo operates on a seven day-a-week, 12 hour-a-day schedule to provide custodial services on grounds in public areas, buildings, and pathways, regular maintenance and restocking of 11 public restrooms throughout the day, trash and recycling pick up from over 200 receptacles, and nightly and morning cleaning and preparation of facilities. Other routine custodial facility maintenance such as power washing, waxing, and exterior facility cleaning, is done on a scheduled and as needed basis. Custodial staff also provides assistance with transport and set-up of supplies, materials, and equipment for various Zoo programs, activities, and special events.

In addition to regular day-time operations, full-time custodial staff is utilized to perform custodial services for nighttime ticketed events, after-hours private parties and catered events, all of which contribute to additional revenue generation for the Zoo. Employees for these events are compensated with paid overtime which is reimbursed by the

Greater Los Angeles Zoo Association (GLAZA) as part of expenses deducted from revenue generated by these events.

Operational Impacts

The Zoo currently averages approximately 50 nights per year for evening special events and private parties with the majority of those nights being nearly 40 consecutive evenings from the Zoo Lights event. Due to the limited number of full-time custodial staff and the need to provide effective rotation so as to not overwork staff consecutively from daytime to nighttime, the Zoo must also utilize Gardener Caretaker employees, who earn a salary at a higher hourly rate, to provide custodial maintenance for these events. Thus, it becomes more costly to staff these events. A larger cadre of full time custodial staff would be more cost efficient and allow more flexibility in scheduling to facilitate more night-time events that generate revenue.

While part-time staffing is still essential to the custodial services function to allow flexibility during seasonal peak times and supplement scheduling for seven day operations, it is not feasible to utilize part-time custodial staffing for these night-time events. Part-time employees are limited in the total number of hours that they can work per year, and, thus, utilizing them during the nighttime ticketed events would cannibalize employee hours that are required to maintain regular daytime operations.

Additionally, since 2013, the Zoo has conducted visitor surveys that include ratings on facility cleanliness. The Zoo's visitor satisfaction results on facility cleanliness started at a high of 86% excellent rating in Fall 2013, and has dropped to a low of 63% excellent rating in Fall 2015. The benchmark average among comparable Zoos is an 85% excellent rating.

Some of this can be attributed to increased workloads and decreases in staffing levels, going from a high of 12 full-time staff and three supervisors to the current 8 full-time staff and one supervisor. During this time, we have also experienced fluctuations up and down in part-time staffing. While part-time staffing is helpful in meeting peak season workload and supplementing the 12 hour day work schedule, full-time staffing can address more consistent deployment of staff and coverage during public hours to maintain ongoing policing of grounds, restroom maintenance, and pick up of trash from receptacles.

The Zoo's current custodial staffing consists of eight full-time, three half-time, and 16 part-time employees (16,000 hours). In the Zoo's FY 2016-17 budget request, four full-time custodian positions were requested to restore its custodial staffing to its one time high of twelve positions to better staff the 12 hour day, 7 day week schedule and allow for greater and more consistent coverage during public hours to more adequately address basic custodial responsibilities.

Cost Benefit Analysis

Employing full-time and part-time employees in the Custodial Services operations is beneficial based on the workload and seasonal peak demands. However, a cadre of

full-time employees is essential to ensure a successful operation. Full-time employees have the potential for higher productivity and service consistency due to high retention, strong employee loyalty, more solid team unity and promotion incentives. There is also the investment in training that has a value and oftentimes that training is lost with turnover at the part-time level. It is also important to note that the position of custodian is an entry-level unskilled position that can serve as an opportunity for jobs for local hire that can support families. Part-time employees have higher turnover and productivity is sometimes inconsistent.

Conclusion

Facility cleanliness is an important component to meeting the visitor's satisfaction level. A poor experience can lead to negative word-of-mouth and impacts the Zoo's ability to garner new and repeat visitation. The addition of the four new custodian positions is a step in the right direction to improving the Zoo's ability to focus on this area, improve the guest experience and increase the satisfaction level in future guest surveys.

RECOMMENDATION

Provide nine months funding for four positions of custodian (Class Code 3156) at a total direct cost of \$95,300 based on hiring at the level of Vocational Worker II, consistent with the Memorandum of Understanding with Service Employees International Union.

FISCAL IMPACT STATEMENT

The fiscal impact of providing four custodian positions is \$18,380 in net direct costs after reappropriating the Salaries As Needed funding contained in the Proposed Budget (\$76,920) to the Salaries General account. Sufficient funds are available in the Zoo Enterprise Trust Fund, Reserve for Revenue Fluctuations line item to cover this additional cost. The related costs associated with these positions would impact the General Fund.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT OF CITY PLANNING – STAFFING FOR GREAT STREETS
AND MOBILITY PLAN WORK PROGRAMS**

During its consideration of 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of City Planning to report on the level of staffing needed to support the Great Streets and Mobility Plan work programs, as well as, the costs to restore one to three resolution authorities deleted in the 2016-17 Proposed Budget.

FISCAL IMPACT STATEMENT

The General Fund impact of restoring one City Planner resolution authority is \$151,233. Related costs consisting of employee benefits totaling \$44,579 are included in the total.

Alternatively, the General Fund impact of restoring one City Planner and two City Planning Associate resolution authorities is \$398,507. Related costs consisting of employee benefits totaling \$120,557 are included in the total.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JLK:02160088c

Question No.394


Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

TO: Honorable Members of the City Council
Budget and Finance Committee
c/o Miguel A. Santana, City Administrative Officer

Attention: Jason Killeen, Senior Administrative Analyst

FROM: Vincent P. Bertoni, AICP 
Director of Planning
Department of City Planning

**SUBJECT: REPORT BACK REGARDING LEVEL OF STAFFING FOR GREAT
STREETS AND MOBILITY PLAN PROGRAM
(BUDGET IMPACT NO. 394)**

The Mayor's Proposed Budget for FY 2016-17 allocates two City Planning Associates to the work of implementing the Great Streets Program and the Mobility Plan. A two-person team would largely focus on the transition to the Vehicle Miles Traveled (VMT) based metric and updating the Transportation Demand Management (TDM) ordinance. The focus on these two priorities is driven by the imperative to address SB 743, which will fundamentally change the way the City evaluates the environmental impacts of a future project and/or plan. Developers, community groups, entitlement consultants, environmental organizations and City staff will be significantly affected by this change.

In our April 21, 2016 letter to the Budget and Finance Committee, the Department requested restoration of a City Planner to this program to serve as a first-level supervisor of the team. The amount to fund a City Planner is \$151,233 (\$106,654 for direct costs and \$44,579 for indirect costs). Previously this position was funded by Measure R. With three staff positions, the team would focus on the initiatives described above and additionally be able to provide limited support to the Mayor's Great Streets initiative, prepare to launch the Technical Assistance Grant (TAG) Your Streets Program (in collaboration with LADOT), and manage the adoption of the Mobility Plan's amendments and code changes related to street dedications and waivers.

The ideal Mobility and Great Streets Team would include five positions (one City Planner and four City Planning Associates) to spearhead the following high priority mobility initiatives:

- Overseeing the City's transition under the new State law, SB 743, from using Level of Service (LOS) as the basis for transportation analysis to a new Vehicle Miles Traveled (VMT) metric
- Managing the final adoption of the Mobility Plan's amendments and supporting the City Attorney's efforts in response to the lawsuit challenging the Plan
- Supporting the planning and implementation work for the Great Streets Program in all 15 City Council districts
- Finalizing adoption of changes to LAMC Sections 12.73 and 17.05 relative to street dedications and waivers

- Launching the update to the citywide Transportation Demand Management (TDM) Ordinance
- Preparing to launch the new Technical Assistance Grant (TAG) Your Streets Program
- Assisting with grant applications and supporting multiple inter-departmental implementation efforts to facilitate the development of safe and complete streets.

The additional amount required to restore three positions to create a five member Mobility Team is as follows:

Job Classification	Salary	Pension/Health and Welfare	Total
City Planner	\$ 106,654	\$ 44,579	\$ 151,233
City Planning Associate	\$ 85,648	\$ 37,989	\$ 123,637
City Planning Associate	\$ 85,648	\$ 37,989	\$ 123,637
Total	\$ 277,950	\$ 120,557	\$ 398,507

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – LAHSA BUDGET READINESS FOR IMPLEMENTATION**

During its consideration of the Los Angeles Homeless Services Authority's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report on LAHSA's capacity, goals, and timelines for each item in the Agency's Blue Book. The Budget and Finance Committee also asked which programs would be ready for implementation on July 1, 2016; and for those programs not ready at the beginning of the fiscal year, details regarding why, steps necessary to be operational, and the projected timeline when the programs would become operational.

Attached is a report from LAHSA with the information requested. In most cases, LAHSA will begin implementation of programs on July 1, 2016. The exceptions are as follows, and are detailed in LAHSA's report:

- Downtown Sobering Center
- Coordinated Entry System (CES) Crisis and Bridge Housing for Singles and Youth System
- CES Rapid ReHousing (RRH) for Singles and Youth System
- RRH Vouchers (to be financed using anticipated revenue from short-term rentals)
- Safe Parking and Mobile Showers
- Domestic Violence Program for Singles and Families
- Access Centers
- Navigation/Open Door Centers
- Homeless Family Solutions System Crisis Housing for Families

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:KDU:02160102

Question No. 505

Attachment



May 3, 2016

To: Budget and Finance Committee

From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – AGENCY CAPACITY, GOALS, AND TIMELINE**

Peter Lynn
Executive Director

During its consideration of the Los Angeles Homeless Service's (LASHA) 2016-17 Proposed Budget, the Budget and Finance Committee requested that LASHA report on each item in the Blue Book, provide a report on the agency's capacity, goals, and timelines. Explain which programs will be ready for implementation on July 1, 2016. For those not ready on July 1, detail: the reasons why; steps necessary to be operational; and, projected timeline to be operational.

Board of Commissioners

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LAHSA Administration and Operations **\$4,640,536**
The 2016-17 Proposed Budget increases the funding commitment for LAHSA by \$35,889,624 to \$50,838,698. The \$4,640,536 represents a 9% administrative rate.

The 2016-17 Proposed Budget represents a 242% increase in funding for LAHSA. The LAHSA Administration and Operations funding line item is necessary for LAHSA to undertake and conduct these significantly increased administrative and operations responsibilities.

LAHSA Administration and Operations funding supports personnel resources of 85% and non-personnel resources of 15% and consist of the following basic categories: personnel, Insurance, office expense, parking & mileage, office space, professional services, travel & training, and Outreach.

On January 7, 2016, City of Los Angeles and L.A. County released a series of strategies for ending homelessness in the region, committing to a coordinated approach encompassing the entire region. Both City and County plans place LAHSA at the center of this concerted effort. LAHSA is named as the lead or co-lead on 24 of the strategies, and collaborating agency on 22 strategies, bringing with it increased operational and coordination responsibilities.

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As a joint-powers authority created by L.A. City and County, LAHSA is uniquely positioned to lead this new fight by bridging the public and private partners together. The new strategies recognize this, with local government recommending a central role for LAHSA in shaping policy, and in planning and execution. It requires one unified system for servicing homeless adults, families, unaccompanied minors, youth and young adults ages 18 to 24, as well as more robust analytics for the data management process that brings the homeless of Los Angeles from a place of deprivation to a place of wraparound support and permanent housing. A greater capacity is required to move clients towards recovery from drugs and alcohol addiction, so they can take full advantage of the services, shelter and housing

options they are entitled to. It also requires expanded use of shared housing in a time of apartment scarcity.

During fiscal Year 2015-2016, LAHSA completed its transition from an administrator of federal funds to a pivotal entity at the center of the concerted effort to end homelessness. To meet these responsibilities and add management depth, LAHSA experienced a 65% increase in staffing during Calendar Year 2015. LAHSA is currently hiring project manager personnel in the Executive department; accounting, monitoring, and analyst personnel in the Finance department; associate director, project manager, coordinator, contract specialist, and funding analyst personnel in the Programs department; associate director, coordinator, and analyst personnel in the Policy and Planning department; and analyst personnel in the Human Resources department. Under the new City and County strategies, we project further necessary increases in our workforce to ensure that we have the capacity in-house to efficiently and effectively administer the programs.

For LAHSA to fulfill this vastly expanded mission, the implementation of a broad-based training programs for new personnel is required. Even LAHSA's most experienced personnel will require extensive retraining to fulfill their greatly expanded roles before the new system is launched this summer; which presents a very tight timeframe. Personnel must acquire a firm grasp of how the new battle-plan affects their areas of expertise, and be given the tools they will need to satisfy obligations that have expanded or changed entirely. Targeted human resource training will be essential in the months ahead to ensure individuals hired will be able to fulfill specific responsibilities under a new framework for ending homelessness. Executive training for management will focus on staff recruitment, development, strategic planning and retention. Additionally, trainings focused on mentoring models and leadership succession will be invaluable in the current climate of rapid expansion.

With the expanded workforce, LAHSA has expanded its non-personnel cost as well. Leased office space was expanded during FY 2015-16, and will be expanded further, building out more floor space during FY 216-17. With the increase in personnel and leased space, LAHSA incur an increase in costs associated with insurance, office expenses, and parking & mileage.

In addition to the organizational growth and capacity of LAHSA itself, LAHSA will also need to support expanding capacity among our community based providers who are tasked with delivering the programmatic functions called for in the budget line items. LAHSA has engaged technical assistance providers, and is facilitating a dialog with them to identify capacity constraints and how LAHSA investment can be of assistance. Consulting, contracting for shared services, and other capacity enhancement strategies are all under discussion.

Downtown Drop-In Center/Transition to Downtown Sobering Center **\$450,000**
Level funding. The Downtown Drop-In Center is located on San Julian and operates in a LAHSA owned property. The \$450,000 is for on-going operation of the site as a Drop-in Center, as we work to with Councilmember Huizar's office, LA Fire Department, LAPD, LA County Department of Health Services, to convert the program at the San Julian location to a state of the art facility for severe need, no-barrier bridge housing facility for Skid Row's most vulnerable homeless, many of whom have active substance use disorders, and who disproportionately engage the time of LAFD EMTs and LAPD officers. The Los Angeles Homeless Services Authority's Center would function as a sobering center with a recuperative care unit for homeless individuals that request and/or require longer medical care. Recuperative Care

provides short-term (24/7) medical care and case management to homeless persons who are recovering from an acute illness or injury, whose conditions would be exacerbated by living on the street or in a shelter. By implementing a recuperative care component strongly reduces the potential of duplicative efforts, addresses service gaps and provides a seamless system to combat homelessness and help consumers explore long-term housing options in Skid Row and the City at-large.

Timeline is FY 2016-17 for the conversion to new use.

- Identify Rehab funding for building
- Select contractor to complete rehab
- Rehab of building
- Request for Proposals process to select provider to operate center

Homeless Management Information System (HMIS) Cash Match **\$131,158**

Level funding; ready for operation on July 1. In 2001, Congress issued a directive to HUD to provide data and analysis on the extent and nature of homelessness and the effectiveness of the McKinney-Vento Act program; Supportive Housing program (SHP). SHP was changed to the Continuum of Care program with the HEARTH Act, which re-authorization of the McKinney-Vento ACT. LAHSA has operated the program since its implementation and has the required capacity to ensure program efficiency.

Continuum of Care (CoC) Planning Program Grant Match **\$156,250**

Represents a \$125,000 increase; ready for operation on July 1. The HUD CoC program requires a 25% match to except the funding. The award increased from \$250,000 to \$1,250,000, requiring an increase in match funding. This will be the third year of operating the Planning Grant and LAHSA has the required capacity to ensure program efficiency.

Continuum of Care (CoC) Coordinated Assessment Match **\$59,883**

Level funding; ready for operation on July 1. This will be the third year of operating the Coordinated Assessment Grant and LAHSA has the required capacity to ensure program efficiency.

Operation Healthy Streets (OHS) **\$2,113,806**

Represents a \$134,330 increase; ready for operation on July 1. LAHSA has operated OHS since 2013. LAHSA has the required capacity to ensure program efficiency.

Homeless Families Solutions System (HFSS) Rapid Re-Housing and Crisis Housing for Family System **\$556,625**

Level funding; ready for operation on July 1. HFSS is leveraged with City and County funding. This will be the fourth year of operating HFSS and LAHSA has the required capacity to ensure program efficiency. The program has been very successful in placing families which will be reflected in the reduction in homeless families in the 2016 homeless count numbers. The program has achieved the following results:

- 2013-2014, 743 housing placements
- 2014-2015, 1,046 housing placements

- 2015-2016, 1,200 housing placements (projection)
- 2016-2017, 1,400 housing placements (projection)

Coordinated Entry System (CES) Crisis and Bridge Housing for Singles and Youth System

\$15,217,336

Represents a \$7,960,150 increase; partially ready for implementation on July 1. The increase in funding will support approximately 1,500 shelter beds and the following three initiatives:

- Convert 14 hour shelter system to 24 hour system, ready to implement July 1.
- Increase reimbursement rate from \$25 to \$30, ready to implement July 1.
- Increase capacity by converting CoC transitional housing beds to Crisis/Bridge Housing beds. To be implemented.

As the City systematically addresses the needs of the homeless, expansions in the shelter supply will be needed. When shelters are paired with standardized CES engagement via a Bridge Housing model, supportive services and housing navigators help reduce the chance that homeless individuals fall back into street homelessness. HUD sent a clear message for CoC's to take a critical look at transitional housing programs and consider reallocating the funds. The CoC was able to protect \$13 million at risk of lost to the Los Angeles CoC, transitional housing, domestic violence, and supportive services programs by reallocation. The CoC was able to create \$15 million in new permanent housing projects. The City has taken this opportunity to preserve the transitional housing beds in that were included in the HUD CoC reallocation by converting them to Bridge Housing and filling the shelter supply gap.

Like shelter, Bridge Housing provides an interim facility to homeless individuals or families to ensure they are not sleeping in the public space while they await permanent housing. Bridge Housing offers a stronger value proposition to homeless Angelenos through a one-on-one case management relationship that leverages personal trust and expertise to help a homeless person into permanent housing. Shelter alone does not offer this added level of assistance. This case management activity could include procurement of personal identification, application and approval for various types of public assistance like Social Security (SSI) and completion of the CES intake process that determines acuity and priority levels to match a homeless individual with the right type of housing. Homeless client to caseworker ratios have been fairly consistently reported by providers as around 20 to one. Funding caseworkers from public dollars will be critical to the success of Bridge Housing. This aspect of care is currently underfunded and understaffed through the CES. Funding a higher level of care and converting existing emergency shelter space to Bridge Housing creates a stronger incentive for homeless individuals to remain in interim housing until permanent housing is provided. Unlike Transitional Housing, Bridge Housing is provided with an almost foolproof expectation of moving the client into a permanent housing outcome.

The steps necessary and timeline to implement the increased Bridge Housing capacity will be through a competitive Request for Proposal process and are the following:

- Release Request for Proposal, May 2016
- Funding awards announced, September 2016
- Contracts with partner agencies, October 2016

CES Regional Coordination

\$700,000

Level funding; ready for operation on July 1. This will be the second year of operating CES Regional Coordination and LAHSA has the required capacity to ensure program efficiency.

Annual Homeless Count **\$550,000**
Represents a \$200,000 increase; ready for operation on July 1. The homeless count has transitioned from biennial to annual. LAHSA has the required capacity to ensure program efficiency.

Winter Shelter Program (WSP) **\$397,032**
Level funding with \$99,683 in re-appropriated unspent 2015-2016 funding. Ready for operation on November 1. WSP is a seasonal program that operates during the period December 1 to February 28. LAHSA has the required capacity to ensure program efficiency.

CES Rapid Re-Housing (RRH) for Singles and Youth System **\$13,250,027**
Represents funding in the amount of \$8,217,737 with \$5,032,290 in re-appropriated unspent 2015-2016 funding. Partially ready for implementation on July 1. The \$5,032,290 will be ready for operation on July 1. The \$8,217,737 will be awarded to providers through a competitive Request for Proposal process:

- Release Request for Proposal, May 2016
- Funding awards announced, September 2016
- Contracts with partner agencies, October 2016

Fiscal year 2016-17 will be the system ramp-up period. As reflected in the outcomes of **Homeless Families Solutions System (HFSS) Rapid Re-Housing and Crisis Housing for Family System** section above, future years of the Single system are anticipated to achieve a steady rate of housing placement with continued funding.

Rapid Re-Housing Vouchers **\$5,000,000**
The timing of \$5 million in TOT funding for Rapid Re-Housing Vouchers is unknown. The transfer of funds will remain pending until an agreement is negotiated for the collection and remittance of transient occupancy tax between the City and short-term rental websites (e.g., Airbnb). In accordance with the verbal direction of the Budget and Finance Committee on 8/3/2015, the Office of Finance halted negotiations with Airbnb (the largest market provider) while the City finalizes its short-term rental policy. The draft ordinance was released by Planning on 4/15/2016. The Office of Finance would need instruction to restart negotiations and would likely require clarification on goals, as several provisions in the proposed ordinance contradict terms put forth by Airbnb.

Data-Driven Challenge **\$500,000**
New funding; to be implemented during FY2016-17. We are working with the Mayor's office on implementation process. LASHA and the Mayor's staff are exploring different technology options to assist with the integration and coordination of City departments, outreach, access issues, and measurable data tracking mechanisms.

Safe Parking and Mobile Showers **\$770,198**
New funding; program to be implemented during FY2016-17. As Safe Parking and Mobile Showers are a new service type in LA, it is unknown if the proposed budget amount is sufficient for operation of these services. Safe Parking is contingent on the work CAO's office is doing to identify City owned sites appropriate for a range of services, i.e.: safe parking; mobile showers; toilets; voluntary storage; and,

connection to housing services. Mobile Showers are not contingent on the identification of City owned sites. Mobile Showers are contingent on finding an operator for the service type. LAHSA has had discussions with a number of agencies operating mobile showers in other cities. None of the identified agencies have a willingness to expand into LA, including LAVA Mae. LAHSA will continue to pursue other operators, as well as the possibility of supporting a new operator to develop new program capacity in LA.

Domestic Violence (DV) Program for Singles and Families **\$613,200**

New funding; program to be implemented during FY2016-17. HUD sent a clear message for CoC's to take a critical look at transitional housing programs and consider reallocating the funds. The CoC was able to protect \$13 million at risk of lost to the Los Angeles CoC, transitional housing, domestic violence (DV), and supportive services programs by reallocation. The CoC was able to create \$15 million in new permanent housing projects. The City has taken this opportunity to preserve the DV programs that were included in the HUD CoC reallocation process.

HUD CoC programs start each month. As the HUD CoC DV contracts expire, LAHSA will contract with the provider to continue the program.

Access Centers **\$898,212**

New funding; program to be implemented during FY2016-17. HUD sent a clear message for CoC's to take a critical look at transitional housing programs and consider reallocating the funds. The CoC was able to protect \$13 million at risk of lost to the Los Angeles CoC, transitional housing, domestic violence (DV), and supportive services programs by reallocation. The CoC was able to create \$15 million in new permanent housing projects. The City has taken this opportunity to preserve the access centers that will be linked to the Navigation/Open Door Centers that were included in the HUD CoC reallocation process. HUD CoC programs start each month. As the HUD CoC access center contracts expire, LAHSA will contract with the provider to continue the program.

Navigation/Open Door Centers **\$2,100,000**

New funding; program to be implemented. The funding is to address the Homeless Strategy 6A; Co-Locate Homeless Services within Homeless Storage Facilities & Create New Facilities, where LAHSA and the CAO are co-leads. The CAO is working with City departments to identify potential storage facilities in each council district. The CAO and LAHSA have established a common tool to standardize the site evaluation process. In this process:

1. Sites are identified as potential storage/service candidates;
2. The CAO conducts an initial review to determine site appropriateness;
3. If the site is appropriate, CAO conducts a site visit and scorecard review and sends the scorecard to LAHSA for additional review;
4. LAHSA reviews the site for homeless-issue specific analysis and sends the scorecard back to the CAO;
5. CAO finalizes the scorecard and distributes the scorecard back to the Council offices; and,
6. Council offices determine next steps based upon CAO and LAHSA analysis.

LAHSA is finalizing the Storage Facility report with scorecards for presentation to Homeless and Poverty Committee in May 2016

LASHA currently partners with potential site operators and is ready to execute a contract with the provide for these services as soon as the site is selected and ready for operation.

Emergency Response Teams (ERTs) **\$1,639,435**
Level funding; ready for operation on July 1. This will be the second year of operating the expanded ERT and LAHSA has the required capacity to ensure program efficiency. As the AmeriCorps personnel contracts expire, LAHSA will fill the positions with full time personnel.

HFSS Crisis Housing for Families **\$1,095,000**
New funding; program to be implemented during FY2016-17. HUD sent a clear message for CoC's to take a critical look at transitional housing programs and consider reallocating the funds. The CoC was able to protect \$13 million at risk of lost to the Los Angeles CoC, transitional housing, domestic violence (DV), and supportive services programs by reallocation. The CoC was able to create \$15 million in new permanent housing projects. The City has taken this opportunity to preserve the transitional housing (TH) units for families that were included in the HUD CoC reallocation by converting them to Bridge Housing for families.
HUD CoC programs start each month. As the HUD CoC TH for family contracts expire, LAHSA will contract with the provider to continue the program.

This memorandum is provided for informational purposes only. There is no fiscal impact.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT – FUNDING FOR LOS ANGELES REGIONAL INITIATIVE FOR SOCIAL ENTERPRISE (LA RISE)**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Economic and Workforce Development Department (EWDD) to report on the funding for the Los Angeles Regional Initiative for Social Enterprise (LA RISE) program, including a breakdown of how much of the \$2 million in General Fund would go towards service provision and administration, number of individuals to be served, metrics and performance data of the program. The Department's response is attached.

The EWDD states that, of the \$2 million in General Fund, \$1,776,300 would fund direct service provision (workforce agencies) and \$223,700 would fund Department administrative costs, including salaries for existing positions. EWDD projects that the funding will provide subsidized employment and employment development assistance and training for 250 individuals based on an average cost of \$8,000 per participant. The Department has provided an additional clarification that the correct number of Full Time Equivalents to be funded for salary costs is 1.6.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:SAM:02160100c

Question No. 477

Attachment

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

TO: Miguel Santana, City Administrative Officer
City Administrative Office

FROM: Jan Perry, General Manager
Economic and Workforce Development Department

SUBJECT: **REPORT BACK QUESTION NO. 477**
FUNDING FOR THE LOS ANGELES REGIONAL INITIATIVE FOR SOCIAL ENTERPRISE (LA RISE) PROGRAM

The Economic and Workforce Development Department (EWDD) is proposed to receive \$2 million in General City Purposes (GCP) funds to deliver workforce development services for individuals facing significant barriers to employment. The proposed GCP funding for EWDD's Los Angeles Regional Initiative for Social Enterprise (LA RISE) program will provide workforce and placement services for 250 individuals with a history of homelessness or incarceration, or young people with no connection to school or work.

Proposed Budget. Employment services will be provided through the City's Workforce Development System, which is comprised of 17 WorkSource Centers and 13 YouthSource Centers, and Social Enterprises/Alternative Staffing Organizations. A summary of the proposed LA RISE program budget is provided below:

**Proposed GCP Funding for Workforce Development Services
to Support City's Strategy to End Homelessness**

Budget Item	2016-17 Proposed Amount
Direct service provision (workforce agencies)	\$1,776,300
EWDD staff salaries (2.6 Full-Time Equivalent)	194,700
Building lease costs	23,000
Program administration materials and supplies	6,000
Sub-total EWDD Administration Costs	\$ 223,700
Total Proposed Budget	\$2,000,000

As illustrated in the table above, EWDD will allocate \$1.7 million to a partnership between the City's Workforce Development System and Social Enterprises/Alternative Staffing Organizations (SE/ASOs), which will implement the LA RISE program activities. Individuals who participate in the program will have access to a considerable menu of career and training services through the City's WorkSource and YouthSource Centers including:

- subsidized work experience
- job readiness / soft skills training
- vocational training
- financial and computer literacy
- resume building
- interviewing techniques
- conflict resolution

The balance of the proposed budget, \$223,700, is funding for 1.6 Full-Time Equivalent EWDD staff who will conduct site visits to monitor the program, and provide technical assistance to service providers responsible for placing 250 individuals with a history of homelessness or incarceration into subsidized jobs. EWDD staff will develop contract boilerplates and execute contracts, review and process service provider invoices and payments and conduct audits and fiscal reviews. Funding also includes routine operational costs, including program supplies and building lease costs. No new position authorities are being requested.

Proposed Metrics. The \$2 million in GCP will support training and placement for 250 job seekers with a history of homelessness or incarceration. This performance metric was developed based on an average cost of \$8,000 per participant for subsidized work experience, job readiness/soft skills training, case-management, training, placement, and supportive services. The EWDD used performance information from the current LA RISE demonstration project, which is in its first year of implementation this fiscal year, to determine the cost reasonableness and feasibility in serving the target population.

LA RISE Demonstration Project. The EWDD was successfully awarded a \$6,000,000 Workforce Innovation Fund grant from the U.S. Department of Labor (USDOL) for the Los Angeles Regional Initiative for Social Enterprise (LA RISE). The USDOL created the Workforce Innovation Fund to cultivate and test innovative approaches to workforce development, and encourage the replication of successful evidence-based practices nationwide. The LA RISE demonstration project is designed to stimulate job acquisition and retention for 500 individuals who are homeless. The term of this grant is October 1, 2014 to September 30, 2019 (12 months for planning and start-up, 36 months for program activities, and 12 months for evaluation).

The LA RISE demonstration project is an employer-driven pathway that unites public, private, non-profit, and educational systems to support individuals on their way to full-time employment. The project invests in social enterprises, which are non-profit entities that strive to have a social impact while generating revenue to provide a supportive work environment for hard to serve populations. The EWDD has partnered with a leader in the field of job creation through investment in social enterprise, Robert's Enterprise Development Fund (REDF), to connect public sector agencies, nonprofit support service providers, and employers to better serve the targeted groups and to develop the skills they need to enter and succeed in the workforce.


Since program implementation began in October 2015, more than 200 individuals have participated with social enterprise organizations and begun to access training and supportive services. To date, ten individuals have transitioned to competitive employment and have accessed retention services.

The 2016-17 budget proposed for the LA RISE program will enhance the grant-funded demonstration project by doubling the number of participants that will be served in FY2016-17. It will also allow EWDD to enhance program services by incorporating Alternative Staffing Organizations to provide additional employment opportunities. Currently ASOs are not a viable employment strategy under the Workforce Innovation and Opportunity Act (WIOA) due to U.S. Department of Labor regulations. The \$2 million in GCP funding will leverage existing grant resources and will make City resources available to provide employment services for job seekers with a history of homelessness.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **BUREAU OF SANITATION – GRANT SECTION STAFFING**

Attached is a memorandum from the Bureau of Sanitation dated May 2, 2016, addressing the Committee's request for additional information regarding the Bureau's need for additional positions to remain competitive for grant funding opportunities.

The 2016-17 Proposed Budget recognizes the need for technical expertise in the Bureau's Grant Section and Sanitation Blue Book Item 63 adds regular authority for one Environmental Specialist and deletes regular authority for one Management Analyst II. During this Office's review of this budget request, it was determined that there was no increase in workload in the Grant Section to justify an additional position. It was also determined that the Grant Section, which is comprised of clerical and administrative positions, required a position with technical and scientific expertise to evaluate grant opportunities and determine if it was feasible and practical for the Bureau to pursue and implement grant projects if awarded and whether the Bureau was eligible to apply for grant funding. As of March 2016, the Bureau is reporting 20 Management Analyst vacancies within its workforce. The high number of vacancies in this classification along with how long these positions have been vacant (one position has been vacant since August 2009) should be taken into consideration when evaluating the Bureau's request.

The Management Analyst II and Environmental Specialist positions are 48 percent funded by the Sewer Construction and Maintenance (SCM) Fund, 47 percent funded by the Solid Waste Resources Revenue Fund (SWRRF), and five percent funded by the Stormwater Pollution Abatement (SPA) Fund. The SCM and SWRRF are fiscally healthy funds as a result of a series of rate adjustments that were adopted within the last decade. The SPA Fund faces a structural deficit and receives a General Fund subsidy for related cost expenses. If the Council elects to restore the Management Analyst II position with funding, this will increase SPA appropriations and reduce the amount of available SPA funds for related cost reimbursements, which will reduce General Fund revenues. Therefore, if the Council restores the Management Analyst II position, it is recommended that it be restored without funding to minimize the impact to General Fund revenues.

FISCAL IMPACT STATEMENT

There is no fiscal impact to the General Fund if the Management Analyst II is restored without funding. If funding is provided, an equivalent reduction to SPA expenditures or equivalent increase to SPA revenues is required to comply with the City's Financial Policies. The full-year cost for restoring the Management Analyst II is \$125,911, which includes \$83,323 for direct costs and \$42,588 for indirect costs.

MAS:WKP:06160142

Question No. 149

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Honorable Paul Krekorian, Chair
Honorable Mitchell Englander, Vice Chair
Honorable Paul Koretz, Member
Honorable, Bob Blumenfield, Member
Honorable Mike Bonin, Member
Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director
LA Sanitation



SUBJECT: LA SANITATION - REPORT BACK ON BUDGET & FINANCE QUESTION NO. 149: ADDITIONAL GRANT SECTION POSITIONS

Question No. 149: Report back on whether there is a need for additional positions related to competitive grants.

Recommended Action: Remove the recommendation to delete the regular authority for one Management Analyst II (9184-2) and add nine-months funding for the Environmental Specialist III. Funding in the amount of \$79,466 will be 48 percent funded by the Sewer and Construction and Maintenance Fund, 47 percent funded by the Solid Waste Resources Revenue Fund, and five percent funded by the Stormwater Pollution Abatement Fund (Salaries-General).

During the Fiscal Year 2016-17 Proposed Budget Deliberations held on April 27, 2016, LA Sanitation (LASAN) was asked to report back on whether there is a need for additional positions related to competitive grants.

The Mayor's Fiscal Year 2016-17 Proposed Budget (Proposed Budget) recommends the deletion of one Management Analyst II for the addition of one Environmental Specialist to provide technical support for LASAN's Grant Section.

While LASAN's Grants Section does require additional technical assistance to be more competitive in applying for grants, it cannot absorb the deletion of the existing Management Analyst II position. The Management Analyst position performs grant administration and fiscal monitoring of grant funds within the Grants Section. In addition to the existing full-time staff, the Grants Section currently utilizes three part-time exempt employees consisting of two Project Assistants and one Student Intern to assist with the growing workload of the section. The total hours worked by the three part-time employees in FY 15-16 is equivalent to 1.39 full-time employees. The use of part-time exempt employees is a temporary measure that cannot provide long-term support to the Grants Section due to lengthy training time and high turn-over rate.

The Environmental Specialist III will provide needed technical expertise to the Grant Section in analyzing and recommending environmental legislation, policies, and programs that have potential grant funding and developing such grant projects with LASAN staff.

As such, LASAN requests that the Management Analyst II position not be deleted and the incremental salary cost increase of the Environmental Specialist III be added to the Proposed Budget to reflect the need to increase staffing in order to meet the operational needs and priorities of LASAN.

The position will be funded with LASAN special funds: the Sewer Operations and Maintenance Fund, the Solids Waste Resources Revenue Fund and the Stormwater Pollution Abatement Fund. There is no impact to the General Fund.

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to discuss any of these items further, please feel free to contact myself or Lisa B. Mowery, LASAN's Chief Financial Officer at (213) 485-2210.


LBM/ECZ:aba/eps

- c: Members of the City Council
 Ana Guerrero, Chief of Staff, Mayor's Office
 Matt Szabo, Deputy Mayor, Mayor's Office
 Barbara Romero, Deputy Mayor, Mayor's Office
 Matt Crawford, Budget & Innovation, Mayor's Office
 Greg Good, City Services, Mayor's Office
 Kevin James, President, BPW
 Heather Repenning, President Pro Tempore, BPW
 Sharon Tso, CLA
 Miguel A. Santana, CAO
 Richard Williams, Office of the City Clerk
 LASAN Executive Team

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **BUREAU OF SANITATION – DATA MANAGEMENT COORDINATOR**

Attached is a memorandum from the Bureau of Sanitation dated May 2, 2016, addressing the Committee's request for additional information regarding the addition of a Data Management Coordinator (DMC) position.

At this time, it is difficult to evaluate the need for the DMC position as no position description, justification, performance metric, and organizational chart has been provided. In addition, it is difficult to determine if this work can be absorbed by the Bureau's existing workforce or if the Bureau can reassign an existing vacancy to perform this work or whether the work can be performed by a lower salaried classification. The Committee should also consider whether this position and function should be housed in the Board of Public Works to coordinate all the data management efforts within the Department.

The position is 48 percent funded by the Sewer Construction and Maintenance (SCM) Fund, 47 percent funded by the Solid Waste Resources Revenue Fund (SWRRF), and five percent funded by the Stormwater Pollution Abatement (SPA) Fund. The SWRRF and SCM are fiscally healthy funds as a result of a series of rate increases that were adopted in the last decade. The SPA Fund has a structural deficit and receives a General Fund subsidy for related cost reimbursements. Therefore, any additional SPA appropriation would reduce the amount of available SPA funds for related cost reimbursements and increase the General Fund subsidy for related costs. Therefore, if the Council elects to add this position, it is recommended that the position be added without funding to minimize the impact to General Fund revenues.

FISCAL IMPACT STATEMENT

There is no fiscal impact to the General Fund if this position is added without funding. Any additional salary appropriation from the Stormwater Pollution Abatement Fund will reduce General Fund revenues from related cost reimbursements and a corresponding reduction to General Fund expenditures would need to be identified to offset the reduction of General Fund revenues. Nine-month costs for this position is \$136,948, which includes \$90,781 for direct costs and \$46,167 for indirect costs.

MAS:WKP:06160144

Question No. 157

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Honorable Paul Krekorian, Chair
Honorable Mitchell Englander, Vice Chair
Honorable Paul Koretz, Member
Honorable, Bob Blumenfield, Member
Honorable Mike Bonin, Member
Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director
LA Sanitation

SUBJECT: LA SANITATION – REPORT BACK ON BUDGET & FINANCE QUESTION NO. 157: DATA MANAGEMENT COORDINATOR FOR LASAN

Question No. 157: Report back regarding providing a position to act as a Data Management Coordinator for the Bureau.

Recommended Action: Add nine-months funding and resolution authority for one Senior Management Analyst II (9171-2) to act as the LASAN data management coordinator. Funding in the amount of \$88,057 will be 48 percent funded by the Sewer and Operations and Maintenance Fund, 47 percent funded by the Solid Waste Resources Revenue Fund, and five percent funded by the Stormwater Pollution Abatement Fund (Salaries-General).

During the Fiscal Year 2016-17 Proposed Budget Deliberations held on April 27, 2016, LA Sanitation (LASAN) was asked to report back on the benefit of adding a position to act as the LASAN Data Management Coordinator (DMC).

LASAN has embraced the Open Data and data-driven decision making concepts. While there are a significant number of employees throughout LASAN involved in providing this data, there is a need to have a central point of contact so external requests for data, reports and analysis can be responded to efficiently. In addition, the LASAN Strategic Plan uses performance metrics for goal setting and strategic planning, and the City's performance-based budgeting requires data-driven metrics to measure the performance and effectiveness of proposed city programs. A fully dedicated data management coordinator would ensure consistency in methodology and processes, and timely and accurate reporting.

The DMC will manage data coordination process, acting in a matrix management role to the LASAN staff who are the data owners. The DMC will also manage consultants who will be supporting the development of LASAN's performance metrics reports to improve overall operational efficiency, accountability, and meet external data requests. The DMC will work with the divisions to maintain the reports on an ongoing basis once they are developed by the consultants and staff, ensure the accuracy and integrity of the data source, maintain records and documentation for performance metrics, and provide reports and presentations for management, elected offices, media, and other external users as needed. This position requires a high level of independency, extensive data

LA Sanitation Question No. 157
FY 2016-17 Proposed Budget
2 of 2

management knowledge, and strong analytical and communication skills.

The position will be funded with LASAN special funds: the Sewer Operations and Maintenance Fund, the Solids Waste Resources Revenue Fund and the Stormwater Pollution Abatement Fund. There is no impact to the General Fund.

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to discuss any of these items further, please feel free to contact myself or Lisa B. Mowery, LASAN's Chief Financial Officer at (213) 485-2210.

LBM/ECZ:lbm

- c: Members of the City Council
 - Ana Guerrero, Chief of Staff, Mayor's Office
 - Rick Cole, Deputy Mayor, Mayor's Office
 - Barbara Romero, Deputy Mayor, Mayor's Office
 - Matt Crawford, Budget & Innovation, Mayor's Office
 - Greg Good, City Services, Mayor's Office
 - Kevin James, President, BPW
 - Heather Repenning, President Pro Tempore, BPW
 - Sharon Tso, CLA
 - Miguel A. Santana, CAO
 - Richard Williams, Office of the City Clerk
 - LASAN Executive Team

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **BUREAU OF CONTRACT ADMINISTRATION – COST TO FULLY FUND THE POSITIONS IN THE OFFICE OF WAGE STANDARDS AND THE CITY ATTORNEY’S OFFICE**

During its consideration of the Bureau of Contract Administration (Bureau) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the cost to fully fund the 22 positions provided for the minimum wage and wage theft enforcement programs, including identifying potential funding sources. Subsequently, this Office was also requested to report on the cost to fully fund the five positions in the City Attorney’s Office.

BUREAU OF CONTRACT ADMINISTRATION

As shown in the below table, total funding of \$2,564,668 is provided in the Proposed Budget to cover the direct and indirect costs of the 22 positions. Five of the 22 positions, which are continued from 2015-16, are provided at 12 months funding. An additional \$707,653 would be needed to cover the incremental costs of fully funding the remaining 17 positions, consisting of three Senior Management Analyst Is, 11 Management Analyst Is, one Senior Systems Analyst I, and two Senior Administrative Clerks. The only available funding source would be the General Fund.

	2016-17 Proposed Budget	Full Year Cost	Difference
Direct Cost - Salaries General	\$ 1,457,446	\$ 1,859,590	\$ 402,144
Indirect Cost	\$ 1,107,222	\$ 1,412,731	\$ 305,509
	\$ 2,564,668	\$ 3,272,321	\$ 707,653

CITY ATTORNEY’S OFFICE

As shown in the below table, the Proposed Budget provides \$471,233 for six-months of direct and indirect costs for five positions, consisting of three Deputy City Attorney’s II, one Paralegal and one Legal Secretary. An additional \$471,285 in funding would be needed to cover the incremental cost of the five positions that support the Bureau in the implementation of the minimum wage and wage theft enforcement programs. The only available funding source would be the General Fund.

	2016-17 Proposed Budget	Full Year Cost	Difference
Direct Cost - Salaries General	\$ 259,375	\$ 518,779	\$ 259,404
Indirect Cost	\$ 211,858	\$ 423,739	\$ 211,881
	\$ 471,233	\$ 942,518	\$ 471,285

Should there be no change to the funding in the Proposed Budget, the City can make any necessary adjustments in the Financial Status Report. This Office will continue to support the Bureau, as well as the City Attorney's Office, in the implementation of the minimum wage and wage theft enforcement program and ensure that the program is provided with the necessary resources in the upcoming fiscal year.

FISCAL IMPACT STATEMENT

The additional General Fund impact of fully funding the 27 positions is \$1,178,938, consisting of \$707,653 for 17 positions in the Bureau of Contract Administration and \$471,285 for five positions in the City Attorney's Office. Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.


MAS:SMC:06160133

Question No. 184

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **INFORMATION TECHNOLOGY AGENCY – PROJECT MANAGER FOR THE CONTRACTING AND PROCUREMENT PROCESS**

During its consideration of the Information Technology Agency (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on the potential return on investment if funding were to be provided for a project manager for the contracting and procurement process, as requested in the Department's letter. Attached is the Department's response.

The Department reports that leading practices in government process improvement, such as the establishment of a Chief Procurement Officer and a centralized procurement office, the use of performance measures, and effective use of technology, have shown a five to 10 percent overall cost-savings in procurement expenditures. According to the Department, the effective use of technology could help drive these savings. The funding requested would be used to gather and analyze the necessary requirements to automate the procurement process.

FISCAL IMPACT STATEMENT

The General Fund impact of adding funding to obtain the services of an experienced project manager for the contracting and procurement process would be \$300,000. Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:CEA:11160094

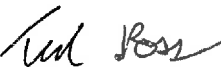
Question No.321

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016 REF: FAS-069-16

To: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 460

Miguel Santana, City Administrative Officer

From: Ted Ross, General Manager 
Information Technology Agency

Subject: **RESPONSE TO BUDGET & FINANCE COMMITTEE QUESTION 321 –
FY 2016-17 PROPOSED BUDGET**

Pursuant to the FY 2016-17 Council budget hearing, the following responses are provided regarding ITA's proposed staffing.

Question No. 321: Report back on the potential return on investment if funding were to be provided for a project manager for the contracting and procurement process (as requested in the Department's letter).

The City's inefficient procurement process is a golden opportunity for improvement in both efficiency and cost savings (return on investment). The following research was provided to the ITA by the Mayor's and Controller's Offices, who have been analyzing this topic over the last year.

The City's overall procurement spend is \$8.2 billion per year, with City departments spending \$4.1 billion per year through general and grant funding. In the post 2008 Recession era, the City has been seeking to rebuild services to Angelenos. While the intention is to do this in a cost efficient and effective manner, City departments have found the procurement process has become cumbersome and convoluted, frequently hampering the City's ability to acquire the needed goods/services in a cost effective manner.

According to the Mayor's Office O-Team, leading practices in government process improvement have shown a 5-10% overall cost-savings when procurement processes leverage the City's larger buying power. With the lack of centralized systems to perform the procurement process, departments have been severely hampered. Currently, the City does not have a contract management system, which is a basic procurement data system that will provide easy access to a full listing of active and pending suppliers and vendors, allow departments to conduct analysis on spending, and track information.

Recent efforts to study and understand the existing procurement challenges include recommendations for both process improvement and the use of technology as a solution to drive real improvements in the City's procurement process. City resources feel that the effective use of technology can help the City to drive the 5-10% savings identified across the nation by leading organizations. This funding is requested to

Honorable Paul Krekorian
Chair, Budget and Finance Committee
May 4, 2016
Page 2

perform the necessary cross-department requirements gathering, analysis, and planning of a refined and efficient procurement process, without just attempting to automate the current “broken process”. In addition, this project will identify opportunities for rapid development of solutions using existing systems or solutions. Recommendations will be provided back to a cross-department Steering Committee to ensure milestones and checkpoints are made on the project.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **PERSONNEL DEPARTMENT – ELECTRONIC PERSONNEL RECORDS (E-FILES) SYSTEM**

During its consideration of the Personnel Department (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on the status of the electronic personnel records (e-files) pilot system for new City employees, the anticipated total implementation cost and timeline of the system, whether the implementation timeline could be sped up and if there was a cost to slowing down the implementation, and the return on investment of the system. Attached is the Department's response.

The Department reports that current funding of \$160,000 provided in the 2016-17 Proposed Budget would delay implementation of the e-files system to all 23 consolidated departments until June 2018 which could result in increased software costs of three to five percent annually and continued manual creation of personnel records for new hires. For the return on investment, the Department identified \$250,000 in labor savings from reassigning current staff. The Department indicates that with additional funding of \$180,000, the e-files system could be implemented in all 23 consolidated City departments by June 2017.

FISCAL IMPACT STATEMENT

The 2016-17 Proposed Budget appropriates \$160,000 for implementing the e-files system in consolidated City departments. The General Fund impact of full implementation of the e-files system in all 23 consolidated City departments as detailed in the Department's response would be an additional \$180,000 for a total cost of \$340,000. The estimated annual ongoing cost is \$45,000.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JMY:11160090c

Question No. 241

Attachment

**BOARD OF CIVIL SERVICE
COMMISSIONERS**

Room 360, PERSONNEL BUILDING

SUZANNE M. STEINKE
PRESIDENT

NANCY P. McCLELLAND
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ERIC GARCETTI
MAYOR

PERSONNEL DEPARTMENT
PERSONNEL BUILDING
700 EAST TEMPLE STREET
LOS ANGELES, CA 90012

Wendy G. Macy
GENERAL MANAGER

May 4, 2016

The Honorable Members of Budget and Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attn: Jenny Mach Yau, City Administrative Office

BUDGET AND FINANCE COMMITTEE QUESTION 241

The Committee asked the Department to report back regarding electronic personnel records and eRecords for new employees. In addition, CAO was asked separately to report on funding requirements for 2016-2017.

Funding was previously provided for a pilot: what is the status of the pilot?

The functional and technical requirements for the Electronic Content Management System (ECMS) have been completed, and the system is currently under development by WAVE, an ITA-contracted vendor. The current pilot timeline is as follows:

MILESTONE	TIMELINE
Application Development	April 15 to May 27, 2016
User Acceptance Testing/Training	May 31 to June 17, 2016
System Pilot	June 20 to August 19, 2016

Provide the anticipated total implementation cost and timeline.

The Mayor's Proposed Budget provides \$160,000. With an additional \$180,000, the system can be implemented for all 23 HR consolidated departments by June 2017. If delayed under the current funding proposal, the system would not be implemented until June 2018. Additional funding will be required to implement the system citywide. The cost to implement this system citywide is unknown, but is expected to at least match the cost for implementation for 23 HR Consolidation departments, or about \$450,000.

How can we speed up the implementation timeline?

The Department can speed up the implementation timeline with full funding for this project in 2016-2017, and in subsequent years. The Proposed Budget provides \$160,000. An additional \$180,000 is required in 2016-2017 to fully implement by June 2017. By 2017-2018, approximately \$45,000 annually will be required for ongoing costs.

Is there a cost for slowing down the implementation?

An increase in software costs will result from slowing down implementation. Software costs increase 3%-5% annually. In addition, because the City is experiencing an increase in hiring, records for new hires will be created manually if we are unable to implement eRecords. This creates opportunity costs; we lose the opportunity of starting thousands of new employees into the electronic records systems.

What is the return on investment for this system?

Returns on investment include \$250,000 in annual labor cost savings and 2,500 labor hours resulting from the change to electronic processing, and an additional 2,300 labor hours saved from reductions in errors. Staff will be redirected or redeployed to complete other critical tasks and functions. The return on investment for eRecords resides primarily in labor cost savings associated with minimizing the need to retain, locate, and search physical records. Like all City departments, Liaison Services has yet to recover from steep staff reductions that were associated with the economic downturn. Even with the efficiencies gained by implementing eRecords, staff will be needed to support workforce restoration, tracking, and hiring.

If you have any questions or need additional information, please contact me at (213) 473-3470 or Susan Nakafuji at (213) 473-9120.



WENDY G. MACY
General Manager

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **BUREAU OF STREET SERVICES – COOL PAVEMENT PILOT PROJECT**

The Budget and Finance Committee requested a report back on the resources needed for the implementation of a cool pavement pilot project, including any potential partnership opportunities with the Department of Water and Power. The Bureau's response is attached.

The Bureau's Proposed Budget request submitted to the Mayor, included a request for a cool pavement technology pilot on two cul-de-sacs per Council District. No additional positions were requested, as the work would be performed by the Bureau on weekends (overtime). The proposal also included monthly sweeping by a motor sweeper to maintain the appearance of the lighter colored slurry mix. It should be noted that this work will not count toward the 2,400 lane mile Pavement Preservation Program metric. Cool seals are a very thin "seal coat" and they are not considered a pavement preservation seal. The purpose of the cool seal is to reduce pavement surface temperature and subsequently reduce the heat island effect. A total of \$190,500 was requested, excluding the Department of General Services (GSD) Standard's Division costs for testing services.

Budget Memo Number 18 (response to Question No. 285), addresses the resources needed by GSD to support the cool pavement pilot project and recommends that the request could be addressed in the mid-year Financial Status Report if the cool pavement pilot project is adopted. GSD reports that it will require \$30,000 in overtime funding for testing services to be performed before, during, and after installation of the seal coat. Testing services consist of the following:

- Sampling in the field;
- Lab testing;
- Field testing (vehicular skid resistance, pedestrian slip resistance, and thermal monitoring); and,
- Preparation of testing reports

FISCAL IMPACT STATEMENT

The total resources requested by both departments total \$220,500 (\$190,500 BSS and \$30,000 GSD). Alternatively, if only one pilot project is pursued in each Council District, the total resources required by both departments would be \$110,250 (\$95,250 BSS

and \$15,000 GSD). There are no indirect costs associated with this request. Should this item be funded, offsetting General Fund or Gas Tax appropriations will need to be identified

MAS:SMS:06160156C

*Question No. 148
Attachment*

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Budget and Finance Committee

FROM: Nazario Saucedo, Director
Bureau of Street Services

SUBJECT: 2016-17 BUDGET MEMO – QUESTION NO. 148
COOL PAVEMENTS

The Budget and Finance (B&F) Committee instructed the Bureau of Street Services (BSS) to report on the resources required for the cool pavements pilot project and to include any potential partnerships with the Department of Water and Power (DWP).

As referenced in the 2016-17 BSS Proposed Budget submitted to the Mayor, this proposal will allow BSS to apply a lighter colored slurry mix to reduce surface temperatures on two cul-de-sacs per day (approximately 15,000 square feet or 7,500 square feet per cul-de-sac) in each Council District. The work will be performed during weekends with existing position authorities. Total funding of approximately \$0.2 million will be needed for overtime and construction expenses.

The DWP offers rebates to help customers save money up front on the cost of installing cool roofs and in the long run by lowering their energy bill. The BSS will continue to seek opportunities to partner with DWP to help the City both mitigate and adapt to climate change.

NS:JFC:RL:GS:VPV:ce

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT OF ANIMAL SERVICES – INNER CITY LAW CENTER PILOT PROJECT IN THE VENICE AREA**

During consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Animal Services to report on the potential and resources required to expand the Inner City Law Center pilot project in the Venice Area. The Department's response is attached.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:FGO:04160115

Question No. 356

Attachment

**BOARD OF
ANIMAL SERVICES
COMMISSIONERS**

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PRESIDENT

LARRY GROSS
VICE PRESIDENT

COMMISSIONERS

OLIVIA E. GARCIA

ROGER WOLFSON

ALANA YAÑEZ

**City of Los Angeles
CALIFORNIA**



**ERIC GARCETTI
MAYOR**

**DEPARTMENT OF
ANIMAL SERVICES**
221 N. Figueroa Street
6TH Floor, Suite #600
Los Angeles, CA 90012

(888) 452-7381
FAX (213) 482-9511

BRENDA F. BARNETTE
GENERAL MANAGER

DANA H. BROWN
ASSISTANT GENERAL MANAGER

DEREK BROWN
ASSISTANT GENERAL MANAGER

May 4, 2016

Budget and Finance Committee
c/o Felicia Orozco, Office of the City Administrative Officer
200 N. Spring Street, Room 395
Los Angeles, CA 90012

**SUBJECT: QUESTION NO. 356 – REPORT BACK ON THE POTENTIAL AND RESOURCES
REQUIRED TO EXPAND THE INNER CITY LAW CENTER PILOT PROJECT TO THE VENICE
AREA**

The Inner City Law Center (ICLC)/Downtown Dog Rescue (DDR) partnership would be an excellent program to expand into the Venice area. In order to do so, the Department has to solicit similar organizations in the Venice area to partner with and build a program tailored to the needs of the Venice community. To that end, the Department of Animal Services reached out to Inner City Law Center and Downtown Dog Rescue to find out if they have any services in the Venice area or if they know of local organizations that we might contact to start a project similar to the new pilot in downtown Los Angeles' "Skid Row" area. The representatives at ICLC suggested contacting the Ocean Park Community Center (OPCC). While there has not been adequate opportunity to discuss the matter with OPCC, we look forward to opening the dialogue with them in the very near future.

Although there are some similarities between Venice Beach and the downtown "Skid Row" area, there are also many differences. We feel that the best approach to determining exactly what type of program will best serve the homeless pet owners in Venice is to work with the community to identify their needs. We would like to begin with a few community meetings co-hosted by the Council Office and the Department of Animal Services to define the needs, identify available resources and to generate a community plan tailored for the needs of the Venice community.

The Department stands ready to work with the Council office and to provide spay/neuter services for the pets of homeless residents living in and around Venice beach.

Respectfully submitted,

BRENDA F. BARNETTE
General Manager

"Creating a Humane LA"

AN EQUAL OPPORTUNITY EMPLOYER

Visit our website at www.LAAnimalServices.com

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguei A. Santana, City Administrative Officer



Subject: **POLICE DEPARTMENT – RESTORE RADIO MAINTENANCE FUNDING**

During its consideration of the Police Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on restoring \$385,000 for the maintenance of handheld radios. If restored, this funding will increase radio maintenance funding to \$770,000 which is sufficient for twelve months of maintenance services. The Department anticipates the procurement, configuration, and deployment of new radios will be completed by June 2017.

FISCAL IMPACT STATEMENT

The General Fund impact of restoring handheld radio maintenance funding would be \$385,000. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:TJM:04160126

Question No. 641

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **BUREAU OF SANITATION – SENIOR AND PRINCIPAL COMMUNICATIONS OPERATORS FOR SANITATION CALL CENTER**

Attached is a memorandum from the Bureau of Sanitation dated May 2, 2016, addressing the Committee’s request for additional information regarding the addition of one Senior Communications Operator and one Principal Communications Operator to the Bureau’s Call Center.

Currently, the Bureau has 46 Communications Information Representatives (CIR) that staff its Call Center. The Bureau also employs several as-needed staff to address peak workload periods. According to the Bureau’s 2015-16 Organizational Chart, the 46 full-time CIRs report to five Senior Administrative Clerks, which results in each Senior Administrative Clerk supervising an average of nine CIRs. The Senior Administrative Clerks earn an equivalent salary to the CIRs and receive a bonus for supervising CIRs. These Senior Administrative Clerks report to two Principal Clerks.

According to the Information Technology Agency’s (ITA) 2016-17 Proposed Organizational Chart, the 3-1-1 Call Center is staffed with four Senior Communications Operators that supervise eight to nine CIRs. These Senior Communications Operators report to one Chief Communications Operator. The addition of the Senior and Principal Communications Operator positions to the Bureau’s Call Center would make its staffing plan more consistent with the 3-1-1 Call Center. However, it is difficult to evaluate the need for these positions without position descriptions, justifications, organizational charts, or span of control analysis. In addition, it is recommended that the Bureau and Personnel Department conduct a study to determine if the Senior and Principal Communications Operators are more appropriate classifications to oversee the Bureau’s Call Center operations than the Senior Administrative Clerk and Principal Clerk classifications.

FISCAL IMPACT STATEMENT

There is no General Fund impact as sufficient funds are available from the Solid Waste Resources Revenue Fund to support the costs of the new positions. Nine-months costs for both positions is \$144,430, which includes \$87,890 for direct costs and \$56,540 for indirect costs.

MAS:WKP:06160140

Question No. 126

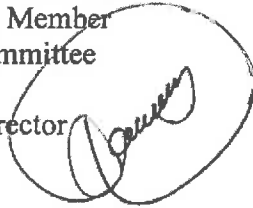
Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Honorable Paul Krekorian, Chair
Honorable Mitchell Englander, Vice Chair
Honorable Paul Koretz, Member
Honorable, Bob Blumenfield, Member
Honorable Mike Bonin, Member
Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director
LA Sanitation



**SUBJECT: LA SANITATION – REPORT BACK ON BUDGET & FINANCE
QUESTION NO. 126: NEW SENIOR AND PRINCIPAL
COMMUNICATIONS OPERATORS**

Question No. 126: Report back on adding a Senior Communications Operator and a Principal Communications Operator for the Call Center. Include potential special funding sources.

Recommended Action: Recommendation: Add nine-months funding and resolution authority for one Senior Communications Operator (1467) and one Principal Communications Operator (1458). Funding in the amount of \$85,817 is available from the Solid Waste Resources Revenue Fund (Salaries-General).

During the Fiscal Year 2016-17 Proposed Budget Deliberations held on April 27, 2016, LA Sanitation was asked to report back on the benefits of adding a Senior Communications Operator and a Principal Communications Operator for the Call Center.

To improve customer service, LASAN has converted our call center to a 24/7 Customer Care and Dispatch Center. LASAN is also establishing a backup location at one of our secured facilities for increased staff safety during the night shift and for redundancy in case of power failures at our primary facility. The Customer Care Center receives an average of 58,000 calls a month and also processes service requests from the MyLA 311 website and mobile app, LASAN's website, Facebook, and Twitter accounts. While LASAN has been able to stretch staff to cover the existing shifts and locations, we do not have enough supervisors to provide the appropriate level of oversight and guidance to staff. The ratio of staff to supervisors on the morning shift is 29 to 1. This creates issues when the supervisors need to assist staff with complicated calls. Similar customer service centers have a staff to supervisor ratio of 14 to 1. The addition of these two positions would reduce the maximum staff to supervisor ratio to 18 to 1.

These positions would be funded by the Solids Waste Resources Revenue Fund. There would be no impact to the General Fund.

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to discuss any of these items further, please feel free to contact myself or Lisa B.

LA Sanitation Question No. 126
FY 2016-17 Proposed Budget
2 of 2

Mowery, LASAN's Chief Financial Officer at (213) 485-2210.


LBM/ECZ:lbm

- c: Members of the City Council
 - Ana Guerrero, Chief of Staff, Mayor's Office
 - Matt Szabo, Deputy Mayor, Mayor's Office
 - Barbara Romero, Deputy Mayor, Mayor's Office
 - Matt Crawford, Budget & Innovation, Mayor's Office
 - Greg Good, City Services, Mayor's Office
 - Kevin James, President, BPW
 - Heather Repenning, President Pro Tempore, BPW
 - Sharon Tso, CLA
 - Miguel A. Santana, CAO
 - Richard Williams, Office of the City Clerk
 - LASAN Executive Team

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **RECREATION AND PARKS – FULL RESTORATION OF PARK RANGER PROGRAM**

During its consideration of the Department of Recreation and Parks' 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report back on full restoration of Park Ranger Program. The Department's response is attached.

As stated in the Department's response, the Department requested a phased-in plan for the Ranger Program in the 2016-17 budget proposal to the Mayor. The Department estimated the cost of the twelve positions at \$2,061,100 (12 months funding including part-time staff, expense, and equipment) or \$1,264,550 (six months funding including part-time staff, expense, and equipment) and is for direct costs only. The Department is planning to utilize existing facilities as regional offices for the new Rangers.

FISCAL IMPACT STATEMENT

The General Fund impact of phased-in plan for 2016-17 consisting of 12 positions is \$2,503,952 (12 months funding: \$2,061,100 direct cost and \$442,852 indirect cost) or \$1,485,976 (six months funding: \$1,264,550 direct cost and \$221,426 indirect cost). Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JSS:08160096

Question No. 53

Attachment

BOARD OF RECREATION AND
PARK COMMISSIONERS

SYLVIA PATSAOURAS
PRESIDENT

LYNN ALVAREZ
VICE PRESIDENT

MELBA CULPEPPER
MISTY M. SANFORD
IRIS ZUÑIGA

ARMANDO X. BENCOMO
COMMISSION EXECUTIVE ASSISTANT II

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

DEPARTMENT OF
RECREATION AND PARKS

EXECUTIVE OFFICE
221 N. FIGUEROA STREET
SUITE 350
LOS ANGELES, CA 90012

(213) 202-2633

MICHAEL A. SHULL
GENERAL MANAGER

May 2, 2016

Honorable Paul Krekorian, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Richard Williams, Legislative Assistant

Dear Councilmember Krekorian:

FISCAL YEAR 2016-17 QUESTION NO. 53 – FULL RESTORATION OF PARK RANGER PROGRAM

The Department of Recreation and Parks (RAP) is responding to your Committee's request for information regarding a full restoration of a City wide Park Ranger Program.

RAP Park Rangers patrol City park property and provide law enforcement, public assistance, fire rescue, as well as provide naturalist and interpretive services to park visitors. Park Rangers play an important role in providing safe and clean parks and addressing quality of life issues. On February 5, 2014, RAP submitted a report on multi-year full restoration of the Park Ranger Program as requested by City Council under File No. 12-0899-S1. Subsequently, RAP requested a phased-in plan in the 2016-17 budget proposal. Please see below a summary table and the attachments for details.

Item	Current Level		Proposed for FY 2016-17			Full Restoration	
	# of Position	Funding	# of Position	12 Months	6 Months	# of Position	Funding
Full-time Staff	37	\$2,689,525	12	\$967,660	\$483,830	99	\$7,340,492
Part-time Staff		\$549,349		\$250,440	\$125,220		\$1,438,324
Expense		\$174,718		\$375,000	\$187,500		\$582,718
Equipment		\$200,000		\$468,000	\$468,000		\$1,216,000
Totals	37	\$3,613,592	12	\$2,061,100	\$1,264,550	99	\$10,577,534

Should you have any questions, please contact me at (213) 202-2633.



Honorable Councilmember Krekorian
May 2, 2016
Page 2


Sincerely,

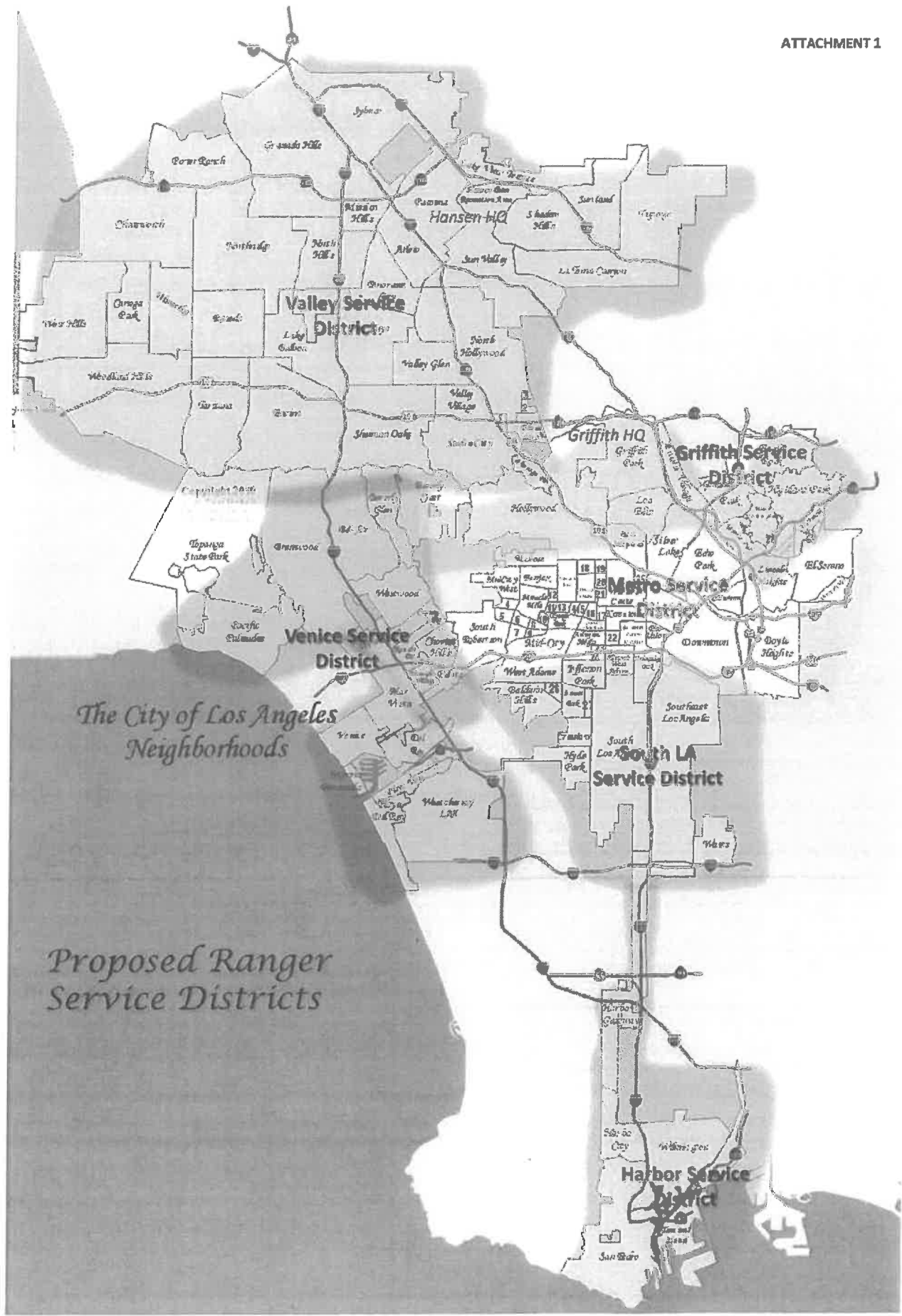


MICHAEL A. SHULL
General Manager

MAS:ndw

Attachments

cc: Barbara Romero, Deputy Mayor, Office of the Mayor
Ryan Carpio, Office of the Mayor
Terry Sauer, Office of the City Administrative Officer
Jay Shin, Office of the City Administrative Officer
Anthony-Paul (AP) Diaz, Esq., Executive Officer & Chief of Staff, RAP 
Vicki Israel, Assistant General Manager, RAP
Kevin Regan, Assistant General Manager, RAP
Ramon Barajas, Assistant General Manager, RAP
Noel Williams, Chief Financial Officer, RAP



Service District	Resources and Service Level by Ranger Service Districts												Full Reorganization				
	Citywide Communications & Admin		Griffith		Valley		Metro		Habor		South EA			West		Total Effort	Add'l Needed
	Current	Add'l Needed	Current	Add'l Needed	Current	Add'l Needed	Current	Add'l Needed	Current	Add'l Needed	Current	Add'l Needed		Current	Add'l Needed		
Positions																	
Chief Park Ranger	1														0	1	1
Sr. Park Ranger I			3	2	1	2	1	2							2	0	2
Park Ranger	2		15	5	4	8	8	4	2	8	8	2	2	5	12	17	70
Comm Info Rep II		6													0	6	6
Management Analyst II		1													0	1	1
Senior Administrative Clerk		1													0	1	1
Administrative Clerk	1														0	1	1
Full-time Staff	4	9	33	7	5	10	10	6	0	10	10	0	10	0	10	0	1
As-Needed (Security Officer)															37	62	99
BP40 - Contractual Services	\$0	\$0	\$87,462	\$0	\$165,562	\$0	\$0	\$296,325	\$0	\$296,325	\$0	\$0	\$296,325	\$0	\$296,325	\$549,349	\$1,458,324
BP160 - Maintenance Materials	\$5,000	\$0			\$1,000	\$5,000									\$122,358	\$10,000	\$132,358
BP210 - Office & Admin	\$4,761	\$7,239			\$9,500	\$33,200	\$14,400	\$21,600	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400	\$18,700	\$103,200	\$121,900
BP270 - Operating Supplies	\$9,399	\$601				\$6,000	\$9,600	\$14,400	\$50,400	\$33,200	\$9,600	\$9,600	\$9,600	\$9,600	\$18,761	\$221,000	\$239,261
BP340 - Vehicles		\$80,000													\$9,399	\$58,800	\$68,199
Current Funding	\$509,730		\$1,414,826		\$557,685	\$206,000	\$200,000	\$1,831,351	\$0	\$208,000	\$208,000	\$0	\$208,000	\$0	\$200,000	\$1,016,000	\$1,216,000
Additional Funding Needed		\$706,660		\$711,199		\$1,030,510		\$550,074		\$1,921,835			\$1,371,835	\$0	\$3,619,592	\$0	\$4,613,592
Total Annual Ranger Cost	\$1,016,390		\$2,126,019		\$1,588,195	\$1,030,510	\$1,881,425	\$1,921,835	\$1,371,835	\$1,371,835	\$1,371,835	\$1,371,835	\$1,371,835	\$0	\$3,619,592	\$6,963,942	\$10,577,534

Note: Salaries are based on Wages & Court or Citypay Step 5.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **FINANCE – IMPACT OF VACANT POSITIONS DELETED**

The 2016-17 Proposed Budget deleted seven vacant positions in the Office of Finance (Department). Budget and Finance Committee requested a report back from the Department on the services provided by these positions, the benefits of those services, and the impact to services and revenue of deleting the positions. The Department's response details the services provided by each classification and states that the loss of the positions will reduce the ability to provide customer service, do outreach, and maintain the same number of audits per year.

It should be noted that the positions deleted were selected based on a review of the classifications that have historically had a high vacancy rate. Furthermore, since the Department has been managing a high vacancy rate for several years, it is unclear how the elimination of these vacant positions will significantly impact the Department's operations.

Attached is the Department's response. This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:ECM:01160055

Question No.32

Attachment

CLAIRE BARTELS
DIRECTOR of FINANCE
CITY TREASURER

CITY OF LOS ANGELES
CALIFORNIA

OFFICE OF FINANCE
200 N. SPRING ST.
ROOM 101 – CITY HALL
LOS ANGELES, CA 90012

(844) 663-4411



ERIC GARCETTI
MAYOR

May 3, 2016

Honorable Members of the Budget and Finance Committee
Room 395, City Hall
Los Angeles, California 90012

Attention: Miguel Santana, City Administrative Officer

RE: FINANCE REPORT BACK ON SEVEN VACANT POSITIONS DELETED IN THE BUDGET

Honorable Members,

During its consideration of the Office of Finance's (Finance) Fiscal Year 2016-17 Proposed Budget, the Budget and Finance Committee requested that the department report back on the services provided by seven vacant positions deleted in the Mayor's Proposed Budget: two Tax Auditor IIs, two Tax Compliance Officer IIs, and three Customer Service Specialists. The Committee also requested information on the benefits of the services provided.

As noted in the department's memo to this Committee on the department's proposed budget, Finance believes the proposed budget lays the foundation for short and long term strategies to improve the customer service delivery model of the department. Restoration of these positions will allow management greater flexibility in hiring; additionally, restoration of the funding will improve the department's ability to address existing workload and be better positioned to meet the challenges presented by the new sharing economy.

Customer Service Specialists

The Customer Service Division includes 43 regular Customer Service Specialist (CSS) authorities which is a classification that only exists within Finance. These positions are located at public counters in City Hall, Figueroa Plaza One-Stop, Van Nuys and West LA. Additionally, 20 authorities are dedicated to the call center which is located in City Hall.

Presently there is an approximately 25 percent vacancy rate for CSS with most of the vacancies in the Call Center. Concentration of vacancies in the Call Center is necessary in order to maintain thinly staffed public counters; however, Call Center positions are critical to providing excellent customer service by answering a high volume of calls, and ensuring that calls can be resolved as quickly as possible, while providing a great deal of direct support to taxpayers as they rely on their specialized training and expertise in navigating Finance's systems, processes, and requirements.

- Between October 2015 (when the new call center system was implemented) and March 2016, calls answered totaled 83,000.
- During peak call season (January 1 through mid-May), there can be over 2,000 calls in the queue (waiting to get called back) and a call back time delay of up to three days.

AN EQUAL OPPORTUNITY-AFFIRMATIVE ACTION EMPLOYER

A significant amount of overtime and staff from the Tax & Permit Division and Revenue Management Division have been used to provide extra support to the call center and public counters. Finance is not budgeted for the level of Overtime and As-Needed staffing required to meet operational workloads and has been required to rely on salary savings resultant from high vacancy rates in full time classifications. These salary savings may not materialize with the proposed reductions. Additionally, temporarily shifting staff from other divisions creates other workload issues and impacts customer assistance in other areas.

Due to the high vacancy rate, the department has diverted CSS support from other Customer Service Activities to support the call center. This has impacted Finance's Special Desk section that supports the Office of the City Attorney in the issuance of Tobacco permits, supports the Fire department in the issuance of Fire permits, and supports the Bureau of Sanitation and the Department of Water and Power in utility tax exemptions, including application processing for the Lifeline Program.

The Personnel Department will be administering the Customer Service Specialist exam June 5, 2016. A new list of eligible candidates for the CSS classification is expected in September 2016. Finance would like to use this list to maximize CSS hiring and avoid the depleted staffing levels the department is currently facing.

Tax Compliance Officers

The Tax Compliance Officer II (TCO II) authorities are unique to Finance and are assigned to primarily three revenue generation functions within the department that collectively average approximately \$65 million in revenue annually:

- Field Enforcement
- Discovery
- Collections

The TCOs are an integral part of Finance's goal to increase educational outreach to taxpayers. The TCO IIs are at the forefront of working with constituents to inform potential new businesses of their revenue reporting requirements and to assist them in registering with the City for their Business Tax Registration Certificate at various community venues.

The impact of eliminating the two TCO II positions would reduce our overall ability to provide customer service and outreach to the City's constituents as a whole regarding the City's business tax and would result in a reduction of 6,000 to 7,000 field visits or 10,000 - 12,000 discovery work items completed and with an associated revenue loss of \$250,000 to \$300,000 for each TCO II position eliminated.

In Field Enforcement, TCO IIs are assigned to specific central business districts and zip codes within the City of Los Angeles and assist business owners at their business locations with clarifying their City business ordinance questions, assisting in setting up new business tax accounts or resolving existing business tax liabilities. TCO IIs are also the initial point of contact with business representatives to inform them of the existing exemptions that might benefit them and options for resolution of tax liabilities.

In Discovery, TCO IIs are assigned to work with data files acquired by Finance from the Franchise Tax Board, Board of Equalization, Secretary of State and various other sources. TCO IIs interact with individuals or entities to assist them in determining if they have a potential business tax liability with the City. One of the primary responsibilities of TCO IIs assigned to this function is assisting independent contractors in understanding that their revenue generating activities within the City require them to register and report under the AB63 program. The program has consistently generated the City approximately \$15 million in annual business tax revenue.

In Collections, TCO IIs are assigned to assist the City with the collection of various liabilities owed to the City, including tax liabilities that businesses have neglected to remit. TCO IIs work with the various collections agencies to ensure that the taxpayers are aware of their liabilities and employ liens, small claims and litigation protocols to ensure resolution of taxes owed the City.

Tax Auditor

Since the City business tax is a self-reported tax, the purpose of the Tax Auditor II (TA II) position is to meet with businesses that generate revenue from activities within the City to assist them in understanding how the business tax ordinance pertains to their activities. The Tax Auditor II's primary goal is to confirm that businesses are classified under the correct fund and classification within the business tax ordinance and that they are remitting the correct amount of business taxes to the City.

Tax Auditor II staff are also assigned to assist with the analysis of various business activities prior to a business entering the City to clarify the correct classification and apportionment factors that would exist to ensure the new business that they will be reporting correctly as they join the City's business environment.

Due to the number of active businesses within the City and the current level of audit staff, there has always been a challenge to audit a larger percentage of businesses within the City. The impact of eliminating two TA II positions would reduce our ability to maintain our current audit penetration level and reduce our audit revenue recovery rate by approximately 44 - 60 audits completed and \$300,000 to \$350,000 in revenue for each tax Auditor II position. Finance averages approximately \$63 million in audit billings annually.

New Sharing Economy

The emergence of the new sharing economy presents a need for significant new engagement, education and outreach by Finance to businesses and citizens. Potentially thousands of unregistered individuals will require an exponential number of additional contacts that must be absorbed by Customer Service Specialists, Tax Compliance Officers and Tax Auditors. While restoring the deleted positions and funding will not necessarily be sufficient to meet the additional demands of increased engagement, it will further support the department's efforts to realize significant additional tax revenues anticipated in the budget.

If you have further questions, you may reach Todd Bouey, Assistant Director of Finance, at (213) 978-1779 or by e-mail at todd.bouey@lacity.org.

Sincerely,



^{for} Claire Bartels
Director of Finance/City Treasurer

cc: Matt Szabo, Deputy Mayor of Budget and Innovation, Office of the Mayor
Matt Crawford, Budget Director, Mayor's Office
Armando Nuñez, Public Safety Budget Analyst, Office of the Mayor
Emily Mayeda, Sr. Admin. Analyst II, Office of the CAO
Richard Williams, Legislative Analyst I, Office of the City Clerk

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **CULTURAL AFFAIRS – ART THERAPY PILOT PROGRAM**

During its consideration of the Department of Cultural Affairs 2016-17 Proposed Budget, the Budget and Finance Committee requested Cultural Affairs to report on what resources would be needed to conduct an art therapy pilot program which could complement or be part of the homeless budget, and if there are any opportunities for public-private partnerships. The Department's response is attached.

FISCAL IMPACT STATEMENT

The General Fund impact of fully funding the Department's proposal would be \$200,000. As an alternative, funds in the Arts and Cultural Facilities and Services Trust Fund could be reprogrammed to offset the cost of this program. The funds would provide \$170,000 in grant funds for non-profit organizations to provide arts activities for the homeless, and \$30,000 in Salaries, As-Needed funding for Department staff to support the project.

Should these items be funded, offsetting General Fund or Special Fund revenues or appropriations will need to be identified.


MAS:EOS:01160100

Question No. 369

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Honorable Members of the Budget and Finance Committee

From: Danielle Brazell, General Manager 
Department of Cultural Affairs

Subject: **REPORT BACK ON RESOURCES NEEDED TO CONDUCT AN ART THERAPY PILOT PROGRAM WHICH COULD COMPLEMENT OR BE PART OF THE HOMELESS BUDGET – BUDGET MEMO 369**

At its meeting of April 28, 2016, the Budget and Finance Committee requested a report back detailing the resources needed to conduct an art therapy pilot program which could complement or be part of the homeless budget.

The Department of Cultural Affairs (DCA) believes strongly in the power of healing through the arts. Using different mediums, the arts can address issues like homelessness, violence and traumatic experiences to help those affected to gain the awareness and acceptance of the difficulties they face through an objective lens. DCA currently supports these efforts through our Grant programs, with partnerships with organizations such as Piece by Piece and the Los Angeles Poverty Department (LAPD) who are proposed to receive grant funds in FY 16-17, \$10,300 and \$10,250 respectively.

With additional funds, DCA could explore the possibility of additional public/private partnerships with non-profits that provide similar art-related healing activities with the homeless. Through a General Fund appropriation of \$200,000, providing additional grants of \$170,000 and \$30,000 to hire an Arts Associate to coordinate contract activities, DCA will be able to significantly increase its arts intervention strategy in areas with the largest homeless populations.

RECOMMENDATION

DCA recommends a \$200,000 General Fund investment, providing a total of \$170,000 in grant funds to readily expand services to the homelessness population outside the downtown area. In addition, DCA requests \$30,000 in salaries, As-Needed, to hire an Arts Associate to serve as contract manager to expedite the execution of the contracts and provide management of these projects.

Please contact Alma Gibson (213) 202-5530 or Joe Smoke (213) 202-5566 with questions or for additional information.

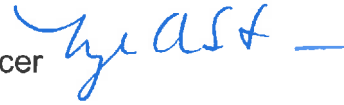
cc: Elaine Owens-Sanchez, Office of the City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **FINANCE – LATAX REPLACEMENT**

The Budget and Finance Committee requested a report back from the Office of Finance (Department) on the cost to replace the LATAX system versus upgrading the system and a cost benefit analysis.

The Department's response details the differences between replacement and modernization and identifies enhancements that will improve audit tracking and collections. The Department estimates the cost of replacement to be between \$10 million to \$18.7 million and modernization to be \$1.7 million to \$6 million. It is estimated that the enhancements to improve audit tracking and collections will cost \$800,000. The implementation timeline is one to two years. To minimize the fiscal impact, the Department suggests funding the project over two or three fiscal years.

LATAX is a critical system that cannot be supported after 2020. More than 75 percent of businesses renew on-line. To ensure the continued collection of this revenue and a smooth experience for taxpayers, a plan should be developed to replace or modernize LATAX. However, given the time it takes to complete a Request for Proposal process and execute an agreement, it is unlikely that a contractor will be able to begin the project in 2016-17.

Attached is the Department's response. This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:ECM:01160053

Question No.29

Attachment

CLAIRE BARTELS
DIRECTOR of FINANCE
CITY TREASURER

CITY OF LOS ANGELES
CALIFORNIA

OFFICE OF FINANCE
200 N. SPRING ST.
ROOM 101 – CITY HALL
LOS ANGELES, CA 90012



(844) 663-4411

ERIC GARCETTI
MAYOR

May 3, 2016

Honorable Members of the Budget and Finance Committee
Room 395, City Hall
Los Angeles, California 90012

Attention: Miguel Santana, City Administrative Officer

RE: FINANCE REPORT BACK ON THE COST TO REPLACE THE LATAX SYSTEM

Honorable Members,

During its consideration of the Office of Finance's (Finance) Fiscal Year 2016-17 Proposed Budget, the Budget and Finance Committee requested that the department report back on the cost to replace the LATAX system. The Committee also requested information on the cost to simply upgrade the existing system as well as a cost benefit analysis.

LATAX OVERVIEW

LATAX is the core information system that supports Finance's efficient management and collection of tax revenue. The system manages all of the department's tax and permit activities, maintains over 625,000 active tax and permit accounts, supports 400 active system users, generates over 1.3 million correspondence items annually, and administers over \$2.5 billion in annual revenue. Additionally, LATAX features on-line capabilities that allow any business to register, renew, or pay billings 24 hours a day without the need to visit a service office or to mail in their renewal and/or payment. Currently, more than 75% of businesses renew their annual business tax certificates on-line and 58% of all service transactions utilize the on-line services, including, new business registrations, business tax certificate renewals, bill payments, etc.

LATAX on-line services and other system automations have added value to customer service and convenience. These technology improvements have also reduced the amount of staff time required to oversee and process work items. Since the inception of LATAX in 2004, the department has maintained continuity of operations despite significant staff reductions and a 60% increase in the number of business accounts.

It is important to note that LATAX is fully integrated in all work processes within Finance and a reliance on the system is critical to operations. If LATAX became non-operational or otherwise depreciated in performance, the department would be inhibited due to a substantial loss of efficiency gains and functionality. These system complications could result in substantial revenue losses.

TECHNOLOGICAL OBSOLESCENCE

LATAX was implemented in November 2004. The system was developed in the PowerBuilder application development environment and the current product owner SAP has indicated that there are no future planned updates. LATAX is currently operating on Windows 2008 based servers, however the PowerBuilder product will not support more current

versions of the Windows operating system environment. Microsoft will discontinue support for their Windows 2008 server product in January 2020, after which no further product updates and security patches will be provided. Consequently, the LATAX system would be considered not in compliance with information technology industry security standards, including Payment Card Industry Data Security Standards.

In 2015, Finance issued two Request for Information (RFI's) to explore the options of replacing versus modernizing LATAX. One RFI solicited for products and/or services to replace LATAX with a new tax and permit system services and the other RFI solicited for services to migrate LATAX to a new technical environment. The RFI's resulted in responses from 16 vendors.

As part of the RFI, vendors presented various system solutions that enabled the department to fully assess how the marketplace differed in their approaches compared to the features in the LATAX system. Many of the proposed solutions were comparable in functionality to LATAX, such as account management, system accounting, renewal and bill processing, case management and system interfaces. There were also functional enhancements that could benefit the department, such as modules for audit management and collections processing. However, LATAX was measurably better than vendor solutions for web-based services, payment processing, and taxpayer accounting.

LATAX Replacement (New Tax and Permit System)

The vendor proposals for a new tax and permit system were varied in nature, yet offered a variety of standard functions as well as enhanced features. Key enhancements include cloud-based implementations, stable and proven architecture to build on, and newer types of user functionalities. Additionally, some solutions were focused specifically on tax and permit operations, while other solutions were general purpose government revenue and workflow management solutions. The department also received proposals that had different levels of implementation clients, such as vendors that served small municipalities and agencies as compared to vendors with experience supporting large cities, counties and states.

LATAX Modernization (Code Migration)

Most of the modernization proposals utilized an automated process which could convert the majority of the PowerBuilder program source code with the remaining code remediation performed by vendor staff. Program code would be converted to either JAVA or C# .NET which would provide wider system support options for the City.

The main advantages of the modernization approach is that the end product would appear nearly identical for end users, which would result in minimal training and organizational disruption. Another benefit is that the existing database structures would be retained, eliminating the need for conversion of data into a new database structure. The identical user experience coupled with retaining the existing database would result in a simpler system testing and validation process. Overall the modernization approach will have lower inherent risk and an overall lower implementation cost.

Audit Management System

The current methodology and protocols for conducting tax audits and tracking audit activities utilizes data from LATAX, but is largely a manual process. An excessive amount of staff time and labor is involved to perform administrative tasks, which could otherwise be dedicated to more productive audit functions. A new audit management system would be an enhanced solution and possibly cloud-based to further reduce system support requirements. This system would integrate with LATAX and provide a standardized approach for tracking audit activity and consolidating working documentation and analysis. The system would eliminate the manual tracking and status inquiries related to audits along with introducing a more rigid methodology for conducting audits and determining their resulting tax liabilities. The new system would also provide audit selection functionality where candidate audits are determined through more sophisticated risk analysis methods than performed currently.

Collections Processing System

Tax collections is a core function of Finance and a specialized system known as CUBS is used to process collection activities. CUBS is not fully integrated with LATAX, which necessitates a combination of workaround techniques and manual steps to process data. CUBS is an essential tool for staff, but presents limitations to overall productivity and the

effectiveness of business interactions for tax compliance. A new collections processing system would eliminate many of the current inefficiencies and workarounds associated with the use of the current CUBS system. This new system would offer productivity enhancements similar to those proposed for the audit management system. The system would provide the means for reconciling and synchronizing LATAX and collection system account status, and include more sophisticated methods for managing collection referrals by determining collectability on a case-by-case basis. Another possible systems solution for further evaluation would be to supplement collections with a vendor that would oversee all collections activity and administer a system that would integrate with LATAX.

COST ESTIMATES

A full system replacement would include new functionality and improvements along with a technical architecture that would not require extensive City resources for on-going system support. It is the most costly investment upfront and the implementation process presents organizational challenges related to change management and extensive user training requirements. The alternative solution is the modernization approach with lower upfront costs and less risk due to functionality consistent with LATAX. However, the uniform functionality would not include any enhanced features or process improvements.

The following cost estimates are based on vendor responses to the RFI. The cost includes initial system development and implementation, and excludes City staff resources, annual maintenance and support fees.

Technology Solution	Cost Estimate	Implementation Timeline
LATAX Replacement	\$10M - \$18.7M	1 to 2 years
LATAX Modernization	\$1.7M - \$6M	1.5 years
Audit Management Module	\$500,000	1 year
Collection Processing Module	\$300,000	1 year

FISCAL IMPACT

The current cost estimate to replace LATAX ranges from \$10 million to \$18.7 million. The cost to simply upgrade LATAX is between \$1.7 million and \$6 million. Funding appropriations can be divided over two to three consecutive fiscal years in order to minimize fiscal impacts.

Due to the pending discontinuance of Windows 2008 product support, significant cost increases are anticipated if LATAX replacement or upgrade is delayed by January 2020.

If you have further questions, you may reach Selwyn Hollins, Assistant Director of Finance, at (213) 978-1531 or by e-mail at Selwyn.v.hollins@lacity.org.

Sincerely,



Claire Bartels

Director of Finance/City Treasurer

cc: Matt Szabo, Deputy Mayor of Budget and Innovation, Office of the Mayor
 Matt Crawford, Budget Director, Office of the Mayor
 Ted Ross, General Manager/CIO, Information Technology Agency
 Armando Nuñez, Public Safety Budget Analyst, Office of the Mayor
 Emily Mayeda, Sr. Admin. Analyst II, Office of the CAO
 Richard Williams, Legislative Analyst I, Office of the City Clerk

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 88

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FIRE - GENERAL FUND AMBULANCE BILLING REVENUE ASSUMPTIONS**

During its consideration of the 2016-17 proposed budget, the Budget and Finance Committee requested this Office to report back on the 2016-17 General Fund revenue assumptions for the Fire Department's ambulance billing. The Committee specifically asked why the 2016-17 proposed estimate was the same as the 2015-16 revised amount, given that for both call volume and the number of insured individuals being transported have increased.

The Fire Department's initial analysis assumed \$75 million in total ambulance billing revenue for 2015-16 and 2016-17. Based on receipts through February 2016, the estimates for both fiscal years were revised upwards by \$2 million to reflect the current growth in monthly revenue, or \$77 million annually.

Receipts have since fallen in March and April compared to the previous fiscal year, but our Office's analysis indicates the proposed estimates are still attainable. The April 26 analysis by the Fire Department also supports the current \$77 million estimate for both fiscal years. The Fire Department's methodology, adjusted for the April 2016 collections, is provided in the attached table for reference.

This memorandum is provided for informational purposes only. There is no fiscal impact.

*MAS:BGF: 03160024**Question No. 709*

Attachment

**CITY OF LOS ANGELES
FIRE DEPARTMENT
EMERGENCY MEDICAL TRANSPORT REVENUE**

As of April 26, 2016
Modified by the CAO May 4, 2016

Month	Actual Receipts A	Actual and Projected for FY 2015-16 B	Private Insurance Receipts * C	Increase due to the rate increase established in FY 2014-15 D	Projected for FY 2016-17 B+D
July	\$ 6,599,099	\$ 6,599,099	\$ 2,747,927	\$ 110,604	\$ 6,709,703
August	\$ 6,351,706	\$ 6,351,706	\$ 2,635,876	\$ 106,094	\$ 6,457,800
September	\$ 5,837,362	\$ 5,837,362	\$ 2,393,160	\$ 96,325	\$ 5,933,687
October	\$ 6,858,190	\$ 6,858,190			\$ 6,858,190
November	\$ 6,571,047	\$ 6,571,047			\$ 6,571,047
December	\$ 6,757,763	\$ 6,757,763			\$ 6,757,763
January	\$ 5,732,020	\$ 5,732,020			\$ 5,732,020
February	\$ 6,476,664	\$ 6,476,664			\$ 6,476,664
March	\$ 6,664,846	\$ 6,664,846			\$ 6,664,846
April	\$ 6,100,503	\$ 6,100,503			\$ 6,100,503
May	\$ -	\$ 6,394,920			\$ 6,394,920
June	\$ -	\$ 6,394,920			\$ 6,394,920
Total	\$ 63,949,200	\$ 76,739,040		\$ 313,023	\$ 77,052,062
10 month Average	\$ 6,394,920				

*Only Private Insurance Receipts are impacted by a change in the Ambulance Transport rates. The Medicare and Medicaid receipts will not change due to an increase in the Ambulance Transport rates.

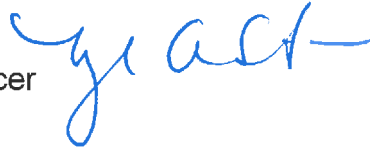
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 89

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT – REPORT ON ELECTION OUTREACH AND OPTIONS TO GENERATE SAVINGS**

During its consideration of the Department of Neighborhood Empowerment's (DONE) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report from DONE on options to ensure that the Valley receives an equitable amount of outreach compared to the rest of the City and to provide other options that may result in cost savings. DONE's response is attached.

DONE requests for \$150,000 in funding which includes \$100,000 of Printing and Binding and \$50,000 of Salaries, As-Needed Account funding to conduct outreach for the 2017-18 Neighborhood Council Board Member Elections in 2016-17. It should be noted that the funding requested in this budget memo is identical to the funds requested in DONE's budget memo regarding election support items.

A General Fund appropriation in the amount of \$150,000 will be necessary to fund DONE's request to conduct outreach for the 2017-18 Neighborhood Council Board Member Elections in 2016-17. In order to make this appropriation, offsetting General Fund revenues or appropriations will need to be identified.


*MAS:LGC:08160107**Question No. 464*

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: City Council Budget and Finance Committee

From: Grayce Liu, General Manager Department of Neighborhood Empowerment 

Subject: **Budget Impact Question #464 – Neighborhood Council Election Outreach Options**

During its consideration of the Department of Neighborhood Empowerment's (Department) 2016-17 proposed budget, the Budget and Finance Committee requested a report on options to ensure the Valley receives the full benefit of elections outreach, including decreasing the time between the candidate filing deadline and the election to 45 days to possibly generate cost savings on the outreach time necessary on the front end.

Currently, there are 12 Neighborhood Council election regions that are conducted weekly over a period of 3 months. The current candidate filing period for a given Neighborhood Council region begins 105 days before Election Day and ends 60 days before Election Day, although up to 15 additional days are required to finalize the list of certified candidates. During this 15 day period, the Office of the City Clerk (Clerk) certifies candidates who filed last-minute applications, processes candidate challenges and withdrawals, and addresses other filing issues. Immediately following the release of the final list of certified candidates for all Neighborhood Councils in a region, Clerk staff begins the ballot development process, which can last up to one week before ballot files are sent to the online voting vendor for further development. In order to ensure that ballots are correctly laid out and votes are accurately entered and tabulated, the Clerk and the online voting vendor conducts logic and accuracy tests for all online voting ballots. Only when these tests are complete and approved can online voting begin, three weeks before Election Day.

For traditional (at-poll) elections, paper ballots are being designed to be tabulated by electronic scanners. As with online ballots, the Clerk must conduct logic and accuracy tests with these ballot types to ensure that ballots will be accurately counted. Once these tests are complete, ballots are printed, wrapped, and packed with Election Day polling place supplies. Since the ballots are prepared for Election Day, there is a net savings of 3 weeks for traditional elections.

As such, the current regional pre-Election Day process, beginning with the candidate filing period and ending with the completion of ballot development, operates on a very tight schedule, with little room for error. If the candidate filing period were to be shortened and moved closer to Election Day, the Clerk and the online voting vendor would lose a significant amount of time necessary for ballot development and testing, which could negatively impact the conduct of an election. The Clerk would also lose time to thoroughly address candidate challenges, candidate withdrawals, and other candidate filing issues that must be resolved before issuing the final lists of certified candidates. While shifting the Neighborhood Council candidate filing period might generate outreach cost savings, the Clerk may incur additional costs (overtime, supplies, and staff) in order to operate effectively in a condensed timeline before Election Day.

Therefore, the Department is requesting that some of the election funding for FY 2017-2018 be shifted to FY 2016-2017 so that election outreach preparation can begin at least 1 year out from the April 2018 start date of the Neighborhood Council elections. Another potential option would be to have all of the Neighborhood Council elections on one day so that all of the outreach would be citywide at the same time. Currently though, this option is not possible due to the complexity of the board structures and the staffing required to verify nearly 3,000 candidates in a short period of time as well as run 80-90 elections on the same day.

The Department and Clerk will be proposing other cost saving measures in an after election report, which will include: 1. decreasing the candidate filing period on the front-end from 105 days out to 90 days, 2. standardizing candidate requirements, which will need to address the Neighborhood Council stakeholder definition, 3. standardizing boards seats and bylaws, which will need to address Neighborhood Council bylaws, and 4. develop a candidate filing manual.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 90

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **GENERAL SERVICES – BROXTON GARAGE**

During consideration of the 2016-17 Proposed Budget for the Department of General Services (GSD), your Committee requested that GSD report back on how GSD can move City staff presently working at the Broxton Garage to other assignments to allow for the transition of City parking lots to a private operator.

GSD reports that seven employees are currently assigned to the Broxton parking garage. There are four full-time employees consisting of two Vocational Workers, and two Parking Attendant Is, and three part-time employees consisting of one Parking Attendant II, and two Event Attendant IIs. These are existing position authorities that are reimbursed by the Department of Transportation (DOT) through the Special Parking Revenue Fund. GSD also requests a pay grade advancement for one of the existing full-time positions to a Senior Parking Attendant I that was eliminated as part of ERIP.

Should the Council take action to reassign existing employees into other lots managed by GSD, without the proposed pay grade, the total General Fund impact will be \$278,951. This includes funding for four full-time positions (\$136,052 direct costs and \$92,600 indirect costs) and three part-time as-needed employees (\$50,299). GSD proposes to absorb six-months funding for the full-time positions and requires an appropriation for the remaining amount.

It should be noted, the Personnel Department, DOT, Personnel Department, CAO, and GSD have had ongoing meetings to transition the City staff into alternate civil service positions consistent with MOU provisions. It is recommended that we continue this process for any displacement of City employees. GSD has been able to absorb, rotate, and reassign staff resulting in minimal impacts for this transition.

FISCAL IMPACT STATEMENT

The General Fund impact is \$278,951. Should Council provide funding for these positions, offsetting General Fund revenues or appropriations will need to be identified in this amount.

MAS:KG:05160120h

Question No. 288

Attachment

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

May 4, 2016

Honorable Paul Krekorian
Chair, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Richard Williams, Legislative Assistant

BUDGET & FINANCE COMMITTEE QUESTION NO. 288
FOR THE 2016-17 PROPOSED BUDGET

During the budget deliberations, your Committee requested the Department of General Services (GSD) report back on moving City staff working in the Broxton Garage to other assignments.

Background: In 2014, a total of 24 parking lots owned by the Department of Transportation (DOT) and operated by GSD were selected for transition to another operator. The Broxton Garage is one of these lots.

Working with DOT, CAO and GSD, the Personnel Department is leading the effort to transition the City staff working at these parking lots to alternate jobs consistent with existing MOU requirements. To date, GSD has absorbed 50 percent of the full and part-time staff impacted by this change through attrition, internal reassignment, and placement or elimination of part-time work. The Department has not hired any new full-time positions to fill parking vacancies in several years or part-time positions in over 18 months.

Broxton Garage: Until very recently, five full-time and three part-time GSD parking positions operated this lot. One full-time position recently transitioned to another division within the Department. GSD is rotating staff from one lot to another to backfill for this new vacancy and other staff absences such as vacations and sick leave. The Broxton positions are As-Needed and reimbursed by DOT through the Special Parking Revenue Fund (SPRF).

Other Assignments for the Broxton Staff: GSD proposes the remaining Broxton positions (four full-time and three part-time) be reassigned to address workload issues at Civic Center parking lots operated by GSD. These lots include: commercial parking at the LA Mall, City Hall (CH) and City Hall East (CHE) garages, Lots 2 and 7, and Piper Tech. Almost \$2.8 million in annual revenue is derived from three of these lots (LA Mall

commercial parking and Lots 2 and 7). Over 160,000 visitor parking permits are also issued by GSD, most of them for CH and CHE.

Currently, GSD has two positions assigned to CH, primarily responsible for operating the barriers at the entrance and exit gates and handling visitor parking. No positions are assigned to CHE on a full-time basis. Both garages are thinly staffed due to budgetary reductions in prior years.

As a result of insufficient staffing, the following work is no longer being routinely performed:

- Mitigating uncontrolled access to CH and CHE by monitoring parking levels, pedestrians entering the CHE garage from Los Angeles Street, or vehicles and pedestrians entering from the Temple Street entrance to the P-2 level of CHE.
- Checking parking permits to ensure employees are parking appropriately on permitted levels and visitor parking is not impacted.
- Identifying vehicles parked for extended periods, suspicious packages, oil spills, and other safety hazards.

Of the remaining four full-time staff currently working at Broxton, GSD proposes assigning two positions to CH to be responsible for addressing the concerns discussed above, as well as assisting with visitor parking and directing the flow of traffic in and out of the CH garage during busy periods and emergency situations, including street and garage closures.

The remaining two full-time parking positions will be assigned to CHE to be responsible for the work identified above, along with staffing the Temple Street entrance to CHE from 6am - 6pm (2 shifts) and improving oversight of pedestrian access at the Los Angeles Street gate.


The three part-time parking positions will be assigned to Piper Tech, which is experiencing parking space shortfalls due to unauthorized parking. They will also be used to cover large volume special events in City Hall and Council Chambers, film permit events, the Annual MOCA Gala, and various events in Little Tokyo where they will direct vehicular traffic in the parking lots and provide customer service to attendees.

GSD is requesting a supervisory position, Sr. Parking Attendant I, to plan and coordinate the schedules and work of parking attendants, interact with elected officials and customers, resolve customer issues, and prepare recommendations and reports to management. The deletion of a Parking Attendant I position is proposed to finance the cost of the new Sr. Parking Attendant. This position was erroneously deleted during the ERIP reductions.

Regular Authority and Funding Needs: Regular authorities and funding for One Sr. Parking Attendant I and four Parking Attendant I positions will be required to effectuate this transfer to GSD. The part-time positions will remain As-Needed.

A total of \$202,528 will be needed to finance this transfer, as the work being proposed is ineligible for reimbursement through the SPRF. Of this amount, GSD will absorb \$84,204 or six months of the cost of the proposed regular authorities. An appropriation of \$118,324 will be needed to finance the remaining six months and As-Needed part-time authorities as shown in the Attachment.

Should you have any questions, please contact Valerie Melloff at (213) 928-9586.



Tony M. Royster
General Manager

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer

Attachment: Broxton Garage Staffing Cost

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 91

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **ETHICS COMMISSION – CAMPAIGN FINANCE RULES FOR BIDDERS OR CONTRACTORS**

During its consideration of the Ethics Commission (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on any benefits to the City or policy reasons to change the City Charter regarding campaign finance rules for bidders or contractors. Additionally, the Department was asked to report on funding necessary to establish a database for contractors subject to the 12-month ban on campaign contributions. Attached is the Department's response.

The City Charter requires persons who bid on certain City contracts (those that are valued over \$100,000 or more and must be approved by an elected office) to submit with their bid documents a form that discloses their principals, their subcontractors of \$100,000 or more, and the principals of those subcontractors. From the date the bid is submitted, each person identified on the form is prohibited from making campaign contributions to and engaging in prohibited fundraising for candidates and officeholders in the elected office that must approve the contract. The prohibition lasts until the contract is signed for non-selected bidders and for 12 months after signing for bidders who are selected. In its response, the Department also explains that, since passage of this law: 1) extensive changes to the matching funds program limit the types of contributions that candidates may use to qualify for and receive public funds for campaigns and 2) beginning in 2020 the City's election cycle will coincide with state and federal elections. Combined with the increasing cost of campaigns, the Department expresses concern about whether City candidates can adequately fund their campaigns. The Ethics Commission concludes that modifying the law is a possibility and provides examples of how other jurisdictions approach this issue.

Based on its experience creating the governmental ethics database, the Department estimates that with one-time funding of \$200,000 it could hire a contractor to write code, conduct testing, and implement the new system. In addition, the Department requests regular authority and six-months funding (\$33,534 in direct costs and \$23,008 in related costs for total funding of \$56,542) for one Management Analyst II position to be responsible for guiding the development of the database, ensuring that it complies with legal requirements and provides the necessary information, ensuring that the information in the database is up-to-date, analyzing the data received from bidders and contractors, and providing advice and education to candidates, treasurers, bidders, contractors, departmental procurement staff, and members of the public about legal requirements and prohibitions.

FISCAL IMPACT STATEMENT

The General Fund impact for a database that would show whether contractors are subject to 12-month ban on campaign contributions in 2016-17 would be \$256,542, which includes \$200,000 in one-time funding to establish the database and \$56,542 in Salaries, General (\$33,534) and related (\$23,008) costs for one Management Analyst II position. Annual ongoing costs would be \$99,968 in direct (\$67,067) and related (\$32,901) costs. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:HS:11160097c

Question No. 266

Attachment




Los Angeles City Ethics Commission

May 4, 2016

To: The Honorable Budget and Finance Committee

Cc: Richard Williams, Legislative Assistant, City Clerk's Office
Heather Smith, Administrative Analyst, CAO's Office

From: Heather Holt, Executive Director 

Subject: **Response to Question No. 266**

Question 266 addresses two issues, and we have broken our response into parts A and B, for ease of reference. If we can provide additional information, please let us know.

QUESTION 266(A)

Would there be any benefits to the City or policy reasons to change the City Charter provisions regarding campaign finance rules for bidders or contractors?

Los Angeles City Charter § 470(c)(12) was placed on the ballot in response to a City Council motion (*see* Council File #10-2481). The law became effective in 2011 and is now supplemented by Los Angeles Municipal Code §§ 49.7.35 and 49.7.36. The law requires persons who bid on certain City contracts (those that are valued at \$100,000 or more and must be approved by an elected office) to submit with their bid documents a form that discloses their principals, their subcontractors of \$100,000 or more, and the principals of those subcontractors. Any time the information in the form changes, it must be amended. From the date the bid is submitted, each person identified in the form is prohibited from making campaign contributions to and engaging in prohibited fundraising for candidates and officeholders in the elected office that must approve the contract. For bidders who are not selected, the prohibition lasts until the date the contract is signed; for bidders who are selected to be contractors, the prohibition lasts for 12 months after the date the contract is signed.

There are arguments both for and against this law. As noted in the City Council motion that led to the ballot measure, elected officials “have no greater obligation than that of honoring the trust placed in them by the voters. By oath and by law, elected officials must act solely in the best interests of those they represent.” The motion goes on to say that transparency and openness allow the public to verify the integrity of government and that it is crucial for government integrity to prohibit entities bidding on City contracts from making campaign contributions, just as they are limited in making gifts. It urges “an environment that prevents the perception that individuals have the ability to unduly sway an elected official.” Thus, there are strong rationales for limiting

campaign contributions from persons who are attempting to influence the City's decisions about contracts and the way it spends public dollars.

However, we are also aware of rationales that favor modifying or eliminating the law. For example, we have heard from City departments, bidders, contractors, candidates, and treasurers that they experience challenges in complying with the law. Procurement issues have arisen for some departments, because bidders have failed to properly disclose their information. In addition, a bidder's principals and subcontractors can change on a fairly regular basis, which requires amendments to the form, results in confusing public information about who can and cannot contribute, and reduces the likelihood that all persons subject to the law at any given time are aware of their responsibilities.

Another challenge is that no funding has been provided to implement the law. Departments are required to file with the Ethics Commission copies of all forms submitted by bidders. We receive an average of 2,500 to 3,000 forms each year. However, because we have no resources for this mandate, anyone who asks whether a bidder or contractor may make a contribution or engage in fundraising must wait while our staff manually reviews thousands of paper filings.

Another important note is that this law was adopted before two key campaign finance events occurred. First, extensive changes to the matching funds program were enacted, which limit the types of contributions that candidates may use to qualify for and receive public funds to help them run their campaigns for elected office. Second, beginning in 2020, the City's election cycle will coincide with state and federal elections. As a result of that change, City candidates will be vying for the same pool of contribution dollars as candidates for state and federal offices. At the same time, the cost of campaigns is on the rise. We are aware that all of these factors have led to a growing concern about whether City candidates will be able to adequately fund their campaigns. In addition, limitations on direct contributions to candidates can lead to an increase in non-candidate spending, which, in turns, leads to less transparency for the public about the sources of campaign spending.

Modifying the law is a possibility. Any modification would require changes to both the Charter and the Municipal Code and should be analyzed in the context of the City's entire set of campaign finance laws. An analysis should also assess how other jurisdictions approach this issue. San Francisco has a similar prohibition that applies to contracts valued at \$50,000 or more and lasts for six months following the execution of the contract. New York City's prohibition is the strictest—it lasts for the life of the contract plus one year after it expires. San Diego takes a different approach and has a blanket ban on contributions from all entities, but the ban does not extend to individuals associated with entities. This eliminates confusion about who can contribute, the need for a bidder disclosure form, the need to aggregate contributions, and inadvertent violations of the contribution limits.

To accommodate the new election cycle, the Ethics Commission will require changes to its Charter provisions and anticipates a 2017 ballot measure for that purpose. As part of that process, we would be happy to consider additional Charter changes that affect other aspects of our work, such as the prohibitions on contribution and fundraising activity by bidders and contractors.

QUESTION 266(B)

What funding would be required to establish a database that would show whether contractors are subject to a 12-month ban on campaign contributions?

One-time funding:	\$200,000
Management Analyst II:	\$32,332 (initial 6-month salary)

We estimate, based on our experience with the governmental ethics database, that initial one-time funding of \$200,000 will be required to begin the process of creating a searchable, online database for the campaign finance restrictions on bidders and contractors. The structure and format of the database would be similar to our existing campaign finance and lobbying databases and would allow candidates, treasurers, and the public to quickly check which bidders and contractors are prohibited from making campaign contributions. The initial funding would allow us to hire a contractor to write the coding, conduct testing, and implement the system. No additional funding for equipment would be required, as we would leverage the equipment that we are currently using. In addition, any unused funds could be returned to the General Fund.

In addition to one-time funding to create and integrate the database, we would also need one regular authority Management Analyst II position. The position would be responsible for guiding the development of the database, to ensure that it complies with legal requirements and provides the necessary information. The position would also be responsible for ensuring that the information in the database is up to date, analyzing the data received from bidders and contractors, and providing advice and education to candidates, treasurers, bidders, contractors, departmental procurement staff, and members of the public about the legal requirements and prohibitions.

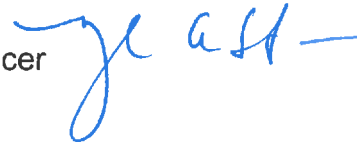
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 92

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **HOUSING AND COMMUNITY INVESTMENT DEPARTMENT – SPECIAL FUND OPTIONS FOR BOND PROGRAM EXPANSION**

The Budget and Finance Committee requested the Housing and Community Investment Department (HCID) to report on what special funds would be eligible to fund the bond program expansion discussed in HCID's budget letter. The Department has identified anticipated issuance fees that would result should the bond program expansion be approved that could be used to partially offset the General Fund impact of this request. The Department's response is attached.

FISCAL IMPACT STATEMENT

The General Fund impact of financing HCID's request to expand the Department's bond program by adding one Financial Development Officer, one Management Analyst and one Management Assistant would be \$119,575. The General Fund impact for HCID's proposal is offset by a projected increase in issuance fees that the Department estimates would result from the bond program expansion. Alternatively, this Office could work with HCID to identify existing resources and vacant position authorities that could be utilized to expand the bond program and mitigate or eliminate the need for an additional allocation of General Fund.

Should this request be funded, offsetting General Fund revenues or reductions to appropriations will need to be identified.

*MAS:NSC: 02160106C**Question No. 498*

Attachment



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Office of the General Manager
1200 West 7th Street, 9th Floor, Los Angeles, CA 90017
tel 213.808.8808 | fax 213.808.8616
hcidla.lacity.org

May 4, 2016

Honorable Paul Krekorian
Chair, Budget and Finance Committee
200 N. Spring Street, Room 395
Los Angeles, CA 90012

Attn: Richard Williams, Legislative Analyst

Dear Councilmember Krekorian:

Subject: FISCAL YEAR 2016-17 BUDGET AND FINANCE COMMITTEE QUESTION NO. 498 - IF GENERAL FUNDS ARE UNAVAILABLE, INDICATE WHAT SPECIAL FUNDS WOULD BE ELIGIBLE TO FUND THE BOND PROGRAM EXPANSION AS DISCUSSED IN THE DEPARTMENT'S LETTER.

The Housing and Community Investment Department is responding to your Committee's request for information regarding special funds eligible to fund the bond program expansion. HCIDLA proposes to expand the existing Bond Program in order to issue additional bonds, which will not only increase revenue, but will produce 800 additional affordable housing units a year. Having limited staff truncates the number of bonds which can be processed. There are new affordable housing projects in the pipeline and requests to recapitalize existing projects to reinvest in the properties for maintenance and building upgrades that are not processed due to lack of resources.

Due to the anticipated increase in bond issuances that additional staff will be able to process, HCIDLA forecasts an additional annual \$62,500 to be collected in issuance fees. These funds cover the costs for one Management Analyst position. For following years, additional annual ongoing issuance fees of \$31,200 are projected to be collected, which would then cover the salary costs for the Management Assistant and Management Analyst. HCIDLA is unaware of other special funds that could be used for this purpose. Current special funds have strict caps for administrative purposes. The bond processing function is administrative and HCIDLA currently has a shortfall in administrative funding, requiring the Department to maintain a higher than desired vacancy rate to remain within our budget allocation. HCIDLA's request of \$119,575 in General Fund and the \$62,500 in projected issuance fees will cover the salary for 1 Financial Development Officer, 1 Management Analyst and 1 Management Assistant in FY16-17.

Sincerely,

A handwritten signature in black ink, appearing to read "R. D. Cervantes".

Rushmore D. Cervantes
General Manager

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer
Sharon Tso, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 93

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **DEPARTMENT OF BUILDING AND SAFETY – STAFFING TO IMPLEMENT
THE HOMESHARING/SHORT-TERM RENTAL ORDINANCE**

During its consideration of 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Building and Safety (Department) to report on the resources needed to implement the Homesharing/Short-Term Rental Ordinance, as well as, include resources needed to enforce the Ordinance and revenue streams to fund the resources on an on-going basis.

The Department will utilize their existing inspection and investigation processes to respond to code enforcement complaints regarding the Home Sharing/Short Term Rental Ordinance. If a violation is verified, the Department will issue an Order to Comply and assess the Code Violation Inspection Fee. If the property owner fails to comply, the Department will assess the Non-Compliance Fee and forward the case to the Office of the City Attorney for further enforcement. Initially, the Department will utilize overtime to address any new workload generated by the Homesharing/Short-Term Rental Ordinance similar to their use of overtime to meet the workload demands of the Foreclosure Registry Program.

The Department's memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:JLK:02160093c


Question No.448

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2016 Question No. 448

TO: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 435

FROM: Raymond S. Chan, C.E., S.E., General Manager 
Department of Building and Safety

SUBJECT: **REPORT BACK TO BUDGET AND FINANCE COMMITTEE ON THE HOME SHARING/SHORT TERM RENTAL ORDINANCE**

This memo is in response to the Budget and Finance Committee's request during the Special Meeting on April 28, 2016, in consideration of the Mayor's 2016-17 Proposed Budget. During that meeting, the Committee asked for a report back on the Home Sharing/Short Term Rental Ordinance.

The Department of City Planning (DCP) is the lead agency in the implementation of the ordinance; which includes managing the registration program; and ensuring constituents are registering, obtaining Transient Occupancy Tax (TOT) permits, and providing listings online within the requirements. LADBS will be conducting field investigations in response to complaints regarding property maintenance or unapproved occupancy related to the Home Sharing/Short Term Rental Ordinance.

LADBS will use the existing inspection and investigation process when responding to a complaint regarding the Home Sharing/Short Term Rental Ordinance. If a violation is verified, the Department will issue an Order to Comply and assess the Code Violation Inspection Fee. If the property owner fails to comply, the Department will assess the Non-Compliance Fee and forward the case to the City Attorney's office for further enforcement. The fees will provide revenue to fund ongoing enforcement of the program. Initially this program will be staffed on an overtime basis similar to the Foreclosure Registry Program.

If the Home Sharing/Short-Term Rental program grows beyond its current capacity, LADBS will require full-time dedicated staff to administer the program. We anticipate funding this through the collection of violation fees. The Department does not require additional funding for this program at this time.


Please contact Steve Ongele, Assistant General Manager and Chief of LADBS' Resource Management Bureau at (213) 482-6703 should you need additional information regarding this response.

c: Ana Guerrero, Chief of Staff, Mayor's Office
Matt Szabo, Deputy Mayor of Budget and Innovation
Kelli Bernard, Deputy Mayor Economic Development
Sharon Tso, Chief Legislative Analyst
Miguel A. Santana, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **HOUSING AND COMMUNITY INVESTMENT DEPARTMENT – VERA DAVIS CENTER**

During its consideration of the 2016-17 Proposed Budget for the Housing and Community Investment Department (HCID), the Budget and Finance Committee requested that HCID report back with the resources and steps required to issue a Request for Proposals (RFP) for the Vera Davis Center (Center) in Venice and the anticipated timeline for RFP release, review, and contract execution. The report should include what resources are needed, if any, after the award of the RFP. In addition, identify resources needed to keep the Center open until the RFP is completed. What tenant improvements need to be done to make it a serviceable facility, and what are the anticipated costs of those improvements?

The Oakwood Junior Arts Center (also known as Vera Davis Center) is a Proposition K Specified Project. Currently, it qualifies for up to \$850,000 in Proposition K monies to convert the facility into a Junior Arts Center (\$500,000 in specified funds, plus an inflationary factor). The total projected cost to renovate the Center is estimated at \$4,489,200. In the attachment, HCID identifies the construction budget shortfall as \$2.3 million; however required seismic and code work which have been identified at the Center and has increased the total cost to \$4,489,200. The draft RFP was completed in December 2014. However, a number of outstanding issues must be settled, which would require the basic RFP to be modified (i.e. details regarding the transfer of management, facility structural refurbishing, and tenant improvements). RFP modifications would take an additional three to six months to complete. Therefore, planning for the RFP process must begin no later than October 2016 in order to execute a contract by July 1, 2017.

If the Center remains open until the RFP process has been completed, the continued allocation of \$75,000 per year, or a pro-rata amount (\$6,250 per month) is the minimum funding level needed to operate the Center. This amount includes utilities, maintenance and salaries for two Community Administrative Support Workers (as-needed HCID employees) working at the Center. If the intent is to utilize it as a Junior Arts Center, HCID recommends the transfer of jurisdiction of the Center, and the RFP process, to the Department of Cultural Affairs (DCA) since this usage aligns with DCA's stated mission to promote arts education. Further DCA has long-standing expertise in the management of various arts and cultural venues around Los Angeles. HCID also recommends that funding be identified as soon as possible to address the construction budget shortfall in order to proceed with the renovations and that the Department of General Services oversee the lease agreement.

This memorandum is for information purposes only. There is no fiscal impact.

MAS:LJS:02160099C

Question No. 496

Attachment



Eric Garcetti, Mayor
Rushmore D. Cervantes, General Manager

Office of the General Manager
1200 West 7th Street, 9th Floor, Los Angeles, CA 90017
tel 213.808.8808 | fax 213.808.8616
hcidla.lacity.org

May 4, 2016

Honorable Paul Krekorian
Chair, Budget and Finance Committee
200 N. Spring Street, Room 395
Los Angeles, CA 90012

Attn: Richard Williams, Legislative Analyst

Dear Councilmember Krekorian:

Subject: FISCAL YEAR 2016-17 BUDGET AND FINANCE COMMITTEE QUESTION NO. 496 - RESOURCES AND STEPS REQUIRED TO ISSUE A REQUEST FOR PROPOSALS (RFP) FOR THE VERA DAVIS CENTER IN VENICE

The Housing and Community Investment Department is responding to your Committee's request for information regarding the resources and steps required to issue a Request for Proposals (RFP) for the Vera Davis Center in Venice and the anticipated timeline for RFP release, review, and contract execution. The Department was also asked to identify resources needed to keep Center open until RFP is completed, including tenant improvements needed to make the center a serviceable facility, and the anticipated costs of those improvements.

The Oakwood Jr. Arts Center (aka Vera Davis McClendon Youth & Family Center) is a Proposition K Specified Project with an allocation of \$539,798 to refurbish, retrofit and convert the property into a junior arts facility. The requirement is that Proposition K funds must predominantly provide arts programs for youth.

In December of 2012 Gruen Associates submitted an estimate for this scope of work came at a cost of \$2,899,146, not including the Proposition K funds, leaving a shortfall of \$2,359,348. Tenant improvements were not included in these estimates, and the discussion assumes that the successful bidder will be expected to fund specific tenant improvements to suit. The Gruen Associates Proposed Renovation/Retrofit includes:

- Classrooms with Internet, HVAC, industrial sink with hot and cold water, storage;
- Exhibition space;
- Reception;
- Offices;
- Restrooms that will be ADA and code-compliant;
- Custodial/Janitorial Closet with industrial sink and storage;
- Kitchen/Employee Lunchroom to accommodate caterers, double sink, microwave, stove, cabinets, garbage disposal;
- Storage for 50 to 100 chairs/tables;
- Upgrade building with fiber optics for computers and Internet-access, cable-ready access, and teleconferencing.

In July 2015, HCIDLA engaged GSD Construction Forces Division to provide the Department with an estimate for the same scope of, which came in at \$3,343,202, not including the Proposition K funds, leaving a funding shortfall of \$2,803,404.

In the event the center remains open until the RFP process has been completed, the continued allocation of \$75,000 per year, or a pro-rata amount (\$6,250 /month) is the minimum funding level needed to operate the center. This amount includes utilities, maintenance and salaries for 2 Community Administrative Support Workers (CASWs) who are presently as-needed HCIDLA employees, at the center.

Timeline for Issuing RFP: The draft RFP was completed in December 2014. To execute a contract as of July 1, 2017, planning for the RFP must begin no later than October 2016, given that all the outstanding issues (outlined below) have been resolved. The benchmarks in the RFP process included:

- Develop procurement document
- Release of RFP
- Technical Assistance to proposers
- Receipt of proposals
- Evaluation of proposals
- Notification to proposers
- Appeals, if any
- Transmittal to Mayor/Council
- Transition to contracts unit


However, the basic RFP must now be modified with the details of the transfer of management, facility structural refurbishing, and tenant improvements, etc., once the outstanding issues have been settled. Such modification to the RFP document will take an additional 3 to 6 months. The outstanding issues are:

- There is no timeline for the refurbishment, and timeline would be based on details of scope of work, that is to be determined, and whether tenants will be allowed to stay during construction.
- The refurbishment shortfall needs to be reconciled. The entity who will be required to pay for the shortfall needs to be identified.
- The successful bidder's ongoing financial obligations need to be defined. A possible consideration is to offer free rent in exchange of services and/or requiring tenant improvements. The value of the services to be equal to the annual market rate rent of approximately \$121,320 per year at conservative estimate of \$2 per square foot (5,055sq. ft.).
- Defining the lease term. A possible lease term is that of 10 years with the option to extend the lease for an additional 5 to 10 years.
- Transfer of management to a junior arts center could be considered a "change of use" and is governed by HUD regulation, §570.505, "Use of Real Property," requiring new use to meet the national objective (serving low and moderate income youth) for as long as City is a CDBG grantee.
- Community meetings to be held in order to elicit public comment on the proposed transfer of management and change of use of the facility.
- Entities to oversee the successful bidder's lease agreement and to serve as the contract administrator.
- Determine whether the historic designations (National Register of Historic Places and Los Angeles Historical-Cultural Monument) have implications on the refurbishment of the facility.
- Successful bidder must possess the financial resources to sustain the minimal \$40,000 annual operating costs of the facility, which does not include staff costs.
- A plan for the current occupants for the upcoming construction and for the subsequent transfer of management.

- The Settlement Agreement with Tech Team/Lois Webb may require a notice to vacate if other occupants are given written notice (City Attorney).

If the intent is to utilize the Vera Davis Youth & Family Center, aka Oakwood Jr. Arts Center as a Junior Arts Center, the Department recommends the transfer of jurisdiction of the Vera Davis Youth & Family Center, aka Oakwood Jr. Arts Center, and the RFP process, to the Department of Cultural Affairs (DCA) since this usage aligns with DCA's stated mission to promote arts education and DCA has long-standing expertise in the management of various arts and cultural venues around Los Angeles. The Department further recommends that the \$2.3 million shortfall in the construction budget be identified as soon as possible to proceed with the renovations and that GSD oversee the lease agreement.

Sincerely,



Rushmore D. Cervantes
General Manager

cc: Matt Szabo, Deputy Mayor
Miguel Santana, City Administrative Officer
Sharon Tso, Chief Legislative Analyst

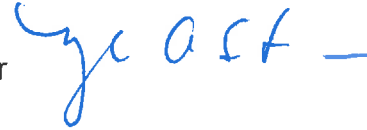
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 95

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – CITY AND COUNTY
SOBERING CENTERS ON SKID ROW**

During its consideration of the Los Angeles Homeless Services Authority's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report regarding potential duplicative efforts of the City and County to fund two separate sobering centers in Skid Row. The Committee also asked what opportunities exist to expand these centers to other parts of the City.

Attached is a report from LAHSA addressing these concerns. The report indicates that the City's Sobering Center is intended to provide an additional level of service beyond what the County offers, recuperative care, which goes beyond offering a short-term place for chronic inebriates to achieve a sober state before returning to the streets. Recuperative care, as defined by the National Health Foundation, provides short-term medical care and case management to homeless persons who are recovering from an acute illness or injury, whose conditions would be exacerbated by living on the street or in a shelter. Using recuperative care also provides a better opportunity for the homeless individual to work with LAHSA to find a long-term housing solution. It should also be noted that the County Department of Health Services will be providing clinical services at both the County and City sites, resulting in greater leverage of the City's \$450,000 investment in its sobering center.

This memorandum is provided for informational purposes only. There is no fiscal impact.

*MAS:KDU:02160109**Question No. 539*

Attachment



May 3, 2016

To: Budget and Finance Committee

From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – Report back regarding the potential duplication of efforts of the City and County to fund two sobering centers in Skid Row. What opportunities are there to expand these centers to other parts of the City?**

Peter Lynn
Executive Director

The Los Angeles Homeless Services Authority (LAHSA) and the Los Angeles County Department of Health Services (DHS) are collaborating to streamline efforts to collect critical data that can be used to measure the social and environmental impact of having two sobering centers centrally located in Downtown Skid Row, and to determine the feasibility of expansion of services to high need areas within the City.

Board of Commissioners

Mike Neely
Chair

Shane Goldsmith
Vice Chair

Larry Adamson

Sarah Dusseault

Noah Farkas

Wendy Greuel

Kerry Morrison

Owen Newcomer

Booker Pearson

Kelvin Sauls

Functionality:

- The Department of Health Services' Center would function as a traditional sobering center that would provide safe, short-term (8 to 24 hours) sobering and care coordination for acute intoxicated and substance dependent adults ages 18 and over throughout Skid Row. While alleviating the strain on public resources; such as, First Responders being pulled for low priority calls, ambulance/emergency medical services for chronic inebriates.
- The Los Angeles Homeless Services Authority's Center would function as a sobering center with a recuperative care unit for homeless individuals that request and/or require longer medical care. Recuperative Care provides short-term (24/7) medical care and case management to homeless persons who are recovering from an acute illness or injury, whose conditions would be exacerbated by living on the street or in a shelter. By implementing a recuperative care component strongly reduces the potential of duplicative efforts, addresses service gaps and provides a seamless system to combat homelessness and help consumers explore long-term housing options in Skid Row and the City at-large.

This memorandum is provided for informational purposes only. There is no fiscal impact.

Administrative Office

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6th Floor
Los Angeles, CA 90017

213 683.3333 - PH

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213 553.8488 - TY

www.lahsa.org

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 96

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **INFORMATION TECHNOLOGY AGENCY – COLLEGE WORK START PROGRAM**

During its consideration of the Information Technology Agency (Department) 2016-17 Proposed Budget, the Budget and Finance Committee (Committee) requested the Department to report on their request to hire ten part-time interns for the College Work Start program (Program). In addition, the Committee asked how the use of this program integrates into the long-term succession plan for the Department. Attached is the Department's response.

According to the Department, the Program would give Student Workers the opportunity to build experience working for the City on projects related to their interests and course of study and would provide an easier transition into the City workforce. The Program would provide another avenue for new talent to join the City.

FISCAL IMPACT STATEMENT

The General Fund impact of adding ten part-time student workers would be \$174,000 to cover direct costs. Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:CEA:11160093

Question No. 320

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

REF: FAS-068-16

To: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 460

Miguel Santana, City Administrative Officer

From: Ted Ross, General Manager 
Information Technology Agency

Subject: **RESPONSE TO BUDGET & FINANCE COMMITTEE QUESTION 320 –
FY 2016-17 PROPOSED BUDGET**

Pursuant to the FY 2016-17 Council budget hearing, the following responses are provided regarding ITA's proposed staffing.

Question No. 320: Report back on the request in the Department's letter to hire ten part-time interns for the College Work Start program. How does the use of this program integrate into the longer term succession plan for the Department? CAO to report regarding potential funding sources for this program.

Due to the constantly evolving field of technology and the breadth of ITA operations (Software, Data Center, Communications, Public Safety Radio Systems, Data Network, etc), our succession plan is necessarily multi-faceted. For our technical field workers, the department has successfully been utilizing Hiring Hall Communication Electrician (CE) positions while preparing them for the Communication Electrician civil service examination. In an attempt to hire new IT staff who may have some prior work experience and a college degree, the ITA has been utilizing the Application Programmer classification. Based on our research and experience, Student Workers have become a critical pathway for the recruitment and development of new ITA employees across many of our support areas. Student Workers are part-time while attending school and have already been used limitedly by the ITA Help Desk and Elected Official Support teams as they learn PC support and troubleshooting. Many of these students have gone on to pass civil service exams and move into full-time city IT positions. This same Student Worker approach holds great promise across ITA's other support areas, but the requested funding will be necessary.

ITA was asked in the budget hearing how we intend to attract and retain high-level new IT talent. We believe the proposed College Work Start Program addresses that challenge by giving Student Workers (potential employees) an opportunity to build experience working for the City and an easier transition into the complex civil service process. This is critical to giving the department an edge in attracting new graduates to the City, and specifically to work in the field of technology (ITA). It will provide another avenue for new talent to join ITA, with the intention of giving college seniors a specific project and work experience related to their interests, education and course study, and enable them to qualify for and pass later Civil Service exams. As described in the

Honorable Paul Krekorian
Chair, Budget and Finance Committee
May 4, 2016
Page 2

budget hearing, this is the creation of a “farm system” (baseball analogy) where feeder opportunities will exist for the younger workforce to transition into our City workforce. This will not only greatly improve the recruitment for the ITA, but indirectly improves the technology workforce across the City as ITA staff are often the source of technology candidates across the entire City.


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 97

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT – REPORT ON
ELECTION SUPPORT ITEMS INCLUDED IN THE DEPARTMENT’S LETTER**

During its consideration of the Department of Neighborhood Empowerment's (DONE) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report from DONE on the election support items included in DONE's letter with an evaluation of the implementation of online voting for the Neighborhood Council Board Member Elections. DONE's response is attached.

A General Fund appropriation in the amount of \$300,000 will be necessary to fund DONE's election support item requests which include \$50,000 of Salaries, As-Needed Account funding for outreach, \$100,000 of Printing and Binding Account funding for outreach, and \$150,000 in Contractual Services Account funding for the expansion of the Online Voting and completion of the Voter Registration database. In order to make this appropriation, offsetting General Fund revenues or appropriations will need to be identified.

MAS:LGC:08160106


Question No. 457

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: City Council Budget and Finance Committee

From: Grayce Liu, General Manager Department of Neighborhood Empowerment 

Subject: **Budget Impact Question #457 – Neighborhood Council Election Support Item**

During its consideration of the Department of Neighborhood Empowerment's (Department) 2016-17 proposed budget, the Budget and Finance Committee requested a report on the election support items requested in the Department's letter, including online voting and voter registration and to provide an evaluation of whether or not the program has been successful.

The Department's current requests include the following:

1. \$50,000 for As-Needed salary for elections
2. \$100,000 for printing and binding for elections
3. \$150,000 for contractual services to continue online voting and voter registration database build out for elections

There are 12 Neighborhood Council election regions that are conducted weekly over a period of 3 months. The Valley Neighborhood Councils' 4 regions are always up first with elections. Assuming no changes in the election schedule, the Department is requesting that a portion of the election funding for FY 2017-2018 be shifted to FY 2016-2017 so that election outreach preparation can begin at least 1 year out from the April 2018 start date of the Neighborhood Council elections given the necessary preparation time to hire staffing to create election outreach templates and prepare a citywide campaign as noted in the Department's budget letter.

This year, the Valley was not able to take full advantage of the citywide Neighborhood Council outreach that the Department conducted on behalf of the Neighborhood Councils. For instance, of the 150 bus benches, 154 bus shelters and 96 pole banners the Department has currently produced citywide, the Valley only received 57 bus benches and 50 bus shelters because the Department was not able to staff up in time to produce the outreach materials for the Valley. Most of these bus benches and bus shelters were put up after the candidate filing period had begun or even closed. Recruiting candidates is key to final voter turnout numbers. By requesting some of the election funding next fiscal year, the Department's goal will be to have all of the outreach materials ready at least 3 months before the start of the Valley's candidate filing.

In regards to the online voting and voter registration pilot, the Department is still evaluating the program though current statistics and observations show the promise of system in involving more stakeholders and making the overall voter registration process easier for stakeholders. The Department will be providing an after election report with a full analysis of the pilot, but here are some early determinations based on some of the Department's pre-pilot expectations:

Expectation #1 – The online voting portal and voter registration database from the vendor would be completed in time for the pilot.

Preliminary Outcome – While the online voting portal has been completed in a timely manner thus far, the voter registration build out with the vendor has taken an additional 6 months to complete because of the complexity of the Neighborhood Council board structures and the need to build a secure database from scratch. As a result, the Department had to build a temporary voter registration database to collect new voter information in the interim. Once the voters were verified, the voter information was downloaded and given to the vendor to provide online voting usernames and pin numbers. We anticipate that the Department will switch to the vendor's voter registration system within the next couple of weeks for the remainder of the pilot, which is necessary due to the increased security system of the vendor.

Expectation #2 - Online voting will be secure.

Preliminary Outcome – This expectation was one of the biggest concerns going into the pilot. Thus far, we have not experienced any security breaches with voter username and pin numbers with the vendor's online voting portal. In the Studio City Neighborhood Council elections, staff mistakenly released an internal voter registration list to the SCNC candidates from the Department's database that contained documents used by voters to prove their stakeholder position. This list did not contain any online voting information from the vendor, and the mistake would not have been possible with the vendor's voter registration database, which, as noted above, is not ready yet. The Department anticipates that once the vendor's voter registration system is in place, the voter registration database will be as secure as the online voting portal.

Expectation #3 – With outreach, more people will vote because online voting will make it easier for people to vote.

Preliminary Outcome – Voters have 3 weeks to vote online before the polling day. In order to vote online, the voter must be verified with documentation, either a picture identification with self-affirmation Neighborhood Councils or picture identification and other supporting stakeholder documents for Neighborhood Councils with full documentation, before they will receive their username and pin number from the vendor to vote online.

In Regions 1-5, there were 952 verified voters and 459 unverified voters who registered ahead of the polling date. When the Department received complaints of voters who had not received their voting username and pin number, it was because they did not complete the verification process. These voters were notified and invited to vote at the polls instead. Of the 1411 registered voters, 972 (68.8%) of them ultimately voted, which shows that if the Department or Neighborhood Council can register the voters ahead of time, the majority of them will vote.

Because there were timing issues of getting the election outreach ready for the Valley in time as noted above and of having the voter registration portal completed, the delay played into timely outreach of getting voters registered, which affected voter turnout. In addition, the regular issues that affect election turnout, e.g. contested seats, major community issue, and Neighborhood Council investment in outreach, also plays into the final numbers. Overall, the Valley elections voter turnout was down 21.9% region wide. See Attachment for detailed voting information.

After observing that regular election outreach was not impactful on the online voting turnout in the Valley, the Department is now testing new ideas, such as Pop-Up Polls in the remaining

online voting areas. A Pop-Up Poll is when the Department staff sets up a mobile voter registration and voting stand at populated areas in the Neighborhood Council to immediately register and vote stakeholders prior to the polling day election. This new feature has been successful in Regions 5 and 6, and we are seeing and anticipating larger voter turnout just from this one change. For instance, we were able to register and vote 115 people in one Downtown Los Angeles Neighborhood Council Pop-Up Poll alone, taking the voting process to the stakeholders in the community directly.

Another issue that is addressed by Pop-Up Polls is the reluctance of voters to submit the necessary documentation online. With Pop-Up Polls, Department staff are able to verify stakeholder status in the field and do not upload any personal documents into the database.

Conclusion

With the changes in staff process efficiency and new techniques for voter registration and online voting after the Valley online voting experience, the Department anticipates increased success with online voting and voter registration to warrant continued build out and expansion. Also, with the development of a voter registration database, voters in the 2018 election will simply be able to vote without having to provide documentation again. With every online voting election, the Department is learning and creating process efficiencies for the next set of regional elections. Given the time needed to develop these systems for every Neighborhood Council, the Department requests the \$150,000 in funding for the continued expansion of the online voting and voter registration next fiscal year in order to timely include all of the Neighborhood Councils for the 2018 elections.

Neighborhood Council		2014 Voters	2016 Voters	early online	polling day	(+/-)	Type of Election
Arleta	1	232	191			-41	Election
Foothill Trails District	1	127	82			-45	Election
Mission Hills	1	142	0			-142	Election - Board Affirmation
North Hills East	1	181	52			-129	Election
Pacoima	1	172	153			-19	Election
Panorama City	1	47	84	15	69	37	Online
Sun Valley Area	1	83	81			-2	Election
Sunland-Tujunga	1	671	1223			552	Election
Sylmar	1	653	443	92	351	-210	Online
Chatsworth	2	690	363			-327	Selection
Granada Hills North	2	0	94			94	Election
Granada Hills South	2	150	63			-87	Election
North Hills West	2	119	131	35	96	12	Online
Northridge East	2	96	46	23	23	-50	Online
Northridge South	2	107	Pending			0	Selection
Northridge West	2	86	40	26	14	-46	Online
Porter Ranch	2	730	Pending			0	Online
Canoga Park	3	283	235	91	144	-48	Online
Encino	3	180	171	64	107	-9	Online
Lake Balboa	3	444	191	62	129	-253	Online
Reseda	3	288	187	50	137	-101	Online
Tarzana	3	682	90			-592	Election
West Hills	3	388	238	88	150	-150	Online
Winnetka	3	90	157			67	Election
Woodland Hills-Warner Center	3	242	52			-190	Election
Greater Toluca Lake	4	109	143			34	Election
Greater Valley Glen	4	93	0			-93	Online – Board Affirmation
Mid-Town NoHo	4	220	203			-17	Election
NoHo North East	4	18	12	4	8	-6	Online
NoHo West	4	67	0			-67	Election – Board Affirmation
Sherman Oaks	4	170	154			-16	Election
Studio City	4	367	390	240	150	23	Online
Valley Village	4	331	322			-9	Election
Van Nuys	4	119	114			-5	Election

Neighborhood Council		2014 Voters	2016 Voters	early online	polling day	(+/-)	Type of Election
Central Hollywood	5	392	81			-311	Election
East Hollywood	5	307	457			150	Election
Greater Wilshire	5	209	222			13	Election
Hollywood Hills West	5	367	428			61	Election
Hollywood Studio District	5	256	98			-158	Election
Hollywood United	5	306	525			219	Election
Mid-City West*	5	217	328	182	137	111	Online
P.I.C.O.	5	75	133			58	Election
		10506	8814	972	1515	-1692	

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 98

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer


Subject: **REPORT BACK ON STAFFING AND RESOURCES NEEDED FOR THE SPEED HUMP PROGRAM**

Your Committee requested that the Department of Transportation report back on the additional staffing and resources required for the Speed Hump Program.

The Department's request indicates that a detailed report is anticipated to be considered by the Transportation Committee on May 25, 2016. The report will present the proposed guidelines and mechanics of an application based program. As part of the 2015-16 Adopted Budget, the restoration of the Speed Hump program was authorized and provided one Transportation Engineering Associate I for a small pilot program. Prior to 2009, the Department operated a Citywide speed hump program. This included request processing, speed survey, data collection, field investigations, engineering plan preparation, construction coordination, and community outreach. In 2009, the speed hump program was discontinued as a result of permanent budget reductions in the City's Fiscal Year 2008-09 Adopted Budget.

The Department's report estimated the cost of three positions and additional resources at \$741,171 for direct costs only. However, the proposed budget already provides funding for one continuing resolution authority which is not included in the cost estimate below. This Office has estimated the additional costs for two positions and resources as follows:

Position	Direct Cost (6 mos)	Indirect Cost (Add/Delete)	Total (6 mos)	Direct Cost (12 mos)	Indirect Cost (Add/Delete)	Total (12 mos)
Transportation Engineer	\$61,027	\$31,119	\$92,146	\$122,054	\$49,122	\$171,176
Transportation Engineering Aide I	\$34,217	\$23,210	\$57,427	\$68,434	\$33,304	\$101,738
Contractual Services	\$540,000	-	\$540,000	\$540,000	-	\$540,000
Total	\$635,244	\$54,329	\$689,573	\$730,488	\$82,426	\$812,914


FISCAL IMPACT STATEMENT

The General Fund fiscal impact of providing six months funding for all requested resources is \$689,573 (\$635,244 for direct costs and \$54,329 for indirect costs). The impact of providing twelve months funding for all requested resources is \$812,914 (\$730,488 for direct costs and \$82,426 for indirect costs). Should an appropriation be made for this purpose, additional General Fund or Special Fund revenues or offsetting appropriations would need to be made.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: May 4, 2016

To: Budget & Finance Committee
c/o City Clerk, Room 395, City Hall
Attention: Honorable Paul Krekorian, Chair

From: Seleta J. Reynolds,  General Manager
Department of Transportation

Subject: **REPORT BACKS FOR FISCAL YEAR 2016-17 PROPOSED BUDGET – NO. 74**

QUESTION

Report back on funding and resources needed for the Speed Hump Program, including two dedicated positions and \$540,000 for this program.

RESPONSE

The Los Angeles Department of Transportation (LADOT) is preparing to institute a new Citywide Speed Hump Program. Below are the proposed resources necessary to implement this Program.

Status	Title	Code	No. of Months	Direct Salary Costs
Existing	Transportation Engineering Associate I*	7280-1	12	\$68,794
New – Proposed	Transportation Engineer	7278	9	\$96,359
New – Proposed	Transportation Engineering Aide I	7285-1	6	\$36,018
			Subtotal	\$201,171
New – Proposed	Construction Expenses			\$540,000
			TOTAL	\$741,171

*The 2015-16 Adopted Budget includes one Transportation Engineering Associate I for the Speed Hump Program. It appears that the 2016-17 Proposed Budget includes continuation of the position as a Transportation Engineering Aide I, in error.

For 2016-17, provided the above resources are available, LADOT aims to construct 30 projects. The cost of construction is estimated to be approximately \$540,000.

LADOT is submitting a detailed report on the mechanisms of this new Program to the City Council, which is anticipated to be heard by the Transportation Committee on May 25, 2016. LADOT staff will prepare materials and develop an online portal relative to the guidelines approved by the Mayor and City Council later this fiscal year. LADOT will then work with the public who will create applications that identify and request speed humps at specific locations. Following acceptance of applications, LADOT staff will process the applications, conduct engineering studies, coordinate and process mail-in surveys of residents, issue approvals and denials, and prepare construction drawings. Eligible locations will be

placed in a construction queue, which will be ranked based on criteria related to the extent of the problem and needs.

It should be noted that LADOT has been coordinating with Fire Department staff and will continue to work with them to explore alternate speed hump designs that may lessen their concerns regarding emergency response.

SJR:pc

c: Miguel A. Santana, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 99

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT – REPORT ON
DEPARTMENT STAFF TRAINING RELATED TO RISK MANAGEMENT AND
HARRASSMENT WITHIN THE NEIGHBORHOOD COUNCIL SYSTEM**

During its consideration of the Department of Neighborhood Empowerment's (DONE) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report from DONE with assistance from this Office regarding the field staff training related to Risk Management and harassment of/by volunteers with examples of specific incidents. The Department's response is attached.

The Department reports a correlation between the decrease in number of Department staff to the increase in the number of harassment complaints. The Department requested three additional Project Coordinator positions to enable field staff to attend more Neighborhood Council meetings.

A General Fund appropriation in the amount of \$243,026 (\$157,086 direct cost, \$85,940 indirect cost) will be necessary to fund three Project Coordinators with nine-months funding. Alternatively, to remain consistent with the citywide practice of providing only six-months funding for new general funded positions, a General Fund appropriation in the amount of \$175,133 (\$104,724 direct cost, \$70,409 indirect cost) will be necessary. In order to make either appropriation, offsetting General Fund revenues or appropriations will need to be identified.

MAS:LGC:08160105


Question No. 456

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: City Council Budget and Finance Committee

From: Grayce Liu, General Manager Department of Neighborhood Empowerment 

Subject: **Budget Impact Question #456 – Field Staff Training on Neighborhood Council Harassment Issues and Examples of Issues**

During its consideration of the Department of Neighborhood Empowerment's (Department) 2016-17 proposed budget, the Budget and Finance Committee requested a report with CAO on field staff training related to Risk Management and harassment of/by volunteers with some examples of people in Neighborhood Councils who have been harassed.

The Department's 8 Field staff are tasked with monitoring the meeting operations of 96 Neighborhood Councils. In addition to their work on City driven outreach projects, policy, administration (contracts, leases, PRAs, inventory) and funding support (follow up on funding issues for funding staff), the Field also conducts capacity building trainings and provides meeting support either in person or via the Neighborhood Council Support Helpline by phone or email. Meeting support includes answering technical questions, resolving conflicts via mediation and conducting investigations into harassment complaints in conjunction with the Office of the City Attorney, Personnel Department and the Department on Disability when applicable.

The Field staff have received basic instruction from the City Attorney staff to gather facts about harassment complaints, i.e. who, what, when, how, etc., which is time consuming since it typically involves interviewing multiple people. This information is then provided to the City Attorney staff to determine whether the issue needs to escalate to a full investigation. Staff has to be available to conduct follow up, whether it is more information gathering, or execution of remedies after the conclusion of the investigation.

In the past year, the Department has received from Neighborhood Councils the following types of harassment claims:

1. sexual harassment
2. discrimination based on the following categories: race, gender, religion, and sex
3. discrimination based on the Americans with Disabilities Act
4. board members harassing one another either verbally or in writing
5. stakeholders harassing one another either verbally or in writing
6. stakeholders going to board members places of business or homes to harass them
7. unknown individuals filing City complaints under board member names, causing public abuse or ridicule of the board members

The Department has had to investigate 22 such claims this year with 3 claims going on to the Personnel Department or the Department on Disability for further investigation. It should be noted that there appears to be a direct correlation in the increase of these incidents with the decrease in Department staff starting in 2009. The Department used to have staff at each of

the Neighborhood Councils meetings to provide support. After the Field staff was cut from 16 to 8, the Department could only go to those Neighborhood Councils who were having trouble functioning at the most basic level. As such, complaints about incivility and harassment have increased over the years to the extent that the Board of Neighborhood Commissioners had to pass the Neighborhood Council Board Member Code of Conduct Policy in January, 2015, requiring all board members to sign a Code of Conduct. See Attachment.

With the extension of the Fair Employment and Housing Act (FEHA) to volunteers in January, 2016, the Department must prioritize such investigations of harassment allegations, which is difficult with existing staffing. This increases the liability of the City if the Department cannot conduct these investigations in a timely manner. Therefore, the Department is requesting another 3 Project Coordinator positions to begin bringing staffing levels back up to when staff could attend all Neighborhood Council meetings thereby trying to stop such claims before they can start in addition to having sufficient staffing to investigate current claims.

NEIGHBORHOOD COUNCIL BOARD MEMBER CODE OF CONDUCT POLICY

WHEREAS, the Board of Neighborhood Commissioners (Commission) established Working Groups comprised of current and past Neighborhood Council members and Neighborhood Council stakeholders on January 26, 2013, to recommend changes to the Plan for a Citywide System of Neighborhood Councils;

WHEREAS, the Commission believes the following Code of Conduct (Attachment A) will address some of the concerns and recommendations of the Working Groups;

WHEREAS, the Commissioners recognize that a Neighborhood Council System that is physically and emotionally safe and secure for all Board Members promotes good citizenship, increases Stakeholder attendance and supports community engagement;

WHEREAS, Neighborhood Councils are required under Article II of the Plan for a Citywide System of Neighborhood Councils to be diverse, inclusive and open to all Stakeholders;

WHEREAS, the Board of Neighborhood Commissioners expects Board Members to conduct themselves in a manner in keeping with an established Code of Conduct and with a proper regard for the rights and welfare of other Board Members, Stakeholders, Committee Members, and volunteers;

WHEREAS, this Commission and others believe Neighborhood Council Board Members should be aware of other types of behavior such as sexual harassment, sexual, gender and age discrimination, "bullying," work place violence and other related conduct because it will help minimize improper conduct by making Neighborhood Council members aware of the harm that results from it;

WHEREAS, the Commission recognizes that improper conduct may occur within the Neighborhood Council System and among members of Neighborhood Councils;

WHEREAS, Section 902 (b) Article IX of the new Charter provides that the Board of Neighborhood Commissioners "shall be responsible for policy setting and policy oversight...and the promulgation of rules and regulations but not be responsible for day-to-day management."

Now, therefore, be it resolved that the Board of Neighborhood Commissioners establishes this policy to inform Neighborhood Council members of that type of conduct which this Commission and others deem harmful to the Neighborhood Council system.

POLICY NUMBER: 2014-2(1)

NEIGHBORHOOD COUNCIL BOARD MEMBER CODE OF CONDUCT POLICY

1. Neighborhood Council Board Members are required to either read and sign a copy of the Code of Conduct attached as Exhibit "A" or participate in training approved by the Department of Neighborhood Empowerment.
2. On or before April 3, 2015, each Neighborhood Council Board Member shall provide a signed and dated copy of the attached Code of Conduct to the Department of Neighborhood Empowerment (Department) bearing their signature or participate in training approved by the Department.
3. Thereafter each newly elected, re-elected or appointed Neighborhood Council Board Member shall provide a signed and dated copy of the attached Code of Conduct to the Department bearing their signature or participate in training approved by the Department within 30 days of the election being certified by the Department or within 30 days of being appointed.
4. Any Neighborhood Council Board Member who fails or refuses to review, sign, date and provide a copy of the attached Code of Conduct to the Department or participate in training approved by the Department within the abovementioned time frames shall be suspended from their Neighborhood Council and shall not act on any matter that comes before their Neighborhood Council and shall not be counted for the purpose of establishing a quorum of the Neighborhood Council.
 - a. The Department shall notify the Board Member of their suspension by sending a letter to their last known email address and/or physical mailing address.
 - b. The Department shall also notify the remainder of the Board Members by email and/or U.S. mail of the suspension of the Board Member.
5. If within 30 days of being suspended the Neighborhood Council Board Member does not provide a signed and dated copy of the attached Code of Conduct to the Department bearing their signature or participate in training approved by the Department they shall be removed as a Neighborhood Council Board Member by the following procedures:
 - a. The Department will notify the Board Member of their removal by sending a letter to their last known email address and/or mailing address.
 - b. The Department will also notify the remainder of the Board Members by email and/or U.S. mail regarding the removal of the Board Member and that the Board Members position on the board shall be considered vacant.
 - c. Any Board Member removed pursuant to this policy shall have the right to present to the Department evidence that he or she has in fact complied with this policy. The Department shall be the sole decision maker as to the sufficiency of the evidence submitted.

NEIGHBORHOOD COUNCIL BOARD MEMBER CODE OF CONDUCT POLICY

Moved by:


Member, Board of Neighborhood Commissioners

Seconded by:


Member, Board of Neighborhood Commissioners

Witnessed by:


Staff, Department of Neighborhood Empowerment

VOTES

AYES: 4 (Atkinson, Grant, Mack, Shaffer)

NAYS: 1 (Lipman)

DATE: 1/12/15

NEIGHBORHOOD COUNCIL BOARD MEMBER CODE OF CONDUCT POLICY

ATTACHMENT A

1. Neighborhood Council Board Members should conduct themselves in a professional and civil manner.
2. Neighborhood Council Board Members should treat other Board Members and members of the public with respect regardless of the other's opinion, ethnicity, race, religion, religious belief or non-belief, color, creed, national origin, ancestry, sex, sexual orientation, gender, gender expression, age, disability, marital status, income, homeowner status, renter status or political affiliation.
3. Neighborhood Council Board Members should not, during meetings, functions or events engage in or threaten to engage in any physical attack on any other individual.
4. Neighborhood Council Board Members should not use language that is threatening, obscene, or slanderous, including profanities, insults or other disparaging remarks or gestures directed toward other Board Members.
5. Neighborhood Council Board Members should promote and, if necessary, enforce a safe meeting environment. If other Board Members become disruptive or violate the Code of Conduct Neighborhood Council Board Members have agreed to abide by, Board Members should demand that the offending Board Member conduct themselves in a respectful and orderly manner.
6. Neighborhood Council Board Members should not engage in "bullying" or harassment which is generally defined as follows:
 - a) "Bullying" is conduct that meets all of the following criteria:
 - i. is reasonably perceived as being dehumanizing, intimidating, hostile, threatening, or otherwise likely to evoke fear of physical harm or emotional distress;
 - ii. is directed at one or more Board Members;
 - iii. is conveyed through physical, verbal, or technological means;
 - iv. substantially interferes with participation opportunities, benefits, or programs of one or more Board Members at Neighborhood Council sponsored activities or events;
 - v. adversely affects the ability of a Board Member to participate in or benefit from the Neighborhood Council programs or activities by placing the Board Member in reasonable fear of physical harm or by causing emotional distress; and,
 - vi. is based on a Board Member's actual or perceived protected characteristic (see 2 above), or is based on an association with another person who has or is perceived to have any of these characteristics.

NEIGHBORHOOD COUNCIL BOARD MEMBER CODE OF CONDUCT POLICY

- b) "Harassment" is conduct that meets all of the following criteria:
 - i. is reasonably perceived as being dehumanizing, intimidating, hostile, threatening, or otherwise likely to evoke fear of physical harm or emotional distress;
 - ii. is directed at one or more Board Members;
 - iii. is conveyed through physical, verbal, or technological means;
 - iv. substantially interferes with participation opportunities, benefits, or programs of one or more Board Members at Neighborhood Council sponsored activities or events;
 - v. adversely affects the ability of a Board Member to participate in or benefit from the Neighborhood Council programs or activities because the conduct, as reasonably perceived by the Board Member, is so severe, pervasive, and objectively offensive as to have this effect; and,
 - vi. is based on a Board Member's actual or perceived protected characteristic (see 2 above), or is based on an association with another person who has or is perceived to have any of these characteristics.

I have read and understand the Neighborhood Council Board Member Code of Conduct. I understand that if I fail to provide the Department of Neighborhood Empowerment with a signed and dated copy of this Neighborhood Council Board Member Code of Conduct I may be subjected to suspension and/or removal from my Neighborhood Council Board.

Name (Please Print) _____

Signature _____

Date _____

Neighborhood Council _____

Email address _____

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 100

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FIRE – FUNDING OF THE NURSE PRACTITIONER RESPONSE UNIT AND FAST RESPONSE UNIT**

During its consideration of the Fire Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the funding required to expand the Nurse Practitioner Response Unit (NPRU) and Fast Response Vehicle Unit (FRV) to one unit per Bureau for six months. The Committee also requested to place the funding in the Unappropriated Balance (UB).

The 2016-17 Proposed Budget includes position authority and \$370,124 in direct costs and \$171,000 in related costs to fund one FRV and one modified NPRU for 12 months. The six-month cost of one NPRU, which includes one Firefighter III/Paramedic and one Emergency Medical Services (EMS) Nurse Practitioner, is approximately \$189,672. The EMS Nurse Practitioner classification has not been established by the Personnel Department, so the cost is an estimate. The six-month cost of one FRV, which includes one Firefighter III and one Firefighter III/Paramedic, is \$234,724.

In order to expand the NPRU and FRV programs to each Bureau, three more units for each program would be needed, totaling 12 additional positions at a total six-month cost of \$1,273,188.

FISCAL IMPACT STATEMENT

The General Fund impact of adding three Nurse Practitioner Response Units and three Fast Response Vehicle Units for six months is approximately \$1,273,188, consisting of \$836,044 in direct costs and \$437,144 in indirect costs. Should an appropriation be made for this purpose, whether in the Unappropriated Balance or the Department's budget, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JCY:04160107

Question No. 669

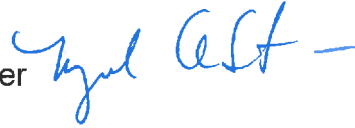
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 101

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FIRE – FUNDING FIRE STATIONS 9 AND 73**

During its consideration of the Fire Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the resources required to fully fund Fire Stations 9 (Skid Row) and 73 (Reseda), independent of grant funding that may be available from the Staffing for Adequate Fire & Emergency Response (SAFER) Grant. The Committee also requested alternative options in which to apply the SAFER Grant award.

The cost of staffing one Engine Company for 12 months is \$2,674,640. This includes funding the salaries, bonuses, constant staffing overtime needs and indirect costs for 12 positions: three Fire Department Engineers, six Firefighter IIIs, and three Fire Captain Is. The total cost of funding additional Engine Companies at Fire Stations 9 and 73 in 2016-17 is \$5,349,280.

SAFER Grant awards can only be used to support salaries and benefits of firefighters hired or vacant positions filled after the grant award is made. The SAFER Grant is also a competitive grant with an award period of two years and no guarantee of future funding. If the Department were to begin staffing new Engine Companies at Fire Stations 9 and 73 prior to receiving the SAFER Grant, it could not use the grant funds to offset the costs of those Engine Companies. It could potentially use the SAFER Grant to add new Engine Companies elsewhere, subject to the approval of the grantor. The Department reported that should it be awarded a SAFER Grant, funds would be used towards adding Engine Companies at Fire Stations 73, 75, 1 and 20. If alternative funding were provided for Station 73, the Department could potentially add an Engine Company at another Fire Station. However, having personnel to staff these Engine Companies is also dependent on academy graduations, attrition, and overtime capacity. The Department reports that it will not have the personnel necessary to staff an additional Engine Company (73) until an Academy Recruit Class graduates in January 2017. The Engine Company at Fire Station 9 is currently in operation.

FISCAL IMPACT STATEMENT

The General Fund impact of funding additional Engine Companies at Fire Stations 9 and 73 for 12 months is \$5,349,280, consisting of \$3,795,042 in direct costs and \$1,554,238 in indirect costs. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JCY:04160105

Question No. 683

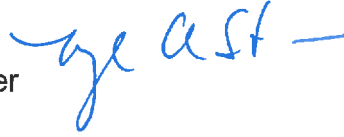
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 102

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FIRE – FIREFIGHTER HIRING CAPACITY**

During its consideration of the Fire Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the number of Academy Recruit Classes (Classes) that can be accommodated in 2016-17.

The Personnel Department requested funding for nine additional full-time staff and additional funding for as-needed staff to support firefighter hiring in 2016-17. The requested resources were not provided in the Proposed Budget. Subsequently, in its letter to the Committee dated April 21, 2016, the Personnel Department highlighted a need for resources for as many as five Classes for 2016-17. The Fire Department requested and is funded for four Classes comprised of 230 recruits in the 2016-17 Proposed Budget.

The Fire Department has indicated that four Classes were requested based on Drill Tower availability; the ability of staff to complete background investigations; and safety requirements and limitations for staffing probationary firefighters on Engine Companies. While four new Classes are starting in 2016-17, two Classes starting at the end of 2015-16 will graduate in 2016-17; thereby a total of six Classes will be occurring during 2016-17.

According to the Fire Department, the resources requested by the Personnel Department are needed to conduct recruitment, selection, background investigations and medical and psychological processes to ensure an adequate candidate pool for the four Classes proposed in 2016-17. Should the number of Classes be reduced in future years, the Personnel Department can adjust as-needed staffing levels to address any change in workload.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:JCY:04160111

Question No. 244

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 103

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FIRE – FUNDING FOR MOBILE TECHNOLOGY EQUIPMENT**

During its consideration of the Fire Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report back on the Department's request for funding mobile technology equipment.

In its letter to the Committee dated April 21, 2016, the Fire Department requested funding of \$80,000 for data plans, software licenses, training and support for 50 donated iPads to be equipped with Incident Command System (ICS) software and related plans for field deployment. This software would allow the Department to replace or augment the existing ICS field form, which is in paper format. This form is used by field commanders to track resources in command vehicles.

FISCAL IMPACT STATEMENT

The fiscal impact of funding the Department's requested for mobile technology equipment is \$80,000. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JCY:04160114

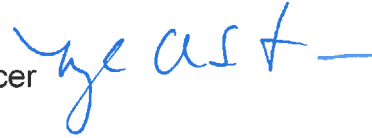
Question No. 687

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **FIRE – AUTOMATED VEHICLE LOCATOR SOFTWARE REQUIREMENTS**

During its consideration of the Fire Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report back on the Department's request for funding annual maintenance and software required for the Automated Vehicle Locator (AVL) project.

In its letter to the Committee dated April 21, 2016, the Fire Department requested funding of \$200,000 for annual maintenance and software required for the final implementation of the AVL project. This software will connect the AVL mapping capabilities and provide other essential features and updates to the mobile computers in the firefighter apparatus. This request is separate from and in addition to the \$164,000 provided to the Department in the Proposed Budget for AVL annual software licenses, and the \$280,000 provided in the 2015-16 Budget for AVL software licenses and maintenance.

FISCAL IMPACT STATEMENT

The fiscal impact of funding the Department's request for Automated Vehicle Locator software and annual maintenance is \$200,000. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JCY:04160112

Question No. 572

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **FIRE – COMPUTER-AIDED DISPATCH SYSTEM UPGRADES**

During its consideration of the Fire Department’s 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report back on whether the \$2 million for support of the Department’s Computer-Aided Dispatch (CAD) System is eligible for funding through the Municipal Improvement Corporation of Los Angeles (MICLA) financing program.

It was determined in 2015-16 that CAD System upgrades and purchases would no longer qualify for MICLA financing, though they were deemed eligible costs in prior fiscal years. As the Bond Market has fluctuated with the changing economy, investors’ attitudes have shifted to funding tangible hardware and capital improvement projects with a useable lifespan beyond ten years. The CAD System program improvements consist primarily of software and therefore do not qualify for this source of funding.

FISCAL IMPACT STATEMENT

The General Fund impact of funding the Department’s requested Computer-Aided Dispatch System upgrades would be \$2 million. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JCY:04160106

Question No. 682

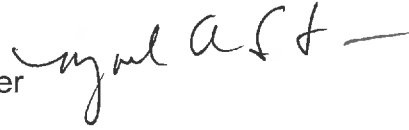
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 106

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – SAFE PARKING AND MOBILE SHOWERS**

During its consideration of the Los Angeles Homeless Services Authority's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report about the request for funding for Safe Parking and Mobile Showers, whether the Homeless Budget contains sufficient funding for these amenities and LAHSA's plan to expend these funds.

Attached is a report from LAHSA discussing these issues. LAHSA indicates that, because these services are not currently offered in the City, it cannot be determined at this time whether there is sufficient funding to support these services, and therefore it is difficult to provide a plan that shows expenditures. Additional information must be obtained to identify sites that are appropriate to host safe parking. Relative to mobile showers, while LAHSA states that they have not yet identified an agency that is prepared to expand into the Los Angeles area, discussions with such providers are ongoing. LAHSA indicates that staff are continuing to search for agencies willing to participate who are currently providing this service, or are willing to begin doing so.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:KDU:02160124

Question No. 563

Attachment



May 4, 2016

To: Budget and Finance Committee

From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority

Subject: **Report on Safe Parking Vouchers, including the type of vouchers and the source of those vouchers. Report back on funding allocated for Safe Parking and Mobile Showers. Is this sufficient funding? What is the plan for expenditures of these funds?**

Peter Lynn
Executive Director

During its consideration of the Los Angeles Homeless Service's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested that LAHSA Report on Safe Parking Vouchers, including the type of vouchers and the source of those vouchers. Report back on funding allocated for Safe Parking and Mobile Showers. Is this sufficient funding? What is the plan for expenditures of these funds?

Board of Commissioners

Mike Neely
Chair

Shane Goldsmith
Vice Chair

Larry Adamson

Sarah Dusseault

Noah Farkas

Wendy Greuel

Kerry Morrison

Owen Newcomer

Booker Pearson

Kelvin Sauls

As Safe Parking and Mobile Showers are a new service type in LA, it is unknown if the proposed budget amount is sufficient for operation of these services. Safe Parking is contingent on the work CAO's office is doing to identify City owned sites appropriate for a range of services, i.e.: safe parking; mobile showers; toilets; voluntary storage; and, connection to housing services. Mobile Showers are not contingent on the identification of City owned sites. Mobile Showers are contingent on finding an operator for the service type. LAHSA has had discussions with a number of agencies operating mobile showers in other cities. None of the identified agencies have a willingness to expand into LA, including LAVA Mae. LAHSA will continue to pursue other operators, as well as the possibility of supporting a new operator to develop new program capacity in LA.

This memorandum is provided for informational purposes only. There is no fiscal impact.

Administrative Office

811 Wilshire Blvd.
6th Floor
Los Angeles, CA 90017

213 683.3333 - PH

213 892.0093 - FX

213 553.8488 - TY

www.lahsa.org

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 107

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Subject: **DEPARTMENT OF ANIMAL SERVICES – FERAL CAT ENVIRONMENTAL
IMPACT REPORT STATUS AND COST**

During consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Animal Services to report on the feral cat Environmental Impact Report (EIR) and provide the current status and cost breakdown. The Department's response is attached.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:FGO:04160117

Question No. 340

Attachment

**BOARD OF
ANIMAL SERVICES
COMMISSIONERS**

DAVID ZAFT
PRESIDENT

LARRY GROSS
VICE PRESIDENT

COMMISSIONERS

OLIVIA E. GARCIA

ROGER WOLFSON

ALANA YAÑEZ

City of Los Angeles

CALIFORNIA



**ERIC GARCETTI
MAYOR**

**DEPARTMENT OF
ANIMAL SERVICES**
221 N. Figueroa Street
6TH Floor, Suite #600
Los Angeles, CA 90012

(888) 452-7381
FAX (213) 482-9511

BRENDA F. BARNETTE
GENERAL MANAGER

DANA H. BROWN
ASSISTANT GENERAL MANAGER

DEREK BROWN
ASSISTANT GENERAL MANAGER

May 4, 2016

Budget and Finance Committee
c/o Felicia Orozco, Office of the City Administrative Officer
200 N. Spring Street, Room 395
Los Angeles, CA 90012

**SUBJECT: QUESTION NO. 340: BUDGET IMPACT REPORT BACK REGARDING THE
FERAL CAT ENVIRONMENTAL IMPACT REPORT (EIR) STATUS AND COST**

STATUS

Due to the injunction against the City, the Department of Animal Services cannot reduce the population of feral (neighborhood free roaming) cats by using the Animal Sterilization Trust Fund to provide spay/neuter services, cannot provide information to the public about alternatives to euthanizing feral cats, and cannot hold public meetings in our Community Rooms for any discussion of feral cats until an EIR (Environmental Impact Report) is accepted by the court.

The Department and the City of Los Angeles endorse the concept of becoming a No-Kill city, which means that no shelter dog or cat healthy enough to be adopted and not a danger to the community is euthanized. This injunction is the largest impediment to achieving our goal of No-Kill in LA City. Since 2011-12, the live-save rate for dogs has increased from 70.1% to 86.35% (FYTD March 2016) and for cats the live-save rate increased from 37.9% to 67.59% (FYTD March 2016). We take in about 35% more dogs than cats.

Luckily for the cats, a generous grant from the ASPCA that underwrites the adoption fee for cats over 4 months of age has been a huge help this year to get the cat live-save rate up to 67.59% (YTD March 2016). We cannot count on receiving another significant grant like this one next year nor can we adopt our way out of this dilemma.

COST AND BUDGET CONSIDERATIONS

The cost to the City caused by this injunction is unconscionable. We project spending **\$524,523** in the current fiscal year to provide care and services for feral cats received at our shelters; and,

"Creating a Humane LA"

AN EQUAL OPPORTUNITY EMPLOYER

Visit our website at www.LAAnimalServices.com

Report to the Budget and Finance Committee
 SUBJECT: Report Back 340 – Cat EIR Status and Cost

for the five years prior to that we spent an additional **\$3,377,952** for the same purposes - as we are required to do by State law.¹

An active and strategic spay/neuter surgery program is our primary method of limiting intake of cats at our shelters. The Department does not expect the number of feral cats and kittens impounded into the shelters to further drop by any appreciable numbers until we can once again subsidize surgeries of ALL cats including feral cats.

The City allocated \$300,000 in the 2015-16 budget to start the EIR and has transferred that amount to the Bureau of Engineering (BOE). BOE initiated the EIR process and has provided a Preliminary Planning Level Cost Estimate for the CAT Program EIR of \$814,000 that includes both the initial \$300,000 amount already transferred to BOE in the current fiscal year, \$500,000 to be transferred in 2016-17. The estimate contains a 20% contingency. (See below)

PRELIMINARY PLANNING LEVEL COST ESTIMATE FOR CAT PROGRAM EIR				
Item	Quantity	Unit Type	Unit Cost	Cost Estimate
<u>Mobilize Team: Kick-off mtg., Site Visit, Draft Project Description, Stakeholder Mailing List, Define Study Area</u>	300	Hours	\$160.00	\$48,000.00
Project description expansion				
Prepare & circulate NOP/Initial Study				
Background research/Review: litigation, injunction; IS/MND				
<u>Prepare Technical Studies</u>				\$150,000.00
Alternative Analysis	1	Report		
Cumulative Impacts Analysis	1	Report		
Biological Resources Analysis	1	Report		
Water Quality Analysis	1	Report		
Land Use/Planning	1	Report		
Prepare Draft EIR, 2 admin drafts	700	Hours	\$160.00	\$112,000.00
<u>Public Outreach, 7 Public meetings</u>	500	Hours	\$150.00	\$75,000.00
NOP scoping meetings				
Public hearings				
EIR meetings				
Approval meetings (4 -3hr ea.): Board; Committee; Council				
Project Management & Support for agency coord.	400	Hours	\$200.00	\$80,000.00
Finalize EIR, prepare responses to comments. MMRP; Findings & SOC	500	Hours	\$160.00	\$80,000.00
Other direct costs: filing fees, printing, mailing, equipment rental			\$50,000.00	\$50,000.00
Base Cost				\$595,000.00
Contingency			20.00%	\$119,000.00
BOE full time staff to manage & process EIR			\$100,000.00	\$100,000.00
Total Cost				\$814,000.00

¹ F&A (Food and Agriculture) Code, Section 31754, requires impoundment of a minimum of six business days, not including the day of impoundment. The Department currently averages eight days in compliance with the Code.

An EIR requires a comprehensive and exhaustive examination and study of detailed research in a number of different areas by qualified professionals with the appropriate levels of expertise. It is a large undertaking and we are informed the cost is appropriate for that level of undertaking.

HISTORY OF THE INJUNCTION

The circumstances leading up to the current status have a history going back to approximately 2005, when the Board of Animal Services Commissioners passed a resolution making “Trap, Neuter, Return” (TNR) the official policy of the Department of Animal Services. The City was notified by an attorney representing a consortium of several local chapters of the Audubon Society and a nonprofit conservation organization called Urban Wildlands that taking actions relating to TNR required CEQA clearances and that had not been done with regard to anything the Department had done up until that time that touched on TNR. In 2006 the Board then adopted a resolution instructing the Department to conduct a CEQA study in connection with any TNR-related actions it intended to take.

Over the course of 2006, the Department’s then-new General Manager (Ed Boks) created a page on the Department website discussing TNR as being the Department’s policy. Subsequently, the consortium’s attorney submitted another letter threatening litigation if the Department didn’t cease and desist any and all TNR-related activities until the CEQA work was done. The Department removed the web page and instructed staff to stop TNR-related activities.

Over the ensuing couple of years, some preliminary work was done in the Mayor’s office and Animal Services, and in discussions with the City Attorney and the Bureau of Engineering, to try to determine what form the CEQA study should take. During this period of time a key issue was budgetary since the Department had never formally requested funding to do such a study. The subsequent economic recession and attendant budget issues made addressing that aspect more difficult.

This phase of the situation culminated in 2009 when the consortium filed a CEQA lawsuit against the City for allegedly conducting a TNR program without a CEQA clearance. At the end of 2009, the court found for the plaintiffs and placed an injunction on the City prohibiting it from discussing TNR and from expending City funds on anything related to TNR. The injunction commenced early in 2010 and has been in effect ever since. See Attachment - Injunction against the City (modified in 2010).

Immediately after imposition of the injunction, the Department engaged Envicom, a private environmental consultant, to conduct an assessment of the feral cat situation in Los Angeles and offer recommendations as to what kind of CEQA clearance would be required. Based on that assessment and further discussions with the City Attorney, the Bureau of Engineering and the Mayor’s office, in 2013, the Bureau launched an effort to prepare a Mitigated Negative Declaration (MND) for a Citywide Cat Program that would allow it to participate in a substantial manner in TNR-related activities.

The MND scoping and comment processes generated a lot of input from stakeholders and the public regarding the document’s subject matter. The discussion contained enough “controversy” that, under CEQA, an Environmental Impact Report (EIR), as opposed to a revised MND, was then mandated. That determination was made by the City Attorney during the

Report to the Budget and Finance Committee
SUBJECT: Report Back 340 – Cat EIR Status and Cost

spring of 2014, leading to further discussions on how to proceed. A decision finally was made to try to reduce the scope of the project description and identify funding to do the EIR, leading to the inclusion of funds in the Fiscal Year 2015-16 City budget and the current proposal for additional funds for FY 2016-17.

In the first couple of years after the injunction was imposed, the number of cats euthanized in the City's animal shelters rose by approximately one thousand per year, fueled by litters of kittens being brought in by members of the public. The figure then leveled off for a couple of years before the Department's "No-Kill" strategy began to generate increases in the number of live releases of cats (and dogs) from shelters that led to corresponding reductions in the number of euthanasias.

Over the last two years or so, the overall cat euthanasia rate thankfully has been dropping due to increased efforts to promote cat adoption and an intensified program to save neo-natal kittens with the help of foster care-givers. Also, unfortunately, the cat population has suffered from a Feline Panleukopenia epidemic during this time. A vaccination exists for this highly contagious and often fatal viral disease, but infection rates and fatalities remain high in some unvaccinated cat populations such as free-roaming and neighborhood cats. The Department does not expect the number of feral cats and kittens impounded into the shelters to further drop by any appreciable numbers until we can once again subsidize surgeries for all cats. Based on the 2015-16 projection, euthanasia of cats impounded in City shelters must decrease by an additional 65% below the 2015-16 rate for the cat live save rate to reach the 90% live save threshold.

If you have any questions, please contact John Forland, Senior Management Analyst II at 213-482-9554 or john.forland@lacity.org.

Thank you for the opportunity to provide additional information that will assist you in this process.

Respectfully submitted,



BRENDA F. BARNETTE
General Manager

Attachment

1 CARMEN A. TRUTANICH, City Attorney (SBN: 86629X)
2 ANDREW J. NOCAS, Deputy City Attorney (SBN: 36090)
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Attorneys for Respondent and Defendant
9 CITY OF LOS ANGELES, CITY OF LOS ANGELES
10 BOARD OF ANIMAL SERVICES COMMISSIONERS,
11 AND CITY OF LOS ANGELES DEPARTMENT OF
12 ANIMAL SERVICES

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES - SOUTH EAST DISTRICT

13 THE URBAN WILDLANDS GROUP, ENDANGERED
14 HABITATS LEAGUE, LOS ANGELES AUDUBON
15 SOCIETY, PALOS VERDES/SOUTH BAY
16 AUDUBON SOCIETY, SANTA MONICA BAY
17 AUDUBON SOCIETY, AND AMERICAN BIRD
18 CONSERVANCY,

Plaintiffs/Petitioners,

vs.

19 CITY OF LOS ANGELES, CITY OF LOS ANGELES
20 BOARD OF ANIMAL SERVICES COMMISSIONERS,
21 CITY OF LOS ANGELES DEPARTMENT OF
22 ANIMAL SERVICES, AND DOES 1-50, inclusive,

Defendants /Respondents.

Case No. BS 115483

Judge: Hon. Thomas I. McKnew, Jr.
Dept.: SE-H

~~REDACTED~~ STIPULATED ORDER
MODIFYING INJUNCTION

[PROPOSED] STIPULATED ORDER MODIFYING INJUNCTION

FILED
LOS ANGELES SUPERIOR COURT

MAR 10 2010

JOHN A. CLARKE, CLERK

BY T. HOLA, DEPUTY

1 The parties to this action, by and through their respective counsel, hereby stipulate to the
2 following:

3 1. The parties to this action agree that modifications would be beneficial regarding the terms of
4 the injunction included in the Final Judgment and Permanent Injunction entered in this case on
5 January 5, 2010.
6

7 2. The purpose of the modifications set forth here are to allow the Department of Animal
8 Services ("Department") to operate consistent with the intent of the judgment in the case, while still
9 having discretion and using its best judgment to carry out its duties and responsibilities.
10

11 3. The parties agree that the modifications set forth here can be modified in the event that the
12 discretion of the Department to carry out its duties and responsibilities is unduly hampered by the
13 injunction, or that the modifications result in unanticipated material breach of the intent of the
14 judgment and the injunction entered on January 5, 2010.

15 4. The parties stipulate that sections 4.a.ii, 4.a.iii, 4.a.v., and 4.e, of the Final Judgment and
16 Permanent Injunction entered on January 5, 2010, be modified as set forth below:
17

18
19 "4. Defendant's City of Los Angeles, et al. are specifically PROHIBITED from
20 undertaking the following actions:

21 a. Promoting TNR for feral cats and encouraging or assisting third parties to
22 carry out a TNR program by doing any of the following:
23

24 * * *

25 ii. Provide discounts or discount vouchers for spay or neuter surgeries for
26 feral cats. The City's Animal Care Centers (shelters), may, however,
27 continue to disseminate up to three discount vouchers per household or
28

[PROPOSED] STIPULATED ORDER MODIFYING INJUNCTION

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property address for the spay or neuter of cats. The City's Animal Care
Centers may disseminate additional discount vouchers per household or
property address if mitigating circumstances are demonstrated to the
satisfaction of the Department of Animal Services, for example, the
spay/neuter of a litter of kittens or the death of one of the cats.

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iii. Release feral cats from shelters to TNR groups or individuals, unless the
TNR groups and individuals who engage in TNR activities agree in writing
that the feral cat redeemed from the City's animal shelter for adoption will
not be returned or released into cat colonies, or onto public property, or
onto private property not owned by the adopting TNR group or individual,
nor adopted out to persons who will place the adopted cats in any TNR
program or colony. Consistent with the foregoing, an owner or caretaker
of a feral cat may reclaim the cat within the first three days of the required
holding period at a City shelter, as set forth in Food and Agricultural Code
Section 31752.5. The provisions for holding and releasing stray cats as set
forth in Food and Agricultural Section 31752 are unaffected by this
provision of the injunction.

* * *

v. Develop or distribute literature on the TNR program or conduct public
outreach on TNR using press releases, fliers, or other media except in
conjunction with the proposed CEQA process. "Literature on the TNR
program" means material distributed to the public that specifically
focuses on TNR programs such as public outreach by means of fliers that
invite persons to engage in TNR or material inviting the public to attend

1 TNR seminars, etc. "Literature on the TNR program" does not mean pet
2 publications that include articles or writings on a wide range of pet topics
3 even if the publication includes advertisements or articles on TNR.
4

5 * * *

6 c. Knowingly referring complaints about feral cats to TNR groups or individuals
7 who engage in TNR."

8 5. The parties stipulate that section 4.a.iv. of the Final Judgment and Permanent Injunction
9 entered on January 5, 2010, be deleted in its entirety.
10

11 DATED: March 9, 2010

CARMEN A. TRUTANICH, City Attorney
ANDREW J. NOCAS, Deputy City Attorney
MARY J. DECKER, Deputy City Attorney

12
13 By Mary J. Decker
14 MARY J. DECKER
15 Deputy City Attorney

16 Attorneys for Respondent and Defendant
17 CITY OF LOS ANGELES, CITY OF LOS ANGELES
18 BOARD OF ANIMAL SERVICES COMMISSIONERS,
19 AND CITY OF LOS ANGELES DEPARTMENT OF
20 ANIMAL SERVICES

21 DATED: March __, 2010

22 By _____
23 KATHLEEN J. DAVIS
24 General Manager
25 Department of Animal Services
26 City of Los Angeles
27
28

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TNR seminars, etc. "Literature on the TNR program" does not mean pet publications that include articles or writings on a wide range of pet topics even if the publication includes advertisements or articles on TNR.

* * *

6. Knowingly referring complaints about feral cats to TNR groups or individuals who engage in TNR."

5. The parties stipulate that section 4 a.iv. of the Final Judgment and Permanent Injunction entered on January 5, 2010, be deleted in its entirety.

DATED: March 10, 2010

CARMEN A. TRUITANICH, City Attorney
ANDREW J. NOCAR, Deputy City Attorney
MARY J. BECKER, Deputy City Attorney

By _____
MARY J. BECKER
Deputy City Attorney

Attorneys for Respondent and Defendant
CITY OF LOS ANGELES, CITY OF LOS ANGELES
BOARD OF ANIMAL SERVICES COMMISSIONERS,
AND CITY OF LOS ANGELES DEPARTMENT OF
ANIMAL SERVICES

DATED: March 10, 2010

By Kathleen J. Davis
KATHLEEN J. DAVIS
General Manager
Department of Animal Services
City of Los Angeles

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DATED: March 8, 2010

LAW OFFICES OF BABAK NAIFY

By Babak Naify
BABAK NAIFY.

Attorney for Plaintiffs and Petitioners
THE URBAN WILDLANDS GROUP, ENDANGERED
HABITATS LEAGUE, LOS ANGELES AUDUBON
SOCIETY, PALOS VERDES/SOUTH BAY AUDUBON
SOCIETY, SANTA MONICA BAY AUDUBON SOCIETY,
AND AMERICAN BIRD CONSERVANCY

ORDER

IT IS SO ORDERED.

Dated: 3/10/10

Thomas L. McKnew, Jr.
Hon. Thomas L. McKnew, Jr.
Judge of the Superior Court

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FILED
LOS ANGELES SUPERIOR COURT

JAN -5 2010
JOHN A. CLARKE, CLERK
BY: T. FRAGA, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES, SOUTHEAST DISTRICT

<p>THE URBAN WILDLANDS GROUP, et al. WILDLANDS</p> <p>Plaintiffs/Petitioners, vs.</p> <p>CITY OF LOS ANGELES, et al.</p> <p>Defendants/Respondents,</p>	<p>Case No: BS 115483</p> <p>REDACTED FINAL JUDGMENT AND PERMANENT INJUNCTION</p> <p>Honorable Thomas I. McKnew, Jr.</p>
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This matter came regularly for hearing at 9:00 a.m. on November 20, 2009 in Department H of this Court before the Honorable Thomas I. McKnew, Jr.. Babak Naficy appeared on behalf of Petitioners and Plaintiffs, THE URBAN WILDLANDS GROUP, INC., ENDANGERED HABITATS LEAGUE, LOS ANGELES AUDUBON SOCIETY, PALOS VERDES/SOUTH BAY AUDUBON SOCIETY, SANTA MONICA BAY AUDUBON SOCIETY, AND AMERICAN BIRD CONSERVANCY. Deputy City Attorney, Mary

[REVISED PROPOSED] FINAL JUDGMENT AND PERMANENT INJUNCTION

1 Decker, appeared on behalf of Respondents and Defendants, City of Los
2 Angeles and Los Angeles Board of Animal Services Commissioners and Los
3 Angeles Department of Animal Services.

4 After reviewing the "record" in this matter, the briefs submitted by
5 counsel and the arguments of counsel and the matter having been submitted
6 for decision, the Court issued a Ruling on Petition for Writ of Mandamus
7 ("Ruling") on December 4, 2009, granting the Petition for Writ of Mandate
8 and request for injunctive relief. The Court further declared that "the City of
9 Los Angeles has been implementing a TNR [Trap-Neuter-Return] program
10 without CEQA compliance. A true and correct copy of the Court's December
11 4, 2009 Order is attached hereto as Exhibit "A" and incorporated herein by
12 reference.
13

14 The Ruling directed that a judgment, writ of mandate and injunctive
15 order issue in these proceedings directing the City of Los Angeles to refrain
16 from implementing or encouraging or facilitating the implementation of TNR
17 in the City of Los Angeles unless and until adequate review of such TNR
18 program has been completed as required by CEQA.
19

20 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
21 DECREED:

- 22
- 23 1. This court has now and will retain jurisdiction in the State of California
24 over the subject matter hereof and the parties hereto.
 - 25 2. The provisions of this final judgment are applicable to: (a) Defendants,
26 City of Los Angeles and Los Angeles City Council, Los Angeles Board of
27

28 [REVISED PROPOSED] FINAL JUDGMENT AND PERMANENT INJUNCTION

2

1 Animal Services Commissioners and Los Angeles Department of
2 Animal Services and (b) those officers, directors and employees of said
3 defendants and any other individuals and entities acting under, by or
4 on behalf of either such defendant or pursuant to their direction, who
5 have notice of this injunction.

6 3. Until such time as defendants have concluded appropriate
7 environmental review pursuant to CEQA, defendants are hereby
8 ENJOINED and restrained from (a) implementing a Trap Neuter
9 Return Program for Feral Cats and (b) adopting or implementing any
10 new ordinances, measures or policies in furtherance of TNR, including
11 such ordinances, measures or policies as were identified in the June
12 2005 Report that was submitted to the Board of Animal Services
13 Commissioners in conjunction with the proposed adoption of TNR as
14 the City's official policy. A true and correct copy of said Report is
15 attached hereto as Exhibit B.

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18 4. Defendants City of Los Angeles et al. are specifically PROHIBITED
19 from undertaking the following actions:

20 a. Promoting TNR for feral cats and encouraging or
21 assisting third parties to carry out a TNR program by
22 doing any of the following:

23 i. Assist or provide incentives for, or otherwise
24 facilitate the capture, sterilization and release of
25 feral cat;
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- ii. Provide discounts or discount vouchers for spay or neuter surgeries for feral cats;
- iii. Release feral cats from shelters to TNR groups or individuals;
- iv. Provide information about or cyberlinks to feral cat groups, programs, seminars or workshops on Los Angeles City website(s);
- v. Develop or distribute literature on the TNR program or by conducting public outreach on TNR using press releases, fliers or other media except in conjunction with the proposed CEQA process;
- b. Waiving cat trap rental fees or security deposits for TNR groups or individuals pursuant to Los Angeles Municipal Code section 53.69(b).
- c. Interfering with or discouraging any City officials or land managers' attempt to enforce any laws or regulations that relate to feral cats and feral cat colonies.
- d. Refusing to issue traps for capturing nuisance feral cats, for example, by demanding that injury to pets or damage to property is demonstrated.
- e. Referring complaints about feral cats to TNR groups or individuals.
- f. Refusing to accept trapped feral cats.

[REVISED PROPOSED] FINAL JUDGMENT AND PERMANENT INJUNCTION

1 5. The Clerk of the Court shall issue a Peremptory Writ of Mandate under the
2 seal of this Court directing Respondents, City of Los Angeles, to stop
3 implementing a TNR Program for Feral Cats by complying with the terms
4 of this Final Judgment and Permanent Injunction until such time as
5 defendants have concluded appropriate environmental review pursuant to
6 CEQA.

7 6. The City is directed to file and serve a return to the Peremptory Writ
8 issued pursuant to this judgment not later than 30 days from
9 any violation hereof. The return shall specify the actions taken to comply with the terms of the
10 peremptory writ of mandate.

11 7. Jurisdiction is retained for the purpose of enabling any party to this final
12 judgment to apply to the court at any time for such further orders and
13 directions as may be necessary or appropriate for the construction or
14 carrying out of this final judgment, for the modification of any of the
15 injunctive provisions hereof, for the enforcement or compliance herewith,
16 for relief herefrom, and for the punishment of violations hereof.

17 8. To insure compliance with the injunctive provisions of this judgment,
18 defendants shall provide a full copy of or a summary of the injunctive
19 provisions of this judgment to each Los Angeles Animal Services
20 employee. Defendants shall report to petitioners on compliance with this
21 Section within thirty days after entry of judgment.

22 9. Petitioners cost of suit and reasonable attorney's fees shall be determined
23 after Petitioner's timely filing of a memorandum of costs and motion for
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reasonable attorney's fees.

10. This final judgment shall take effect immediately upon the entry thereof.

11. The Clerk is ordered to enter this final judgment forthwith.

DATED: Jan 5, 2010



Thomas J. McKnew, Jr.
Judge of the Superior Court

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 108

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **BUREAU OF SANITATION – VARIOUS POSITIONS NOT INCLUDED IN THE 2016-17 PROPOSED BUDGET**

During the Budget and Finance Committee's consideration of the Bureau of Sanitation's (Bureau) 2016-17 Proposed Budget, this Office was requested to report back on adding one Senior Painter, three Painters, one Senior Gardener, two Gardener Caretakers, and one Systems Analyst II as requested in the Bureau's memorandum dated April 21, 2016.

In its Proposed Budget, the Bureau requested one Senior Painter and three Painters to apply high performance coatings and applications on equipment, infrastructure, and assets at the Hyperion Treatment Plant (HTP). These coatings will extend the useful life of the assets by protecting them from rust, corrosion, and the damaging elements at HTP. While this Office recognizes the cost savings and importance of protecting these high value assets, it was determined during the review of this budget request that there was no increase in workload or the implementation of any new program to justify additional staffing. Currently, there are 12 Painters assigned to HTP and the life cycle for a coat of industrial paint is eight years. It was also determined that if additional staffing is required, the Bureau should explore the use of Hiring Hall employees. These four positions are funded by the Sewer Construction and Maintenance Fund and the nine-month cost for these positions is \$324,623, which includes \$238,691 for direct costs and \$85,932 for indirect costs.

In its Proposed Budget, the Bureau requested one Senior Gardener and two Gardener Caretakers to maintain completed Proposition O (Prop O) facilities. While this Office recognizes that proper maintenance of these facilities will ensure that the projects produce the intended water quality benefits, the Bureau has proposed different staffing plans to perform this work. In the 2015-16 Budget, the Bureau requested two Labor Supervisors and eight Maintenance Laborers to perform this work. The 2015-16 Budget provided the Bureau with two Labor Supervisors and required the Bureau to reassign eight vacant Maintenance Laborers. Therefore, during the review of this budget request, it was determined that the Bureau's staffing plan for maintaining Prop O facilities should be reviewed and approved by the Citizens Oversight Advisory Committee (COAC) and Administrative Oversight Committee (AOC) prior to the addition of any new positions for this work. In addition, if the Council elects to add these positions, the two Labor Supervisors that were provided in the 2015-16 Budget should be deleted. These positions are funded by the Stormwater Pollution Abatement Fund and the nine-month cost for the Senior Gardener and two Gardener Caretakers is \$192,194, which includes \$115,224 for direct costs and \$76,970 for indirect costs. This cost could be offset by savings of \$190,337, which includes \$114,111 for direct salaries and \$76,226 for indirect salaries, from the deletion of two Labor Supervisors.

In its Proposed Budget, the Bureau requested one Systems Analyst II to support the 100 Geographic Information Systems (GIS) users in the Bureau. During the review of this budget request, it was determined that there was no increase in workload or any new programs being implemented that would require additional staffing. In addition, the Bureau was reporting five Systems Analyst II vacancies in its workforce and it was determined that the Bureau could reassign existing vacancies to perform this work. This position is 48 percent funded by the Sewer Construction and Maintenance (SCM) Fund, 47 percent funded by the Solid Waste Resources Revenue Fund (SWRRF), and five percent funded by the Stormwater Pollution Abatement (SPA) Fund. The nine-month cost for this position is \$101,046, which includes \$66,868 for direct costs and \$34,178 for indirect costs. The SCM and SWRRF are fiscally healthy funds as a result of a series of rate increases adopted within the last decade. The SPA Fund faces a structural deficit and requires a General Fund subsidy for related costs. Any additional SPA appropriation will reduce available funds for related cost reimbursements and reduce General Fund revenues. Therefore, if the Council elects to add this position, it is recommended that the position be added without funding.

RECOMMENDATION

Approve the 2016-17 Proposed Budget as it has been determined that the Bureau is able to perform the proposed work with existing staff and resources.

FISCAL IMPACT STATEMENT

In compliance with the City's Financial Policies, any additional appropriation from the Stormwater Pollution Abatement (SPA) Fund will require a corresponding reduction in SPA expenditures or increase in SPA revenues. There is no fiscal impact to the General Fund for adding positions funded by the Sewer Construction and Maintenance Fund or Solid Waste Resources Revenue Fund.

MAS:WKP:06160129

Question No. 121

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 109

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *MSA*

Subject: **BUREAU OF STREET SERVICES – MECHANIZED TREE CREWS**

The Budget and Finance Committee requested a report back on the resources needed for two crews to address dead tree and tree stump removal, the cost of this work to be performed by City forces versus contractors, and the cost of tree replacement. Attached is the Bureau's response.

The Bureau's memorandum estimates the full year cost for two mechanized tree crews (15 positions) to remove dead trees and tree stumps at \$1.8 million (direct cost). This amount reflects full year funding for positions and expenses (direct costs only). The two mechanized crews will address the current backlog of approximately 8,000 dead trees and tree stumps. It is anticipated that the two crews will remove an average of eight dead trees/stumps per day, for a total of approximately 1,700 dead trees/stumps per year.

The Bureau does not currently use contractors to perform dead tree removal and tree stump removal. Therefore, no data is available at this time to provide a cost comparison between City forces and contractors.

Eligible funding sources include the General Fund, Measure R Local Return Fund (Measure R), and the Special Gas Tax Street Improvement Fund (Gas Tax). However, the Proposed Budget fully allocates these funds. Should two mechanized crews be funded, offsetting General Fund and/or Special Fund revenues or appropriations will need to be identified.

Should the Committee approve this item, it is recommended that only six months funding be provided to account for the time it will take to hire staff. Also, General Funds would have to be provided, given that Measure R and Gas Tax funds have already been fully allocated. Six months funding for two crews is as follows:

Mechanized Tree Crew

Positions: Quantity	Class Title	Class Code	Wages & Count Salary	Salary Savings Rate (%)	Number of Months Funding Requested	Net Salary
2	TREE SURGEON SUPVSR I	3117	\$ 90,312	8.0%	6	\$ 83,087
2	LIGHT EQUIP OPERATOR	3523	\$ 63,676	8.0%	6	\$ 58,582
1	HEAVY DUTY TRUCK OPER	3584	\$ 68,925	8.0%	6	\$ 31,706
6	TREE SURGEON	3114	\$ 69,438	8.0%	6	\$ 191,649
4	TREE SURGEON ASST	3151	\$ 53,765	8.0%	6	\$ 98,928
15	TOTALS					\$ 463,951

Budget:

Acct	Account Name	TOTAL
001010	Salaries General	\$ 463,951
001090	Salaries Overtime	\$ 56,250
002120	Printing and Binding	\$ 1,500
003090	Field Equipment Expense	\$ 9,800
003310	Transportation	\$ 45,000
004430	Uniforms	\$ 5,039
006010	Office and Admin	\$ 5,750
006020	Operating Supplies	\$ 5,250
007300	Other - Other - Furniture, Office & Tech Equip	\$ 571,000
TOTAL DIRECT COSTS:		\$ 1,163,539

Indirect Cost - Pension/Health (Add/Delete Rate): \$ 333,605
Total Direct & Indirect Costs: \$ 1,497,145

A total of \$571,000 represents one-time direct costs for the purchase of equipment for the crews.

RECOMMENDATION

Should the Committee identify funding for dead tree removal and tree stump removal, it is recommended that the funding be placed in the Unappropriated Balance. The Bureau should also be requested to report back with answers to the following questions:

1. Can existing contracts for tree pruning and median island maintenance be amended to include tree removal and stump removal?
2. The cost to amend existing contracts to include these services.

Once additional information regarding the cost for tree removal and tree stump removal performed by contractors is received, a Charter 1022 Determination Contract Cost Analysis can be completed by this Office and presented to Council as they decide how to allocate the funding.

FISCAL IMPACT STATEMENT

The total General Fund cost for two mechanized tree crews is \$1,497,145 for six months. This includes \$1,163,539 for direct costs and \$333,605 for indirect costs. A total of \$571,000 represents one-time direct costs for the purchase of equipment for the new crews. Should this request be funded, offsetting General Fund appropriations or revenues will need to be identified.

MAS:SMS:06160155C

Question No. 143
Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Budget and Finance Committee

FROM: Nazario Saucedo, Director
Bureau of Street Services

SUBJECT: 2016-17 BUDGET MEMO – QUESTION NO. 143
MECHANIZED TREE CREWS

The Budget and Finance (B&F) Committee instructed the Bureau of Street Services (BSS) to report on the resources and available funding sources to provide two crews to address dead tree and tree stump removal. Additionally, the BSS was requested to provide a cost comparison of contractual services to City workforce and to consider the cost of tree replacement in the comparison.

As referenced in the 2016-17 BSS Proposed Budget submitted to the Mayor, two Mechanized Tree Crews would address the current backlog of approximately 8,000 dead trees and tree stumps. Removal of dead trees will mitigate the spread of the xylella tree disease. It is anticipated that the two Mechanized Tree Crews will remove an average of 8 dead trees/stumps per day, for a total of approximately 1,700 dead trees/stumps per year.

The BSS requests the following 15 position authorities and associated expenses to provide two Mechanized Tree Crews, with a direct cost of approximately \$1.8 million:

No.	Classification	Class Code
2	Tree Surgeon Supervisor I	3117-1
2	Light Equipment Operator	3523
1	Heavy Duty Truck Operator	3584
6	Tree Surgeon	3114
4	Tree Surgeon Assistant	3151

The potential funding sources include, but are not limited to, the General Fund, Measure R Fund, and Gas Tax Fund.

The BSS does not currently use contracts to perform this service, and therefore, does not have data available at this time to provide a cost comparison between contracted work and work performed by City workforce.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 110

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *MS*Subject: **DEPARTMENT OF TRANSPORTATION – RESOURCES NEEDED FOR CAR SHARE PROGRAM IMPLEMENTATION**

During its consideration of the Department of Transportation's 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Transportation (DOT) report on the additional resources necessary to implement the Car Share program. The Department's response is attached.

The Department reports that if the requested five positions for the Car Share and Bike Share programs are not funded, implementation of these mobility programs will be delayed. Please note that the Bike Share position was not submitted as a request in the 2016-17 Proposed Budget by DOT.

This Office has estimated the costs for all positions and resources as follows:

Program	DOT Budget Request	Direct (6 mos)	Indirect (Add/Delete)	Total (6 mos)	Direct (12 mos)	Indirect (Add/Delete)	Total (12 mos)
Car Share	Management Analyst II	\$44,873	\$26,354	\$71,227	\$89,746	\$39,591	\$129,337
	Contractual Services	\$300,000	-	\$300,000	\$300,000	-	\$300,000
Bike Share	Transportation Planning Associate II	\$48,258	\$27,352	\$75,610	\$96,516	\$41,588	\$138,104
	Contractual Services	-	-	\$0*	-	-	\$0*
Mobility Hubs	Transportation Planning Associate II**	\$51,704	\$28,369	\$80,073	\$103,408	\$43,621	\$147,029
	Contractual Services	\$250,000	-	\$250,000	\$250,000	-	\$250,000
All Programs	Supervising Transportation Planner II	\$92,736	\$40,437	\$133,173	\$185,472	\$67,830	\$253,302
	Management Assistant	\$26,540	\$20,945	\$47,485	\$53,080	\$28,775	\$81,855
Total		\$814,111	\$143,457	\$957,568	\$1,078,222	\$221,405	\$1,299,627

*If the Bike Share position is not approved, \$200,000 is requested for Professional Services.

**This position is currently in the 2016-17 Mayor's Proposed Budget as a Transportation Planning Associate I (9-months special funding). The higher pay grade is subject to review by the CAO, Employee Relations Division.

FISCAL IMPACT STATEMENT

The General Fund or Special Fund impact of providing six-months funding for all requested resources is \$957,568 (\$814,111 for direct costs; \$143,457 for indirect costs). The impact of providing 12-months funding for all requested positions is \$1,299,627 (\$1,078,222 for

direct costs; \$221,405 for indirect costs). Should these positions be approved, offsetting revenue and appropriations will need to be identified.

MAS:IR:06160150


Question No. 96

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: May 4, 2016

To: Budget & Finance Committee
c/o City Clerk, Room 395, City Hall
Attention: Honorable Paul Krekorian, Chair

From: Seleta J. Reynolds,  General Manager
Department of Transportation

Subject: **REPORT BACKS FOR FISCAL YEAR 2016-17 PROPOSED BUDGET – NO. 96**

QUESTION

Report back on additional resources that would be needed to implement the Car Share Program. Include ways of incorporating appropriate fees and/or making the Program cost neutral. Provide an analysis on the return on investment if we were to fund the two Car Share/Bike (mobility) positions.

RESPONSE

Since 2009, the City has taken steps to expand the footprint of car sharing within its limits; however despite its efforts, car sharing in Los Angeles continues to lag behind other American cities (see Attachment A).

In addition to expanding the scope of the existing car share pilot program to include a one-way car sharing model as well as a program that permits multiple car share operators (C.F. 13-0192), the City is also the recipient of a California Air Resources Board grant to implement an Electric Vehicle Car Share pilot program with 100 electric vehicles and up to 200 charging stations in disadvantaged areas in Central L.A. (Downtown L.A., Westlake, parts of Koreatown) (C.F. 15-1227). Major portions of these communities are within the top 10% of the highest need on the CalEnviroScreen index. The areas also fall in the L.A. Promise Zone, which aims to promote sustainable and livable communities where residents have access to affordable housing and diverse transportation options.

This pilot program, led by the Los Angeles Department of Transportation (LADOT), is partly funded through a \$1.6 million California Air Resources Board grant that provides cost recovery for lost meter revenue, in addition to funding for technical assistance, electric vehicle infrastructure subsidy, and community-based outreach efforts. At a minimum, the EV Car Share pilot expects to leverage an additional \$5 million in infrastructure investment from its private partner to launch the pilot.

The pilot program can potentially expand into other disadvantaged areas of the City using available Cap and Trade monies in the near future. Given the high potential for expansion, permanent administrative-type positions are needed to oversee the program. Unfortunately, the pilot and expansion programs for this type of project do not provide for staffing. The City is expected to match the funding through resources that can be leveraged such as in-kind staff work.

As part of LADOT's Strategic Plan as well as the City's Sustainability Plan, LADOT is also engaged in related shared mobility projects including bike share and integrated mobility hubs. For FY 2016-17, LADOT requested five positions and \$750,000 for the Sustainable Transportation Program, including the Electric Vehicle Car Share Program, the Bike Share Program, and a Mobility Hubs Program (C.F. 10-0394-S2). See Attachment B providing the various program highlights and requirements.

The Car Share Program is in its initial stages of implementation including the following:

- EV Car Share Pilot Program contract expected to be executed later this summer (100 car share vehicles / 200 spaces).
- One-way Car Share Program currently in development with a target of launching between 100 and 300 car sharing vehicles.
- Draft Car Share Operator Permit Program requirements being finalized, while concurrently working with City Council Offices to place locations across the City. (100 to 200 on-street spaces estimated in FY 16-17).

Given the initial stages, the car sharing program is not expected to be cost neutral in 2016-17.

The return on investment that the City can anticipate through the implementation of these shared mobility programs is substantial.

- The EV car share alone helps avoid the purchase of 1,000 private internal combustion engine vehicles, the equivalent of reducing an estimated 2,150 tons of CO2 produced annually.
- Healthier air to breathe, reduced impacts on children and vulnerable populations.
- Provide affordable last mile/first mile solutions for low-income families who do not own a car or need a second car for errands such taking elderly parents for medical appointments or going to job interviews at hours where public transportation does not meet the need.
- GHG reductions for bike share.
- Improved mobility options (walk, bike, car share, public transportation).
- Less demand for parking.
- Greater traffic flow.

Failure to fund positions requested for next fiscal year will delay implementation of the carshare and mobility projects, reduce interest of potential partners to invest in mobility projects, and increase impacts of air pollution on Angelenos, especially the vulnerable populations.

SJR:mp

Attachments

c: Miguel A. Santana, City Administrative Officer

LADOT SUSTAINABLE TRANSPORTATION PROGRAM
2016-17 Program Requirements
ATTACHMENT A

Top 10 Car Sharing Cities in the United States		
Rank	Metropolitan Area	Car Share Vehicles
1	New York City	3,216
2	San Francisco Bay Area	2,545
3	Washington DC	1,786
4	Philadelphia	1,675
5	Boston	1,265
6	Chicago	910
7	Seattle	905
8	Portland	753
9	Minneapolis	609
10	Denver	478
-	City of Los Angeles	241

LADOT SUSTAINABLE TRANSPORTATION PROGRAM
2016-17 Program Requirements
ATTACHMENT B

	Bike Share	Car Share	Mobility Hubs
Current Program Funding (Grants)*	\$11 million	\$1.6 million	\$10 million
Term of Initial/Pilot Program	Two Years	Three Years	Three Years
Location	Downtown Los Angeles	Citywide – Disadvantaged Areas	Downtown Los Angeles; Hollywood
Current Program Quantity	800 bikes; 65 stations	100 cars/ 200 spaces	7 mobility hubs / 20 satellite bicycle service points / microtransit connection
Program Highlights	<p>Bike share will provide increased mobility options for residents and visitors to Los Angeles joining over 300 other bike share systems around the world.</p> <p>Bike share is integrated to Metro's transit system and will provide important first/last mile solutions that will leverage existing transit infrastructure investments.</p>	<p>Program leverages a minimum of \$5 million in private in additional frastructure investment.</p> <p>Provides additional mobility options to residents and visitors to Los Angeles.</p>	<p>Establish first/last mile multimodal solution that links individuals from transit to employment centers and other job related activities and provides demand-based services.</p>
Program Goals by 2020	10,000 bikes throughout the City	Establish and expand electric vehicle car sharing in disadvantaged community with an emphasis on supporting low-income utilization. This includes providing partial subsidies for low-income users and developing options for unbanked residents of Los Angeles to gain access to the system.	Establish typologies for future mobility hub expansion across Los Angeles.
Current Dedicated LADOT Staff	None -- internally reorganized one employee to support the program on temporary basis; Requires permanent staff to continue work	None -- one temporary intern; Requires permanent staff to continue the present, ongoing program.	None; One position (Transportation Planning Associate) provided in the 2016-17 Proposed Budget
Requested Positions to Manage Programs	One Transportation Planning Associate II	One Management Analyst II	One Transportation Planning Associate II (already provided in the 2016-17 Proposed Budget)
Requested Position to Coordinate and Expand All Programs	Supervising Transportation Planner II -- One position is required to ensure that efforts among these programs are cohesive and program goals are integrated.		
Requested Expenses and Purpose	\$200,000 -- If a position is not provided, funding is requested for the department to work with Metro to update demand analysis for new service, develop equity metrics for bike share system, work on marketing and branding of program, as well as conduct community outreach and advanced planning for future bike share neighborhoods in Los Angeles.	\$300,000 -- In addition to the requested position, funding for professional services to assist the City in developing a long range plan for future car share services. The current grant program is the start of an extremely robust program that will provide City residents and visitors with mobility options, but also may provide the City with a future revenue source.	\$250,000 -- In addition to the requested positions, funding is requested for professional services to assist in future site location of new mobility hubs.

*The only grant that covers LADOT staff costs is the FTA grant for Mobility Hubs. The position provided in the 2016-17 Proposed Budget is funded by the grant.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 111

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer Subject: **DEPARTMENT OF TRANSPORTATION – ESTABLISHING AN OFFICE OF CONSTRUCTION COORDINATION**

During its consideration of the Department of Transportation's 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Transportation (DOT) to report on the establishment of an Office of Construction Coordination. The Department's response is attached.

The Department reports that three new positions would be required to establish an Office of Construction Coordination to coordinate various construction projects in the City's public right-of-way. This is a new request that was not submitted as part of the 2016-17 Proposed Budgets from DOT, the Bureau of Engineering, or the Department of City Planning. Because this is a new request, more analysis is required before adding these positions and creating a new Department or Bureau.

This Office has estimated the costs for all positions and resources as follows:

Position	Direct Cost (6 mos)	Indirect Cost (Add/Delete)	Total (6 mos)	Direct Cost (12 mos)	Indirect Cost (Add/Delete)	Total (12 mos)
Supervising Transportation Planner I	\$59,253	\$30,596	\$89,949	\$118,506	\$48,075	\$166,581
Transportation Engineering Associate III	\$56,100	\$29,666	\$85,766	\$112,199	\$46,215	\$158,414
Geographic Information Specialist	\$41,028	\$25,219	\$66,247	\$82,055	\$37,322	\$119,377
Contractual Services			\$250,000			\$250,000
Total	\$156,381	\$85,481	\$491,962	\$312,760	\$131,612	\$694,372

This memorandum is provided for informational purposes only. There is no fiscal impact.

RECOMMENDATION

- That this Office be directed to report back about the potential establishment of an Office of Construction Coordination.

MAS:IR:06160161


Question No. 77

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: May 4, 2016

To: Budget & Finance Committee
c/o City Clerk, Room 395, City Hall
Attention: Honorable Paul Krekorian, Chair

From: Seleta J. Reynolds,  General Manager
Department of Transportation

Subject: **REPORT BACKS FOR FISCAL YEAR 2016-17 PROPOSED BUDGET – NO. 77**

QUESTION

Report back on the establishment of an Office of Construction Coordination. This Office can coordinate with the Bureau of Engineering in order to increase efficiency, transparency, cost savings, and quality of life for residents. The report back should focus on the feasibility of hiring three additional staff members for an Office of Construction Coordination, and an assessment of potential cost savings to the City by creating this Office.

RESPONSE

Through a collaborative discussion with the Bureau of Engineering (BOE) and the Department of City Planning (DCP), it was determined that the following three positions may comprise an Office of Construction Coordination, either as a new Department or a new Bureau in either the Department of City Planning, Bureau of Engineering, or Department of Transportation:

- 1 Supervising Transportation Planner
- 1 Transportation Engineering Associate III
- 1 Geographic Information Specialist

These positions would be responsible for coordinating construction projects in the City's public right-of-way, utilizing an integrated GIS-based system to manage the projects. See attached proposal for additional detail, including potential efficiencies realized through such coordination.

Should the positions be provided, the Departments and Bureau would seek to fill these positions based on the number of months funded.

SJR:ab

Attachment

c: Miguel A. Santana, City Administrative Officer

Proposed New Office of Construction Coordination

Last fiscal year, a Construction Coordination Task Force comprised of representatives from the Department of Transportation (DOT), the Bureau of Engineering (BOE), the Department of City Planning (DCP), the Bureau of Street Services (BSS), the Bureau of Contract Administration (BCA), and the Department of Water and Power, convened to develop a proposal to better coordinate various construction projects in the City's public right-of-way.

Each year, the City issues hundreds of permits to utility companies and contractors to cut into and excavate within City streets for their projects. With each street cut and excavation, the public is inconvenienced due to closed or obstructed streets for the duration of these projects. In addition to the disruption of utility and contract work in City streets, the Department of Public Works (DPW) and DOT perform street projects that also require closed or obstructed streets. Although each street cut and excavation is restored in accordance to City standards, these cuts can occur on the same streets or within the same geographic areas in a short period of time, which also can negatively affect the overall pavement life of the streets. Further, each of these projects represents an opportunity to implement improvements requested by the community or identified through other planning efforts in a cost-effective manner.

A collaborative discussion among DOT, BOE, and DCP has resulted in a proactive proposal for an Office of Construction Coordination that is expected to yield time savings through planning more efficient work schedules, improved street infrastructure due to fewer street cuts, and less disruption to City streets through fewer closures. A similar endeavor in the City of Chicago resulted in \$38.4 million in savings since its establishment in 2012 on duplicative street restoration, including \$14.5 million in 2014 alone.

Specifically, this Office will partner with utility companies to develop coordinated street construction projects with the aim of completing fully improved streets that will not require additional street cuts in the near-term for utility improvements. Similarly, instead of multiple utility companies performing one project at a time, this Office will work to coordinate work provided by multiples companies to take place at once, instead of performing one project at a time over a longer length of time, in order to minimize disruption. Furthermore, this coordination and complete street reconstruction can provide efficiency opportunities relative to the implementation of needed ADA accessibility ramps, multi-modal transportation improvements, streetscape enhancements, and water quality features by taking advantage of avoiding re-work compared to single purpose projects.

The proposed Office of Construction Coordination will perform outreach to stakeholders, maintain an integrated GIS system, and seek synergistic project opportunities. The following are the proposed resources:

- One (1) Supervising Transportation Planner;
- One (1) Transportation Engineering Associate III;
- One (1) GIS Specialist

Attachment

In addition to these positions, \$250,000 is requested to build on the development of the construction tracking tool on the City's GIS hub.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 112

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **DEPARTMENT OF CITY PLANNING – WILDLIFE CORRIDOR PROGRAM**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of City Planning (Department) to report on the resources needed to establish a wildlife corridor program, as well as, identify any efficiencies of combining the wildlife corridor and ridgeline programs.

At this time, the Department intends to utilize the resources allocated to support the General Plan Update to lay the foundational work necessary to establish a wildlife corridor. The General Plan Update, which includes an update to the City's Open Space Element (last adopted in 1973), will serve as a means of convening stakeholders (including environmentalists, residents, and key experts) to discuss the issues, concerns and opportunities for establishing a wildlife corridor and/or regional wildlife habitat linkage zone. After the foundational work has begun, the Department will be able to more clearly assess the staff and consultant resources that will be needed to fully implement a wildlife corridor program.

Unfortunately, the development of a single City-wide ridgeline ordinance is not practical due to the many varying ridgeline conditions that exist throughout the City, so the Department does not recommend combining the programs or utilizing the same set of staff to implement the work programs. Instead, the Department suggested using a Community Plan area as a pilot program to test the effectiveness of the preliminary provisions outlined in their 2011 report (C.F. 11-1441). The City is in the process of funding a substantial expansion of the Department's Community Planning Program, so the Department could consider ridgeline protection when prioritizing an update to a group of Community Plans.

The Department's memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:JLK:02160087c

Question No.388

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

TO: Honorable Members of the City Council
Budget and Finance Committee
c/o Miguel A. Santana, CAO

Attention: Jason Killeen, CAO Analyst

FROM: Vincent P. Bertoni, AICP 
Director of Planning
Department of City Planning

SUBJECT: **BUDGET REPORT BACK REGARDING WILDLIFE CORRIDOR
PROGRAM (BUDGET IMPACT NO. 388)**

The Department of City Planning was requested to report back on the wildlife corridor program (Council File 14-0518), including what resources are needed to implement the program and any efficiencies of combining the wildlife corridor program with the work for the proposed ridgeline ordinance.

Wildlife Corridor Program

In order to most expeditiously begin to address the needs and concerns expressed by the Council motion, including Amendment #1 approved by the Council, the Department intends to utilize the General Plan Update to initiate discussion around this important topic. The General Plan Update, which includes an update to the City's Open Space Element (last adopted in 1973), will serve as a means of convening stakeholders (including environmentalists, residents, and key experts) to discuss the issues, concerns and opportunities for establishing a Wildlife Corridor and/or Regional Wildlife Habitat Linkage Zone in the eastern area of the Santa Monica Mountains as well as within 500 feet of a National Park and the Rim of the Valley Corridor Special Resources Study Area. This early work will allow the Department to bring together subject matter experts who can advise as to the spatial and habitat needs of the various species which would most benefit from the establishment of a wildlife corridor. These discussions, which will further benefit from input from local residents who understand the particular needs of hillside communities, will also provide the basis for understanding the extent of any needed zoning restrictions and/or buffers between developed property and a wildlife corridor.

While the General Plan Update is not expected to be completed until 2020, the early convening of stakeholders during Fiscal Year 2016-17 will identify important goals, objectives, policies and programs that will firmly establish the City's position and intent relative to Wildlife Corridors and Habitat Linkage Zones. Once this early foundational work has been initiated, the Department will be able to more clearly assess the staff and consultant resources that would be needed to fully develop a Wildlife/Habitat ordinance package. The General Plan Update would likely highlight the value of a Wildlife Corridor, map preliminary Corridor boundaries, and set target objectives for preserving and expanding habitat areas for select species. Any zoning requirements (fence locations/design, building setbacks, etc.) for the future development of private property within or proximate to a wildlife corridor and/or the establishment of a Linkage Zone would require a zoning ordinance.

Ridgeline Ordinance

The Department appreciates the suggestion to consider potential synergies between the development of the wildlife corridor program and the ridgeline ordinance, as there may be significant overlap in the geographies affected. The development of a ridgeline ordinance, however, requires a very different set of stakeholders and experts from the Wildlife Corridor discussion. Whereas the Wildlife Corridor seeks to offer open space and habitat for native wildlife, the Ridgeline Ordinance is more specifically focused on the need to protect ridgeline areas from over-concentration of development for the express purpose of preserving the natural aesthetics of the surrounding environment.

As explained in the Department's 2011 Report on Ridgeline Protection, prepared in response to Motion 11-1441, the development of a single citywide ridgeline ordinance is not practical due to the many varying ridgeline conditions that exist throughout the City. Instead, the report suggested that a community plan area be selected as a pilot program to test the effectiveness of the preliminary provisions outlined in the 2011 Report.

As the Department is in the process of funding a substantial expansion of our Community Plan program, ridgeline protection will be considered in concert with the many other issues that the Department considers when initiating an update of a Community Plan. Therefore, at this time there are no additional funds needed for this program as any efforts to pursue ridgeline protection will be pursued with the resources allocated to the Community Plan update.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 113

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – DOWNTOWN LOS ANGELES WOMEN’S SHELTER REQUEST FOR FUNDING**

During its consideration of the Los Angeles Homeless Services Authority’s (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report about the request for funding for the Downtown Women’s Shelter’s (DWS) housing gap analysis and trauma-informed care training proposals.

Attached is a report from LAHSA discussing the DWS requests. Before funding the requests, the following questions may help structure the resultant studies:

- Distinguish between the needs assessment requested versus a needs assessment performed by DWC every three years;
- Indicate when the last needs assessment was performed;
- Given that both a needs assessment and training is presumably needed Countywide, what funds will the County contribute;
- Indicate whether an expansion of any ongoing assessments might be an alternative to initiating a new study; and,
- Indicate how frequently trauma-informed care training should be provided, and whether such training is required on an ongoing basis.

FISCAL IMPACT STATEMENT

The total General Fund impact during 2016-17 of increasing the funding in accordance with the Downtown Women’s Shelter’s request is \$78,400. Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:KDU:02160122

Question No. 548

Attachment



May 3, 2016

To: Budget and Finance Committee

From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – DOWNTOWN WOMEN’S CENTER HOUSING GAP ANALYSIS AND TRAUMA INFORMED CARE TRAINING**

Peter Lynn
Executive Director

During its consideration of the Los Angeles Homeless Service’s (LASHA) 2016-17 Proposed Budget, the Budget and Finance Committee requested that LASHA report back on the Downtown Women’s Center (DWC) request for a housing gap analysis and trauma informed care training. DWC’s request is specific to City Strategy 9K: Women’s Homelessness – Domestic Violence. This strategy has been identified as a priority for FY 2016-17.

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DWC is requesting \$60,000 be earmarked for a housing gaps analysis paired with a needs assessment specific to homeless women, and homeless women who have experienced domestic violence. The strategy instructs LAHSA, HCID and the City Domestic Violence Task Force to conduct a housing gap analysis for all homeless women that includes the supportive services essential to addressing their needs. While LAHSA is in a position to draw from existing HMIS data for the housing gaps analysis, housing programs serving individuals and families fleeing domestic violence are not required to enter data into HMIS. Support service needs are also not data elements collected in HMIS. To adequately respond to the analysis requested requires an additional layer of data collection. For example, DWC conducts a needs assessment for homeless women in Skid Row every three years, a few questions from which could be considered for inclusion in the 2017 Homeless Count Demographic Survey to gather countywide data. This funding would be used to bring on a research partner to support the coordination, development and implementation of the gaps analysis paired with a needs assessment.

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While an analysis of the housing and support service needs will develop the longer-term strategy, to meet a level of the immediate needs of homeless women, including those experiencing domestic violence, DWC recommends that staff from agencies that interface with these women be trained in Trauma Informed Care. Trauma Informed Care is an evidence based practice that is effective for all individuals who have experience trauma. Experiencing homelessness is traumatic, so while the strategy focuses on homeless women, the skillset is applicable and critical when interfacing with any individual and family experiencing homelessness. 2016 Homeless Count data indicates significant experiences of domestic violence among homeless women, transition age youth, and individuals who identify as transgender. DWC is one of two agencies in Los Angeles County that are trained to provide this type of capacity building. DWC is requesting \$18,400 to conduct Trauma Informed Care trainings with staff from agencies that interface with homeless women, include: Emergency Response Teams, Libraries, Police, Bureau of Sanitation, and other first responders.

No fiscal impact determined at this point.

This memorandum is provided for informational purposes only.

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 114

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – UNITED WAY OF LOS ANGELES REQUEST FOR ADDITIONAL COORDINATED ENTRY SYSTEM REGIONAL COORDINATION FUNDING**

During its consideration of the Los Angeles Homeless Services Authority's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report regarding the United Way of Los Angeles's request for additional funding for the Coordinated Entry System (CES) Regional Coordination.

Attached is a report from LAHSA discussing the United Way's request and indicating support for additional regional coordination funding beyond the \$700,000 provided in the 2016-17 Homeless Budget. It should be noted that the additional funding request included in LAHSA's letter dated April 22, 2016 to the Committee for this purpose totaled \$1.3 million; however, LAHSA's attached memo now indicates support for Councilmember Harris-Dawson's written proposal of an additional \$800,000 for regional coordination to be included in the Homeless Budget.

FISCAL IMPACT STATEMENT

The total General Fund impact during 2016-17 of increasing the funding in accordance with the United Way of Los Angeles's request for additional regional coordination funding is between \$800,000 and \$1.3 million, depending on which funding recommendation is selected. Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:KDU:02160121

Question No. 547

Attachment



May 3, 2016

To: Budget and Finance Committee
From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority
Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – CES REGIONAL COORDINATION**

During its consideration of the Los Angeles Homeless Service’s (LASHA) 2016-17 Proposed Budget, the Budget and Finance Committee requested that LASHA report back on the United Way of Los Angeles request related to CES regional coordination.

Peter Lynn
Executive Director

United Way’s request aligned with LAHSA’s original budget request for CES Regional Coordination (\$2 million). CES Regional Coordination in the 2016-17 Proposed Budget is a line item of \$700,000, continuation of current FY2015-16 funding levels. CES Regional Coordination funds our community-based providers to staff and carry out roles vital to the effective integration of different elements of our Coordinated Entry System. Because The City’s approved Comprehensive Homeless Strategy and this proposed budget calls expansion of that role, LAHSA recommended an increase in funding. Recognizing the significant gap between the requested budget and the approved budget regarding this critical CES function, Councilmember Harris-Dawson also submitted a request for an additional \$800,000 to be added to CES Regional Coordination. LAHSA supports Councilmember Harris-Dawson’s request for an additional \$800,000 to be added to CES Regional Coordination. This would make a total of \$1.5 million available for CES Regional Coordination. The recommended increase in funding would be included in LAHSA’s upcoming CES Request for Proposals, with a target release date of May 2016.

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FISCAL IMPACT STATEMENT

The General Fund impact of increasing the funding for Regional Coordination is \$800,000.

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 115

Date: May 4, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer Subject: **INFORMATION TECHNOLOGY AGENCY – RESTORATION OF 311 CALL CENTER HOURS AND ADDITIONAL METRICS**

During its consideration of the Information Technology Agency (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on funding requirements for the restoration of 311 Call Center (Call Center) hours and with additional metrics. Attached is the Department's response.

The Department currently receives 85 percent of 311 calls during operating hours. By increasing the Call Center's operating hours by three hours, they can respond to 95 percent of incoming calls. The Department is requesting direct funding in the amount of \$242,861 to expand Call Center hours from 8:00 am – 4:45 pm to 7:00 am – 7:00 pm. To return the Call Center operation to 24 hours a day, the Department would require \$700,000 in direct funding. In addition, the Department indicates that call volume is likely to increase once the MyLA311 outreach campaign begins in the Fall. The Department will address the possible increase in workload once the effect of the campaign is known.

FISCAL IMPACT STATEMENT

The General Fund impact of adding four Communications Information Representatives for nine-months would be \$242,861 to cover direct costs and \$137,224 for related costs. Positions for the Call Center are generally funded with special funds, however, as those funds are allocated in the proposed budget and are currently unavailable, this cost would be a General Fund obligation. Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:CEA:11160096

Question No.325

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

REF: FAS-071-16

To: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 460

Miguel Santana, City Administrative Officer

From: Ted Ross, General Manager *Ted Ross*
Information Technology Agency

Subject: **RESPONSE TO BUDGET & FINANCE COMMITTEE QUESTION 325 –
FY 2016-17 PROPOSED BUDGET**

Pursuant to the FY 2016-17 Council budget hearing, the following responses are provided regarding ITA's proposed staffing.

Question No. 325: Report back with additional 3-1-1 metrics and a plan and funding requirements for the restoration of call center hours.

Access to City services continues to improve through 311. In the last year, more than 1,000,000 requests were fulfilled (10.4% of those through the 311 site and MyLA311 mobile app). Wait times are currently averaging 1.4 minutes, and use of self-service options via MyLA311 is continuing to grow.

ITA evaluated extending 311's hours in 2014 and found that 85% of all the calls to 311 come in during the operating hours of 8:00 a.m.-4:45 p.m., see image to right. Call volume/patterns have not changed significantly since then, and the department believes that by merely extending weekday business hours to 7:00 a.m.-7:00 p.m., we would answer 95% of all calls to 311. Weekend traffic is much lighter, so we recommend keeping the current weekend hours of 8:00 a.m.-4:45 p.m. To extend weekday hours to 7:00 a.m.-7:00 p.m. without negatively impacting wait times or the call abandonment rate, ITA would require four additional CIR positions (call takers) and one supervisor position. This is estimated to cost \$380,000 annually. We would recommend phasing in these positions (and associated cost) as we work to increase adoption of the mobile app and web submissions.

Calls Per Hour Weekdays Overview				
Hour	Avg Calls Received Per Hour	% of total Rec'd		
12:00 AM	7	0.2%		
1:00 AM	4	0.1%		
2:00 AM	4	0.1%		
3:00 AM	3	0.1%		
4:00 AM	3	0.1%		
5:00 AM	7	0.2%		
6:00 AM	32	0.7%		
7:00 AM	219	5.1%		
8:00 AM	505	11.7%		
9:00 AM	475	11.0%		
10:00 AM	454	10.5%		
11:00 AM	411	9.5%		
12:00 PM	370	8.6%	8a-5p	7a-7p
1:00 PM	391	9.1%	of	of
2:00 PM	405	9.4%	Rcv'd	Rcv'd
3:00 PM	398	9.2%		
4:00 PM	271	6.3%		
5:00 PM	128	3.0%		
6:00 PM	80	1.9%		
7:00 PM	50	1.2%		
8:00 PM	32	0.7%		
9:00 PM	25	0.6%		
10:00 PM	20	0.5%		
11:00 PM	15	0.3%		
		100.0%		

Honorable Paul Krekorian
Chair, Budget and Finance Committee
May 4, 2016
Page 2

To return 311 Call Center operation to 24 hours a day, the ITA analysis reflected needing to add 12 new CIR II positions, one CIR III position, and three supervisor positions at an estimated cost of \$1.1 million annually. It may also be possible to partner with other City call centers that are already staffed 24x7, training and utilizing their staff to provide 311 services during periods when 311 would be closed, since the anticipated call volume after 7:00 p.m. is very light.

We do anticipate an increase in overall 311 call volume once the MyLA311 outreach campaign begins this Fall (in coordination with the Mayor's office and the Department of Public Works). Many 311 cities average one call per resident per year (annual call volume equals the city's total population). Once the outreach campaign gets underway we will have a better idea whether any additional resources are needed, depending on sustained call volume increases and the greater push to mobile and web processing, which may better balance the load.

Additionally, with the added complexity of the City facing the "Silver Tsunami" and mass retirement of staff, it is both imperative and an excellent opportunity for the City to properly track and manage an entirely new generation of City employees. This would help ensure that both the employee payroll, as well as the next generation retirement payroll are accurately tracked and calculated for the future financial stability of the City.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 116

Date: May 4, 2016

To: Budget and Finance Committee

From:  Miguel A. Santana, City Administrative OfficerSubject: **LOS ANGELES HOMELESS SERVICES AUTHORITY – ACCESS VS NAVIGATION CENTERS**

During its consideration of the Los Angeles Homeless Services Authority's (LAHSA) 2016-17 Proposed Budget, the Budget and Finance Committee requested LAHSA to report about the difference between access and navigation centers and to provide metrics that compare the service provision at each type of center, along with the location and services provided.

Attached is a report from LAHSA indicating that access and navigation centers offer the same services. The access centers are currently in operation and are proposed to be backfilled with General Fund appropriations. LAHSA developed its 2016-17 budget proposal intending to request General Fund monies to maintain existing access centers for which seeking federal funding is now discouraged, and to make that request distinct from the one to open new (navigation) centers offering the same services. Going forward, all such centers will be referred to as navigation or open door centers. No metrics comparing these centers apply. If there is continued interest in outcomes and locations for existing and proposed centers that provide services such as safe parking, mobile showers, toilets, voluntary storage and connection to housing services, a special study should be requested.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:KDU:02160125

Question No. 568

Attachment



LAHSA
LOS ANGELES
HOMELESS
SERVICES
AUTHORITY

May 4, 2016

To: Budget and Finance Committee

From: Peter Lynn, Executive Director, Los Angeles Homeless Services Authority

Subject: **Report back regarding the access centers vs navigation centers. What's the difference between the two? Provide metrics that compare the service provision at each type of center and the location and services provided.**

Peter Lynn
Executive Director

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There is no significant distinction between the old term "Access Center" and the new term "Navigation Center". They represent different line item to distinguish between requests to backfill lost "Access Center" funding vs. the funding requested to create new "Navigation Centers". Both site names will be known solely as Navigation Centers in the future. All Navigation Centers are being assessed to provide the greatest number of services appropriate to the site. The services for which each site is being assessed includes: safe parking; mobile showers; toilets; voluntary storage; and, connection to housing services.

This memorandum is provided for informational purposes only. There is no fiscal impact.

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Budget and Finance Committee

From:  Miguel A. Santana, City Administrative Officer 

Subject: **HOUSING AND COMMUNITY INVESTMENT DEPARTMENT – RESOURCES REQUIRED TO PROVIDE OVERSIGHT FOR CITY FUNDS TRANSFERRED TO THE LOS ANGELES HOMELESS SERVICES AUTHORITY**

The Budget and Finance Committee requested a report on the resources that the Housing and Community Investment Department (HCID) requires to provide appropriate oversight and reporting for homeless funding transferred to the Los Angeles Homeless Services Authority (LAHSA).

In its letter to the Committee, HCID requested position authority for two Management Analyst Is and General Funds in the amount of \$235,474 to finance these positions and partially finance an existing Senior Project Coordinator. After further review, HCID has revised its request and is now requesting approximately one percent of the proposed 2016-17 General Fund budget for LAHSA (\$485,858) and resolution authority for two Management Analyst Is. The table below shows the breakdown of HCID's request for General Funds:

Breakdown of HCID Request Additional General Funds

Position	Annual Salary Cost	Salary Percentage	General Fund
Sr Project Coordinator	\$ 105,131	50%	\$ 52,566
Project Coordinator	\$ 88,400	15%	13,260
Administrative Clerk	\$ 52,199	60%	31,319
Related Costs			68,006
Accountant II	\$ 71,666	35%	25,083
Auditors	\$ 71,666	35%	25,083
Related			41,031
Management Analyst I	\$ 77,510	9 months	58,133
Management Analyst I	\$ 77,510	9 months	58,132
Related Costs			60,530
Total for Salaries and Related Costs			\$ 433,143
Costs for General Administration and Support			52,715
Total Request for LAHSA Contract Monitoring:			\$ 485,858

Currently, HCID has assigned one Senior Project Coordinator, one Project Coordinator and one Administrative Clerk to in its Homeless Services Unit (HSU) to provide administrative oversight and contract administration for six contracts with LAHSA to provide City-funded homeless service programs. Additionally, these staff members conduct annual on-site monitoring of LAHSA and quarterly on-site monitoring of a sample of LAHSA subcontractors that provide services utilizing City funds. These positions are currently funded by the Community Development Block Grant, Affordable Housing Trust Fund, and the Emergency Solutions Grant.

The HSU is supported by accounting staff members who process invoices and fund transfers related to the LAHSA contracts and administrative and executive staff who conduct general administrative support functions. These positions would be partially funded by this request. The HCID states that General Funds are needed to finance oversight of LAHSA activities, due to reductions in its CDBG administration allocation and that the contract work performed by LAHSA is General Funded.

The HCID states that the requested positions would provide the capacity needed to increase the number of quarterly on-site subcontractor monitoring reviews, provide increased oversight of LAHSA's three program delivery systems, and provide more timely and efficient reports on homeless program data and outcomes.

FISCAL IMPACT STATEMENT

The General Fund impact of HCID's request to fund new and existing positions providing oversight for LAHSA homeless service programs would be \$485,858 including indirect costs. Alternatively, this Office could work with HCID to identify existing resources and vacant position authorities that could be utilized to expand the capacity of the HSU and mitigate or eliminate the need for an additional General Fund allocation. Further analysis would be needed to review the justification and determine the impact to LAHSA and HCID of their request for approximately one percent of LAHSA's General Fund budget.

Should this request be funded, offsetting General Fund revenues or reductions to appropriations will need to be identified.

MAS:NSC:02160105C

Question No. 504

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 118

Date: May 4, 2016

To: Budget and Finance Committee

From:  Miguel A. Santana, City Administrative Officer Subject: **HOUSING AND COMMUNITY INVESTMENT DEPARTMENT- DEVELOPMENT OF ASSESSMENT OF FAIR HOUSING**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report back on the Housing and Community Investment Department's (HCID) request in their letter for \$150,000 for an Assessment of Fair Housing (AFH) in the City. On July 16, 2015, the U.S. Department of Housing and Urban Development (HUD) published its Affirmatively Furthering Fair Housing final rule. The final rule institutes a process to analyze the local fair housing landscape and set fair housing priorities and goals through the development of an AFH every five years in advance of a new Consolidated Plan (Con Plan). HCID requests \$150,000 in General Funds to contract with a qualified expert consultant to assist in the development of an AFH. HUD requires that the initial AFH be submitted 270 days prior to when the City's new five-year Con Plan is due, which would be by June 2017.

The HCID states that the fair housing consultant contract is an eligible Community Development Block Grant (CDBG) administration expense. However due to recent reductions in CDBG funds, HCID states that it does not have the ability to use CDBG funds to pay the contractor. The table below is an estimated cost breakdown of the \$150,000 for the requested fair housing consultant:

AFH MILESTONES	COST
1. Data Collection and Analysis (Using the Assessment Tool and Analyzing Data/Completion of the AFH)	\$40,000
2. Community Participation Process	25,000
3. Analysis of Fair Housing Issues and Contributing Factors	30,000
4. Public Presentation of Draft AFH	10,000
5. AFH Draft	20,000
6. Final AFH (Presentation to City Council and City approval legislative process prior to HUD submission)	15,000
7. Revision and Resubmission of AFH	10,000
TOTAL COSTS FOR AFH CONSULTANT	\$150,000

The HCID states that the AFH requirements are extensive and a fair housing consultant is needed to assist the City in developing its AFH. HCID requests the services of a fair housing expert to collaborate with City staff to complete the City's AFH. The consultant would provide an objective view of the City's programs, policies, zoning, funding, and practices from a fair

housing perspective. In addition, the consultant would assist HCID in crafting a meaningful AFH Plan by offering recommendations to the City in establishing key metrics and milestones to identify fair housing measurable outcomes and setting timeframes based on data and geospatial analysis, as well as perform other key tasks. Further, a consultant is necessary to substantially address the AFH requirement of identifying local data and local knowledge (data specific to the City); engage City residents and stakeholders through an extensive community participation process to obtain local information; create original sets of data and indicators based on gathered local knowledge; develop maps and tables by utilizing HUD and local data; respond to public comments; and complete an AFH Plan that meets HUD's prescribed requirements.

If approved, HCID would release a Request for Proposals (RFP) by mid-July 2016. HCID expects the RFP process to be completed and ready for Mayor and Council review and approval by the end of November 2016, and to execute the contract by February 2017. HCID provided the attached proposed calendar for the RFP process.

FISCAL IMPACT STATEMENT

The General Fund impact of funding HCID's request for a fair housing consultant to assist HCID in the development of an AFH in the City would be \$150,000. Should this request be funded, offsetting General Fund revenues or reductions to appropriations would need to be identified.

MAS:LJS:02160107C

Question No. 494

Attachment

ASSESSMENT OF FAIR HOUSING CONSULTANT SERVICES

REQUEST FOR PROPOSALS (RFP)

PROPOSED CALENDAR

	TASK	ESTIMATED DATE OF COMPLETION
1.	Request for authority to release RFP transmitted to City Council and Mayor	Week of May 30, 2016
2.	Authority to release RFP granted by City Council and Mayor	Week of June 27, 2016
3.	Release of RFP	Week of July 11, 2016
4.	Mandatory Proposers' Conference	Week of July 18, 2016
5.	Proposals Submission Deadline	Week of September 5, 2016
6.	Complete review of proposals/release recommendations	Week of October 31, 2016
7.	Complete appeals process, if necessary	Week of November 14, 2016
8.	Transmit funding recommendations to City Council and Mayor	Week of November 28, 2016
9.	City Council and Mayor approval of funding recommendations	Week of December 26, 2016
10.	Release of award letters to proposers	Week of January 2, 2017
11.	Begin contract execution process	Week of January 9, 2017
12.	Contract start date	February 1, 2017

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 119

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **INFORMATION TECHNOLOGY AGENCY – STUDY ON PAYROLL REPLACEMENT**

During its consideration of the Information Technology Agency (Department) 2016-17 Proposed Budget, the Budget and Finance Committee (Committee) requested the Department to report on the potential to integrate critical systems such as payroll, PaySR, and FMS. In addition, the Committee requested information about the purpose of the \$500,000 study on PaySR replacement. Attached is the Department's response.

The 2016-17 Proposed Budget includes one-time Contractual Services funding in the amount of \$400,000 for a vendor to begin the process of identifying and documenting the City's requirements for a replacement payroll system and potentially for a centralized Human Resources Management System (HRMS). Currently, the systems for payroll (PaySR) and financial management (FMS) are integrated. PaySR performs a number of human resource functions, but is not a HRMS. Funding for this request would be used to define the human resources scope in a way that may allow the City to eliminate the use of paper processes, which can be labor intensive and inconsistent across departments. Additional Contractual Services funding in the amount of \$113,750 is included to enable the PaySR contractor to assist with this process.

This memorandum is for information only. There is no fiscal impact.

MAS:CEA:11160095

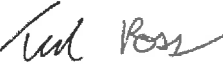
Question No.323

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016 REF: FAS-070-16

To: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 460

Miguel Santana, City Administrative Officer

From: Ted Ross, General Manager 
Information Technology Agency

Subject: **RESPONSE TO BUDGET & FINANCE COMMITTEE QUESTION 323 –
FY 2016-17 PROPOSED BUDGET**

Pursuant to the FY 2016-17 Council budget hearing, the following responses are provided regarding ITA's proposed staffing.

Question No. 323: Report back on the potential to integrate critical systems such as payroll, PaySR, and FMS. What is the purpose of the \$500K study on PaySR replacement that is included in the budget?

The City's Payroll System - PaySR, serves over 17,000 users across the City and processes a payroll of over \$143M every 2 weeks, paying over 40,000 employees citywide. Since its inception in 2001, PaySR has become a highly customized and complex system that performs functions far beyond its original conception. Since the system was developed by a small business, Bob Hess & Associates, there is tremendous risk in the limited number of people that fully understand and support the operations of the system. Previous attempts by City employees to take on the maintenance and support of PaySR were unsuccessful for several reasons. This situation has come to a head as Mr. Hess has indicated that he is planning to retire in 2018, and the business and technical staff cannot maintain and support the system, due to in large part to its highly customized nature.

A recent independent study on the potential risk factors of the PaySR system by KPMG found that the system "is not a sustainable, reliable payroll solution for the long term and it will need to be replaced....Short-term mitigation strategies can assist the City in ensuring that the PaySR system is stable and available to support payroll function while the City prepares for replacement of Payroll solution."

The solution is two-fold, the improved support of the existing PaySR system and the beginning of a replacement process (aka the Human Resource Management System project). This funding is the beginning of the PaySR replacement project, seeking to gather requirements for the replacement system, recommendations for the types of solutions that would best meet the City's needs, and development of a Request for Proposal (RFP) for the new system. Leading practices in the management of payroll systems include the use of a focused Human Resource Management System (HRMS) for the larger HR needs, in addition to the payroll function. The HRMS would provide all

Honorable Paul Krekorian
Chair, Budget and Finance Committee
May 4, 2016
Page 2

of the necessary tools for the City to effectively manage its "human capital", including, but not limited to, recruitment tools, hiring and personnel actions, digital employee records with complete history, position control, statutory compliance, employee skills inventory, training and learning management, workforce planning, employee and manager self-service, grievance handling, and the payroll functions. Payroll could likely be a "module" which executes payment based on data provided by the human resource and timekeeping modules. Because the City has lacked an integrated, enterprise-wide human resource management system, departments have been left to their own devices to manage important HR functions, and many have created shadow systems with interpretations of the rules and regulations. Having a central HRMS would eliminate the disparate systems - including all the development, support and maintenance costs, along with reducing the City's exposure to legal risks and liability with the varied interpretations of the rules and regulations, as well as providing a centralized data sharing and reporting repository for one of the most critical and expensive resources the City has, it's personnel.

Additionally, with the added complexity of the City facing the "Silver Tsunami" and mass retirement of staff, it is both imperative and an excellent opportunity for the City to properly track and manage an entirely new generation of City employees. This would help ensure that both the employee payroll, as well as the next generation retirement payroll are accurately tracked and calculated for the future financial stability of the City.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 120

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *Blk RW*

Subject: **DEPARTMENT OF ANIMAL SERVICES – SALARIES AS-NEEDED FUNDING AND EXECUTIVE ADMINISTRATIVE ASSISTANT POSITION**

During its consideration of the Department of Animal Services (Department) 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the requests in the Department's Letter regarding Salaries As-Needed funding and an Executive Administrative Assistant position.

The Proposed Budget includes a \$253,000 reduction to the Department's Salaries As-Needed Account from \$553,376 to \$300,376. The Department's letter expresses concern that this reduction will impact licensing, canvassing, adoptions, and positions that keep the shelters open on weekends.

The Department's Salaries As-Needed Account budget has been adjusted over the years to reflect anticipated expenditures. The table below provides a history over the last five years and shows that the Department has been actively utilizing its as-needed employees this current year to address the backlogs in the Department in comparison to previous years.

Fiscal Year	Adopted Budget	Actual Expenses
2015-16	\$553,376*	\$399,051
2014-15	\$657,826	\$313,300
2013-14	\$341,794	\$258,010
2012-13	\$266,794	\$239,137
2011-12	\$266,794	\$181,829

* \$116,032 is provided by the Animal Sterilization Trust Fund

The Department's Letter also included a request for position authority of one Executive Administrative Assistant without funding. The Department's Proposed Budget requested a Commission Executive Assistant I and an Executive Administrative Assistant to support the activities of the Board of Animal Services Commissioners and the administrative needs of the Department's two Assistant General Managers; however, these positions were not included in the Proposed Budget.

FISCAL IMPACT STATEMENT

The General Fund impact of restoring funding in the Salaries As-Needed Account is \$253,000. The addition of an Executive Administrative Assistant position with funding will cost \$159,511, consisting of \$72,416 in direct costs and \$87,095 in related costs. Should an

appropriation be made for these purposes, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:FGO:04160102

Question No. 345

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 121

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *MAS*

Subject: **DEPARTMENT OF ANIMAL SERVICES – VOLUNTEER PROGRAM**

During consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Animal Services to report on the stagnation in the volunteer program and potential funding options for the requested volunteer coordinator position. The Department's response is attached.

This memorandum is for informational purposes only. There is no fiscal impact.

MAS:FGO:04160116

Question No. 342

Attachment

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ANIMAL SERVICES
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**DEPARTMENT OF
ANIMAL SERVICES**
221 N. Figueroa Street
6TH Floor, Suite #600
Los Angeles, CA 90012

(888) 452-7381
FAX (213) 482-9511

BRENDA F. BARNETTE
GENERAL MANAGER

DANA H. BROWN
ASSISTANT GENERAL MANAGER

DEREK BROWN
ASSISTANT GENERAL MANAGER

May 4, 2016

Budget and Finance Committee
c/o Felicia Orozco, Office of the City Administrative Officer
200 N. Spring Street, Room 395
Los Angeles, CA 90012

SUBJECT: QUESTION NO. 342 - WHY IS THERE STAGNATION IN THE VOLUNTEER PROGRAM? CAN THE REQUESTED VOLUNTEER COORDINATOR POSITION BE FUNDED THROUGH SALARY SAVINGS OR THE ANIMAL WELFARE TRUST FUND? WHAT OTHER FUNDING OPTIONS ARE AVAILABLE?

BACKGROUND

The Volunteer Program is an integral part of the Department's success. Not only does it help to increase the amount of services we are able to provide to the public, it also solicits community participation through recruiting volunteers from within the community we serve. In past years, the Department was staffed with a professional Volunteer Coordinator. That position was responsible for recruitment, management, training, and tracking of the program participants as well as coordinating and staffing special events that required the use of volunteers. Likewise, the Volunteer Coordinator served as a liaison to community leaders and partnership organizations to carry the message of the Department and solicit support. That Volunteer Coordinator position authority was deleted from the budget five years ago after the incumbent left for a higher paying position in the private sector. Currently, the Department relies on the services of an Animal Care Technician to handle the day to day operation of the program which includes conducting orientations, tracking volunteer hours, and coordinating special events.

During the years following the position deletion the program stagnated. Volunteer hours declined and few new volunteers were joining the program. In the current fiscal year, the Department implemented a couple of basic strategies to increase participation such as open orientations. Before the change participants were required to complete a volunteer application and schedule themselves for the orientation. Now we have removed the requirement to pre-schedule and allow anyone who is interested in the program to attend the orientation. A monthly comparison of March 2015 and 2016 shows a 28% increase in the number of volunteers in the program and a 26% increase in the number of volunteer hours worked overall.

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	March 2016	March 2015	% Change
# of Volunteers in the Program	4985	3904	28%
# of Volunteer Hours Worked	4903	3887	26%
# of Orientations Conducted	6	6	0%
# of Attendees at Orientations	148	71	108%

This change was basic in nature and certainly not enough to bring the program to the robust level it should be. Having a professional manager for the program will close that gap and optimize the benefits of the program. Some of the direct benefits of this program can be identified in three categories:

- 1) Animal enhancement
 - *Animal health:* Volunteers assist in out-of-kennel animal exercise.
 - *Better Adoptions:* Volunteers assist in animal playgroups and have intimate knowledge which can assist in matching animal personalities with prospective human adopters.
 - *Faster adoptions:* Volunteers shorten the length of animal stays by providing extensive knowledge of each shelter’s animal inventory to assist shelter visitors.

- 2) Shelter enhancements
 - *Communication with public:* Volunteer assist in the selection process by providing background information to prospective adopters.
 - *Assistance to ACTs:* Volunteer presence in the shelters assists with daily caring/feeding for animals and in the adoption.
 - *Organization structure:* Volunteers fill a long-term budget gap of too few ACTs.
 - *Budget:* When fully operational, the Volunteer Program will generate efficiencies and savings to offset the cost of this position.

- 3) Outreach
 - *Word of mouth:* Having a large pool of volunteers helps with adoption outreach for large adoption events and everyday visits to City shelters from members of the public seeking an adoption animal).
 - *Community:* Increased satisfaction by volunteers in local neighborhoods also increases the positive perception of our local shelter.

FUNDING

The Department has historically had salary savings within the budget to provide assistance with filling unfunded positions. In the upcoming budget, however, there is little expectation for adequate savings. The annual cost for a full-time Volunteer Coordinator ranges from \$54,810 (Step 1) to \$80,137 (Step 15). It is anticipated that an outside candidate with work experience and expertise would require a salary within the range commensurate with his/her expertise and experience.

In the event the Department is unable to fund the position through salary savings, we are prepared to ask the Board of Animal Services Commissioners to fund the position for one year. In that time it is anticipated that a future budget request for the position would be supported by

statistics proving the value and benefit of the investment. The funds of the Animal Welfare Trust Fund are restricted to certain uses. Pursuant to Charter Section 5.200(b):

"The Fund shall be used to augment established programs and activities of the Department of Animal Services, other than those involving pet sterilization, and may be used for the acquisition, construction and maintenance of land and capital improvements and the purchase of equipment, services or furnishings in support of such programs and activities, subject to any special terms or conditions attached to individual gifts, contributions or bequests to the City."

While the language is not specific with regard to the salaries, the City Attorney's Office has consistently taken the position that the Animal Welfare Trust Fund, along with other similar funds, cannot be used to pay City salaries. They are currently looking into whether the funds can be used to pay a contractor to provide services that fall within the definition of the section if it can be shown that they *"augment established programs and activities of the Department."*

Thank you for the opportunity to provide additional information that will assist you in this process.

Respectfully submitted,



BRENDA F. BARNETTE
General Manager

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 122

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

PJK
RWSubject: **HOUSING AND COMMUNITY INVESTMENT DEPARTMENT – REQUEST FOR
ADDITIONAL SEISMIC RETROFIT PROGRAM HEARING OFFICERS**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report back on the Housing and Community Investment Department's (HCID) request in their letter for additional hearing officer positions for the seismic retrofit program. HCID requests \$105,000 in General Funds for contractual services for additional contracted hearing officer services. The Hearings Unit schedules and administers hearings related to violations of the Housing Code. The Hearings Unit currently has nine staff positions including one Management Analyst II, one Management Assistant, one Senior Administrative Clerk, and six Administrative Clerks. The current staff performs all necessary work to conduct between 1,400 to 1,500 hearings per year, including regular Tenant Habitability Plans (THPs) and Rent Adjustment hearings.

On October 9, 2015, the Council adopted Ordinance 183893 (C.F. 14-1697-S1, effective November 22, 2015) mandating the seismic retrofit of residential buildings. Ordinance No. 183893 requires owners to obtain all necessary permits for rehabilitation or demolition within two years from the date of the order, and seven years from the date of the order to complete all necessary construction or demolition. For Fiscal Year 2016-17, HCID estimates that 699 seismic retrofit THPs (26%) and 42 Seismic Work Rent Adjustment Determinations (7%) would be appealed, a total of 741 in additional hearings (53 percent increase). For 2017-18, HCID estimates a total of 783 in additional hearings (56 percent increase).

The HCID currently employs a pool of five contracted Hearing Officers who provide legally mandated hearings for over 14 types of cases including THP and Rent Adjustment cases. Due to the various types of hearings, workload for Hearing Officers varies. Upon receiving an appeal, HCID staff would schedule a public hearing with a designated hearing officer who issues the final decision. HCID states that seismic retrofit work is expected to start from the time that the Los Angeles Department of Building and Safety (LADBS) issues the Order to Comply to the properties. Issuance of the citations will trigger seismic work, applications and appeals to HCID. Based on LADBS's most recent assessment, it is anticipated that LADBS will start issuing these citations in mid-May 2016.

Within the last two months, the Hearings Unit has received four seismic retrofit THPs appeals from property owners who are voluntarily complying with the ordinance. HCID has not received any rent adjustment applications, which is reasonable because the rent adjustment applications are not submitted until all the seismic retrofit work is complete. The THP appeals came from property owners who have taken proactive steps to comply with the ordinance prior to being issued an order by LADBS. Once LADBS begins issues the Order to Comply to the properties, the workload will increase. HCID estimates that the contracted hearing officers'

workload would increase by a maximum of five additional cases per hearing session or 155 additional hearing sessions per year.

The funding sources for the five Hearing Officer contracts are the Rent Stabilization (RSTF) and Systematic Code Enforcement (SCETF) Trust Funds. For Fiscal Year 2016-17, Funding for the Hearing Officers are estimated to be split: 5% from RSTF and 95% from SCETF. The funds utilized are based on the types of cases heard. The hearing officers are paid on a per-hearing-session basis. The HCID states that the seismic retrofit program costs cannot be paid from the two Trust Funds. All Rent Stabilization Ordinance (RSO) landlords currently pay the annual RSO fee of \$24.51, which funds the RSTF and all RSO landlords are eligible for all RSO programs and services. However, the seismic retrofit program impacts only 29% of RSO properties. The HCID states that seismic retrofit program cannot be paid from the Systematic Code Enforcement Program (SCEP) because it is not eligible per the Los Angeles Municipal Code.

One funding option to explore to mitigate impact on the General Fund would be to establish a separate fee for processing of seismic retrofit applications, which is estimated to be more than \$500 just for the rent adjustment application. The THP and appeals would have separate additional fees. Landlords and tenants already cover the costs of the seismic retrofit program, of which a landlord can pass through 50% of the costs to the tenants. It would be a policy decision to pursue a fee to recover the additional cost of the seismic work for the hearing officers' contracts.

FISCAL IMPACT STATEMENT

The General Fund impact of increasing funding for the additional Hearing Officers is \$105,000. Should this item be funded, offsetting General Fund revenues or appropriations would need to be identified.

MAS:LJS:02160082C

Question No. 492

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 123

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *BJH
RZ*

Subject: **DEPARTMENT OF BUILDING AND SAFETY – BUILDING CIVIL ENGINEER II
TO SUPPORT THE SOFT STORY RETROFIT PROGRAM**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested this Office to report on the need for a fee-supported Building Civil Engineer II to support the Soft Story Retrofit Program.

This Office reviewed the Department of Building and Safety's request for a Building Civil Engineer II to support the Soft Story Retrofit Program during the preparation of the 2016-17 Proposed Budget. The Department's request, actual workload indicators, and overall justification did not support adding an additional Building Civil Engineer to a program that is already allocated a Building Civil Engineer I. Furthermore, this Office's review of the Department's pay grade advancement request did not support a paygrade advancement of the existing Building Civil Engineer I to a Building Civil Engineer II. If the job duties or the workload for the existing Building Civil Engineer I significantly change in the future, the Department is encouraged to submit a pay grade advancement request to this Office's Employee Relations Division.

This memorandum is for informational purposes only. There is no fiscal impact.

MAS:JLK:02160091c

Question No.433

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 124

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *MSK
fsw*

Subject: **DEPARTMENT OF BUILDING AND SAFETY – CODE ENFORCEMENT POSITIONS RESTORED**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Building and Safety (Department) to report on the Code Enforcement positions restored over the last few years, their ability to reduce response times related to complaints, and whether or not this budget provides resources to continue that momentum.

The Department's response highlights one of the few successes resulting from the implementation of the restoration of code enforcement services. The authorization of Building Mechanical Inspector (BMI) substitute authorities has enabled the Department to make significant progress in reducing their open case backlog. These position authorities allow the Department to temporarily add fully-trained retirees to the Department's workforce using 120-day contracts. To date, these positions have provided the greatest marginal utility. Hiring 120-day contractors to address the backlog enables full-time employees to return to the field and conduct additional inspections, as well as, expediting the closure of open cases which expedites revenue collection. The use of these position authorities is consistent with the City's Financial Policies, inasmuch as one-time expenditures are utilized to support one-time workloads.

The Department's response did not include factors which have limited the effectiveness of the Phase I and Phase II resources regularized as part of the 2016-17 Proposed Budget. This Office finds that the resources provided in Fiscal Year (FY) 2006-07 compare favorably to the resources in the 2016-17 Proposed Budget and are significantly closer than the Department states in their memorandum, delays in the Department's hiring process and unanticipated attrition have impacted implementation (17 of the 20 restored full-time BMI positions are currently vacant), and the Department understates the service level and revenue impact achieved through filling the vacant Phase I and Phase II positions. This Office provides greater detail in a Budget Memo released in response to Budget and Finance Question No. 429.

The Department requests funding for seven additional BMI substitute authorities for 120-day contractors to reduce the open case backlog. This Office would support the request if the additional authorities are provided without funding. If the Department is successful in utilizing the additional positions during the first six-months of the fiscal year, then the open case backlog should be on-track to be reduced to 8,000 open cases (a 500 case difference from the current 2016-17 Proposed Budget service level), as well as, be on-track to

exceed budgeted General Fund Code Enforcement revenues (associated with Budget Program 0817) by \$310,000 by June 30, 2016. If the Department meets these benchmarks by January 15, 2017, then this Office would recommend recognizing additional revenue receipts within the Department which would then be provided to the Department as an additional budget appropriation in the Mid-Year Financial Status Report.

FISCAL IMPACT STATEMENT

The General Fund impact of adding full-year funding for seven Building Mechanical Inspector substitute authorities is \$310,000. The City does not pay for related costs for 120-day contractors.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

Alternatively, the additional seven authorities could be authorized without funding subject to the stipulations outlined in the narrative.

MAS:JLK:02160092c

Question No.434

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2016

Question No. 434

TO: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 435

FROM: Raymond S. Chan, C.E., S.E., General Manager
Department of Building and Safety



SUBJECT: **REPORT BACK ON RECENTLY RESTORED CODE ENFORCEMENT POSITIONS AND ABILITY TO CONTINUE MOMENTUM OF REDUCTIONS TO RESPONSE TIME**

This memo is in response to the Budget and Finance Committee's request during the Special Meeting on April 28, 2016, in consideration of the Mayor's 2016-17 Proposed Budget. During that meeting the Committee asked for a report back on the Code Enforcement positions restored over the last few years, their ability to reduce response time related to complaints, and whether or not the proposed budget provides resources to continue that momentum.

LADBS' General Residential and Commercial Code Enforcement inspection staff was reduced by 60% from 125 positions in FY 2006-07, to 50 positions in FY 2013-14. During the same period our response time to new complaints rose from three to 32 business days. However, in FY 2014-15 and FY 2015-16, the Department was given position authority to fulfill Phase I and II of a three-phase hiring plan; 29 of 42 requested positions have been approved to restore service levels to Code Enforcement operations. As a result, LADBS has significantly improved response time to our constituents, reducing average response time by 41% from 32 days to 19 business days since the hiring plan began.

Due to lack of funding in the proposed FY 2016-17 Budget, the Department was unable to receive the 14 remaining full-time positions for Phase III. Without any additional resources to help bring down the existing backlog of over 10,000 open cases, the Department projects a modest 5% improvement in average response time for FY 2016-17; from an average of 19 business days to 18 business days, and resulting in a flattening of the momentum to response time improvements thus far.

Subsequent to the Department's budget hearing on April 28, 2016, we have had conversations with the Office of the CAO and concluded that an addition of seven (7) new 120-day contractors will be adequate to allow us to catch up with the open case backlog (over 10,000 currently). **As such, the Department kindly requests funding and substitute authority for seven new 120-day contractors for the Code Enforcement Program.**

Please contact Steve Ongele, Assistant General Manager and Chief of LADBS' Resource Management Bureau at (213) 482-6703 should you need additional information regarding this response.

c: Ana Guerrero, Chief of Staff, Mayor's Office
Matt Szabo, Deputy Mayor of Budget and Innovation
Kelli Bernard, Deputy Mayor Economic Development
Sharon Tso, Chief Legislative Analyst
Miguel A. Santana, City Administrative Office

RC:so:amy:z

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 125

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *DH*
for

Subject: **DEPARTMENT OF BUILDING AND SAFETY – FEE WAIVERS**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department of Building and Safety (Department) to report on the possibility of funding fee waivers or providing financial assistance from other sources for smaller building owners for the Soft Story Program (SSP).

The Department's response provides two options to help smaller building owners offset the costs associated with the SSP. One option is to establish a General Fund (GF) appropriation in the General City Purpose (GCP) Fund to subsidize the SSP; similar to the Lifeline Rate Program subsidy paid to the Solid Waste Resources Revenue Fund. The second option would provide smaller building owners financial assistance through grants and loans. The Department is working with this Office's Debt Management Group on researching financing options that include low-interest loans and grant fund opportunities to assist affected property owners.

FISCAL IMPACT STATEMENT

The Department's memorandum is provided for informational purposes only. There is no fiscal impact. However, the General Fund would be impacted if a subsidy is appropriated in the GCP. The General Fund impact would equal the GCP appropriation amount.

Should a subsidy be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JLK:02160094c

Question No. 451

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 3, 2016

Question No. 451

To: Honorable Paul Krekorian
Chair, Budget and Finance Committee
City Hall, Room 435

From: Raymond S. Chan, C.E., S.E., General Manager
Department of Building and Safety



Subject: **REPORT BACK ON FEE WAIVERS RELATIVE TO THE SOFT STORY PROGRAM**

This memo is in response to the Budget and Finance Committee's request during the Special Meeting on April 28, 2016, in consideration of the Mayor's 2016-17 Proposed Budget. During that meeting, the Committee asked for a report back on the possibility of funding fee waivers or providing financial assistance from other sources for smaller building owners for the Soft Story Program (SSP).

The purpose of the SSP is to reduce the risk of injury or loss of life that may result from the effects of earthquakes on wood frame soft-story buildings. This program creates a guide for property owners on strengthening their buildings to improve performance during an earthquake.

FUNDING QUESTION

Per the State's Governmental Code Section 66014,

"when a local agency charges fees for building inspections; building permits; filing and processing applications...those fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged..."

The main funding source for the LADBS budget is the Building and Safety Building Permit Enterprise Fund (Enterprise Fund). This Fund receives monies from fees paid for plan check, permitting, and inspection of new construction in the City. Monies in the Fund can only be used to fund functions that directly support services for which fees are paid into the Fund.

By having the Enterprise Fund finance fee waivers or provide financial assistance, it implies that the approved fees are absorbing the cost for the SSP. It also implies that the Enterprise Fund is collecting fees that exceed the cost of the service the City provides. The City Attorney has opined that if the validity of the fee, including the amount of the fee is challenged, the City must demonstrate that it collects no more than the cost of the service from each payer, and that none of the payments collected from others are used to subsidize the waived fees.

In addition, the City Attorney has stated that based on the provisions of Proposition 218 (Prop 218), certain fees, such as regulatory fees and fees for services other than discretionary services should not be waived at all, and that the most certain manner to minimize any legal risks to the City relative to waivers of other types of fees is to provide that they will not be granted except as expressly provided for in the ordinance that establishes the fees to insure that all who qualify will be treated equally. To avoid all of the legal concerns associated with Prop 218, the City Attorney recommended establishing an account within the General City Purpose Fund (GCP) to reimburse departments and special funds for Council-approved subsidies.

Thus, the City only has two options to help smaller building owners offset the costs associated with the SSP.

- Option 1: Provide General Fund (GF) appropriation in the GCP to subsidize the SSP; similar to the Lifeline Rate Program funding subsidy paid to the Solid Waste Resources Revenue Fund to assist participating senior citizens and individuals with disabilities who meet qualifying income levels.
- Option 2: Provide financial assistance through grants and loans. The LADBS has reached out to the Office of the City Administrative Officer (CAO) on how best to deal with the cost of the City's seismic retrofit program. We have been informed that the CAO is researching financing options that include working with banks to encourage low-interest loans and grant fund opportunities to assist affected property owners. As such, LADBS stands ready to work with the CAO in search of solutions.

Please contact Steve Ongele, Chief of LADBS' Resource Management Bureau at (213) 482-6703 should you need additional information regarding this response.

c: Ana Guerrero, Chief of Staff, Mayor's Office
Matt Szabo, Deputy Mayor of Budget and Innovation
Kelli Bernard, Deputy Mayor Economic Development
Sharon Tso, Chief Legislative Analyst
Miguel A. Santana, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 126

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer Subject: **FIRE – FLEET AVAILABILITY AND MAINTENANCE**

During its consideration of the Fire Department's 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on current fleet out-of-service rates and vehicle availability levels; the current repair workload generated by the fleet as compared to the availability provided by the current labor force; and the cost of funding all 13 unfunded Fleet Maintenance Division Resolution Authority positions provided in the Proposed Budget. The Department's response is attached.

FISCAL IMPACT STATEMENT

The General Fund impact of funding 13 Fleet Maintenance Division positions is \$1,468,667, consisting of \$1,002,447 in direct costs and \$466,230 in indirect costs. Should an appropriation be made for this purpose, additional General Fund revenue or offsetting appropriations will need to be identified.

*MAS:JCY:04160109**Question No. 89*

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Honorable Members of the Budget and Finance Committee

From:  Ralph M. Terrazas, Fire Chief
Los Angeles Fire Department

Subject: **FIRE DEPARTMENT FLEET MAINTENANCE CAPACITY**

The Budget and Finance Committee instructed the Los Angeles Fire Department (LAFD) to report back relative to: a) current fleet out-of-service rates and vehicle availability levels; b) the current repair workload generated by the entire LAFD fleet, as compared to available hours provided by the current labor force, inclusive of overtime; and, c) the cost of funding all 13 unfunded Fleet Maintenance Division Resolution Authorities contained in the Fiscal Year 2016-17 Proposed Budget.

- a) The current fleet out-of-service rates are as follows. These rates will improve with the filling of mechanics vacancies and purchase of new apparatus through MICLA.
 - 17% for rescue ambulances (Total: 216; Available: 179)
 - 14% for engines (Total: 203; Available: 174)
 - 17% for aerial ladder trucks (Total: 58; Available: 48)

- b) The LAFD's fleet of 1,343 vehicles requires approximately 75,000 annual mechanic labor hours. Currently, 35 mechanic positions are filled providing 57,750 mechanic labor hours. The shortfall in the number of required labor hours is addressed through overtime. The LAFD is in the process of filling all vacancies. When all vacancies are filled, almost all required labor hours would be provided. Overtime would be available to meet any additional workload needs.

- c) The annual cost of funding all 13 unfunded mechanic positions is \$1,002,447.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 127

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **FIRE – IDENTIFICATION OF INTERNAL OR ALTERNATIVE FUNDING SOURCES FOR UNFUNDED DEPARTMENT PRIORITIES**

During its consideration of the Fire Department’s 2016-17 Proposed Budget, the Budget and Finance Committee requested the Department to report on identification of internal accounts and revenue sources that could potentially be utilized to fund some of the 15 critical areas identified in the Department’s letter to Committee dated April 21, 2016. The Department’s response is attached.

This memorandum is provided for informational purposes only. There is no fiscal impact.

MAS:JCY:04160108

Question No. 85

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Honorable Members of the Budget and Finance Committee

From: *RMT* Ralph M. Terrazas, Fire Chief
Los Angeles Fire Department

Subject: **LAFD FUNDING SOURCES TO SUPPORT ADDITIONAL REQUESTS**

The Department was requested to report back on internal accounts and associated revenue sources that could potentially be utilized to fund some of the 15 critical areas identified in the letter to the Committee.

The LAFD has five active Special Funds which may only be used for the purposes specified in the respective ordinance:

- Hydrant Fund – Used to install and replace fire hydrants. All available funds have been encumbered for hydrant-related projects.
- Two Special Training Funds (Vocational Education Trust Fund; California Firefighter Apprentice Training Fund) – Used to support job-related training activities for LAFD sworn and civilian employees, and to purchase equipment for training purposes. Training needs expended from these funds have exceeded the amounts received from the State.
- CUPA Trust Fund – Used for training and equipment for CUPA enforcement activities.
- Targeted Destination Ambulance Service Trust Fund – Used to fund EMS related activities such as training and medical equipment and supplies. The Department has identified expenditures required for next fiscal year (e.g., mandatory helicopter training; Paramedic training; refinements to Tiered Dispatch System; medical equipment and supplies for EMS needs).

We do not anticipate available funding from these sources to be used for the LAFD's additional budget requests.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 128

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *MSH*
*MSW*Subject: **BUREAU OF SANITATION – OPERATION HEALTHY STREETS FUNDING**

During the Budget and Finance Committee's consideration of the Bureau of Sanitation's (Bureau) 2016-17 Proposed Budget, this Office was requested to report back on the Operation Healthy Streets (OHS) budget and any increases or reductions to funding.

The OHS Program addresses the sanitary and health conditions in the downtown Skid Row and Venice areas. The Bureau of Sanitation (Bureau) provides six comprehensive cleanings (on even numbered months) and 12 spot cleanings (twice on odd numbered months) per year. Comprehensive cleanings are two week efforts that involve notification, inspections and health assessments, removal of health hazards, collection and storage of items in the public right-of way, street sweeping, and sanitizing sidewalks. Spot cleanings do not require notification and involve cleaning the sidewalk area around people and property and removing health hazards. The Bureau is also responsible for servicing trash receptacles in these areas. Funding for the Bureau's share of OHS costs was previously budgeted in General City Purposes (GCP) and the Unappropriated Balance (UB) and in the 2015-16 Budget, this funding was appropriated to the Bureau's operating budget. The Los Angeles Homeless Services Authority (LAHSA) operates the voluntary and mandatory storage facilities (through Chrysalis), provides outreach and notification, and provides showers, toilets, and other personal hygiene services. Funding for LAHSA is provided in GCP.

The 2016-17 Proposed Budget includes a \$467,000 reduction to Sanitation's operating budget for OHS as part of the Citywide budget balancing measure. In the First Financial Status Report (FSR), the Bureau transferred \$467,000 from its Operating Supplies Account to its Transportation (\$225,000), Other Operating Equipment (\$89,000), and Non-Capital Equipment (\$153,000) accounts for the one-time purchase of vehicles, radiation detectors, respirators, mercury meters, and related safety and protective equipment for OHS inspectors. Since ongoing funds were used to make one-time purchases, it was determined that the \$467,000 reduction to the Operating Supplies Account would not impact service levels. For LAHSA, the 2016-17 Proposed Budget includes a \$134,330 increase in GCP to address minimum wage requirements for employees that operate the voluntary and mandatory storage facilities. Total funding for OHS in the 2016-17 Proposed Budget is \$3,494,692, which includes \$1,380,886 for Sanitation and \$2,113,806 for LAHSA.

In the Bureau's letter to the Budget and Finance Committee dated April 21, 2016, the Bureau recognizes the \$467,000 in savings in its Operating Supplies Account and requests the restoration of these funds to address increased workloads as a result of assuming OHS duties previously performed by the Bureau of Street Services and increased support of Los Angeles Police Department (LAPD) activities in the Skid Row and Venice areas. This Office has not been able to verify or calculate these additional costs.

FISCAL IMPACT STATEMENT

To comply with the City's Financial Policies, the restoration of the \$467,000 reduction in Sanitation Blue Book Item 53 requires a corresponding increase to General Fund revenues or a corresponding reduction to General Fund expenditures.

MAS:WKP:06160162


Question No. 532

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 129

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer 

Subject: **FIRE – RESTORATION OF RESOURCES TO FIRE STATIONS 74 AND 75;
RENOVATION OF FIRE STATION 91; AND AN ADDITIONAL FIRE STATION
IN SYLMAR**

During its consideration of the Fire Department’s 2016-17 Proposed Budget, the Budget and Finance Committee requested that the Department report on the status and costs of the requests detailed in Council File 15-1252-S1, which includes restoring resources to Fire Stations 74 and 75; a plan and budget for the renovation of Fire Station 91; and the addition of a new fire station in Sylmar. The Department’s response is attached.

FISCAL IMPACT STATEMENT

The General Fund impact of restoring staffing resources to Fire Stations 74 and 75 would total \$3.8 million, with an additional \$1.44 million in apparatus acquisition costs. Renovation of Fire Station 91 to accommodate additional resources is estimated to cost approximately \$100,000. Design and construction costs for a new Fire Station serving the Sylmar community is estimated between \$10 million and \$20 million, with an additional \$10 million estimated for land acquisition. It should be noted that construction of a new Fire Station would be subject to Municipal Facilities Committee review and approval. Staffing and apparatus configurations for the new Fire Station, as recommended by the Fire Department, would consist of \$3.8 million for staffing and \$1.2 million for apparatus acquisition. Should an appropriation be made for these purposes, additional General Fund revenue or offsetting appropriations will need to be identified.

MAS:JCY:04160110

Question No. 712

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2016

To: Honorable Members of the Budget and Finance Committee

From:  Ralph M. Terrazas, Fire Chief
Los Angeles Fire Department

Subject: **REPORT BACK ON POTENTIAL FIRE DEPARTMENT RESOURCES IN VALLEY COMMUNITIES**

The Budget and Finance Committee instructed the Los Angeles Fire Department (LAFD) to report back on the Motion (Englander-Fuentes; C.F. 15-1252-S1) instructing long-term solutions for reducing fire and emergency medical service call response times in the Sylmar area that included:

- (1) Restoration of Fire Stations 74 (Tujunga) and 75 (Mission Hills). The cost of staff resources to restore an engine company to Fire Stations 74 and 75 would total \$3.8 million. The apparatus costs for the two engines are \$1,443,680.
- (2) Renovation of Fire Station 91. The Bureau of Engineering provided an estimate for modifications to the fire station to accommodate a Fast Response Vehicle and an additional rescue ambulance. Those modifications amounted to approximately \$100,000. Renovations to the fire station would require the Bureau of Engineering to provide a detailed cost estimate of the requested improvements.
- (3) Building a new fire station. Based on recently constructed fire stations, the Office of the City Administrative Officer estimates that design and construction costs for a fire station similar in size to Fire Station 91 would amount to \$10M. A larger fire station would amount to \$20M. The cost for land acquisition is estimated at \$10M.

The Motion indicated the resources for a new fire station would include a light force, engine company and ambulance. The LAFD is awaiting the recommendations of the Standards of Cover study to determine the locations of new light forces due to the significantly higher costs for both staff resources and apparatus. Staffing for a light force (18 positions) costs \$2.85 million, apparatus costs are \$1.15 million, for a total of \$4 million to add one light force company. Therefore, it is recommended that resources for a new Fire Station 91 include an engine company (12 positions), an ALS ambulance (6 positions) and a BLS ambulance (6 positions) as a more cost effective approach in responding to emergency calls for service. The staff costs would total \$3.8M, and the apparatus costs for the engine and two rescue ambulances would total \$1.2M.

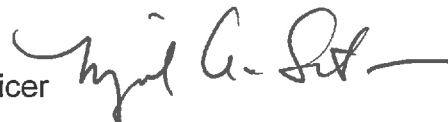
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 130

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



**Subject: ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT –
RESOURCES FOR REAL ESTATE MANAGEMENT STAFF AND
INSTRUCTIONS FROM AD HOC COMMITTEE ON JOBS**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee requested the Economic and Workforce Development Department (EWDD) to report on the funding and resources required for the real estate management staff to carry out the asset management tasks and develop 10 CRA properties, and the City's return on investment (ROI) if these positions are funded. The Department was also instructed to report on the resources needed to carry out the Ad Hoc Jobs Committee's instructions as well as the City's ROI if these resources are funded. The Department's response is attached.

The EWDD states that authority and funding for four new positions for nine months (\$374,251) and consultant and administrative expenses (\$423,008) totaling \$797,259 are needed to carry out asset management activities and development of the 10 CRA properties. Three of the positions were requested in the Department's budget letter. The chart below reflects six months funding for all four positions as follows:

<u>No</u>	<u>Class Code</u>	<u>Class Title</u>	<u>FY 2016-17 Salary (Six Months)</u>
1	9191-2	*Industrial and Commercial Finance Officer II	\$56,470
1	1964-2	*Property Manager II	65,647
1	1964-3	*Property Manager III	71,097
1	1569-3	Rehab. Construction Specialist III	48,630
Total: 4			\$241,844

*Requested in Department budget letter

The Department states that development of the CRA sites will result in a positive impact to the City's General Fund that is estimated to be greater than the cost of EWDD's funding request. As an example, EWDD calculates that development of one of the CRA properties, Reseda Town Center, is projected to generate 135 permanent jobs and \$98,800 in City of Los Angeles share of gross property tax in year one. EWDD estimates the site's gross property tax to be \$1,518,798 over 30 years at net present value. Additional information as to the ROI to the General Fund is included in the Department's attached response.

The EWDD states that four additional positions are needed for implementation of instructions from the Ad Hoc Jobs Committee at a total salary cost of \$379,514. Our Office calculates the six month cost of the positions as follows:

<u>No</u>	<u>Class Code</u>	<u>Class Title</u>	<u>FY 2016-17 Salary (Six Months)</u>
1	1577	Assistant Chief Grants Administrator	\$57,483
1	9184-2	Management Analyst II	39,088
2	1539	Management Assistant	54,100
Total: 4			\$150,671

Although costs for these positions were identified in their memo, it should be noted that the Department is not requesting funding for the positions in FY 2016-17. The Department will request General Fund funding and continuation of the positions during the FY 2017-18 budget development process. The Department anticipates these positions will undertake implementation of Ad Hoc Job Committee instructions related to the Jobs and Economic Development Incentive (JEDI) Zones and other new business incentives, and establishing and supporting a new Small Business Commission.

FISCAL IMPACT STATEMENT

The General Fund impact of the Department's request for FY 2016-17 is \$797,259 for the four asset management positions, and consultant and administrative expenses as requested. Of this amount, \$700,000 in one-time funding is available in the FY 2015-16 Unappropriated Balance Economic Development Asset Management item. These four asset management positions are recommended for approval in a pending report from this Office (C.F. 12-1549-S4). An additional \$97,259 in General Funds is required to fund the balance. Additional review of their justification for position authorities without funding for Ad Hoc Jobs Committee activities is needed.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:SAM:02160101c

Question No. 479

Attachment

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2016

TO: Miguel Santana, City Administrative Officer
City Administrative Office

FROM: Jan Perry, General Manager
Economic and Workforce Development Department

SUBJECT: **REPORT BACK QUESTION NO. 479**
RESOURCES FOR REAL ESTATE MANAGEMENT STAFFING AND
RESOURCES TO CARRY OUT THE AD HOC ON JOBS COMMITTEE
INSTRUCTIONS

On April 29, 2016, the Budget Committee instructed the EWDD to report on the funding and resources required for the real estate management staff to carry out the asset management tasks and develop ten CRA properties, as well as the City's Return On Investment (ROI) if these positions are funded. This is EWDD's report back.

Real Estate Asset Management Resources

The Real Property Asset Management Unit within the Economic and Workforce Development Department is focused on managing, acquiring, and disposing of city-owned real property assets assumed upon dissolution of the former redevelopment agency and other City-owned sites with economic development value. The estimated appraised value of these assets is estimated to be in the tens of millions of dollars and the leverage potential of the real estate holdings can be as high as 8 times the base as-is appraised value depending on use and zoning.

As the department responsible for economic development, EWDD must focus its efforts on market solutions that treat real property as a productive asset. The EWDD budget, as submitted to Mayor and CAO in November 2015, requested a \$2.4 million General Fund increase for real estate asset management. The funds were for staffing and consultant costs associated with the acquisition and disposition of real property for economic development purposes. The department's budget request was consistent with ongoing discussions with Mayor and Council offices to increase EWDD's economic development capacity each year through the annual budget process. The current proposed budget does not address the costs associated with assets related to the City's Purchase Option Agreements on ten CRA/LA properties or other evaluative and disposition activities associated with underutilized city-owned real property assets for purpose of economic development.

In the absence of such funding the department will be limited in its ability to deliver the expected outcomes associated with the prescribed enhanced asset management system. Without the added staff EWDD cannot adequately analyze and evaluate property, determine highest and best use for city-optioned underutilized parcels, or prepare, release and evaluate response to Request for Information, Request for Qualifications and Request for Proposals associated with property development and repositioning. Moreover, EWDD cannot effectively measure the anticipated economic potential of property tax, sales tax, utility user tax and other benefits that would otherwise inure to the General Fund.

As illustrated in Table 1 below, the current request for \$800,000 will fund four (4) technical positions, consultant costs and related administrative cost associated within the unit, which are necessary to adequately perform the duties associated with the acquisition and disposition of real property for economic development purposes.

Table 1

REAL ESTATE ASSET MANAGEMENT				
Classification	Class Code	Section	Annual Amount	9-Month Amount
Property Manager III	1964-3	Real Estate Development	\$ 134,676	\$ 98,314
Property Manager II	1964-2	Relocation/Property Management	124,361	90,797
Industrial Commercial Fin Ofcr II	9191-2	Real Estate Development	112,940	87,881
Rehabilitation Construction Specialist III*	1569-3	Real Estate Development	97,259	97,259
Consultant Services	-	Real Estate Development	-	292,922
Other Expense	-	Real Estate Management	-	130,086
Total Real Estate Asset Management			\$ 469,236	\$ 797,259

*Twelve months funding is needed for anticipated new hire.

It should be noted that the ROI to the City's General Fund from real property asset management activities will in-part be directly related to the investment/non-investment in the requested positions and resources necessary for EWDD to adequately perform these functions.

Of the ten CRA/LA properties the City has options to purchase, all but one can provide a measurable ROI or economic benefit. The one exception is the Watts Train Station. While the asset has historical significance, its current and proposed future use is constrained by terms of a Disposition and Development Agreement, grant funding from a separate public agency, and the current ground lease. The other nine properties offer an opportunity to develop sites that can create sustained economic benefits for the City and the surrounding areas including jobs, property tax, utility user tax, and business tax. The fiscal impacts of the projects on the City's General Fund will be positive and are estimated to be greater than the cost of EWDD's current funding request.

For example, the Reseda Town Center sites offer the City an opportunity to facilitate a catalytic development plan that consist of a mixed-use urban village concept with 70,000-90,000 square feet of retail, 150-200 apartment units, public outdoor plaza space, an athletic facility, and charter school. A successful development such as this could create the economic benefit illustrated in Table 2 below:

Table 2

Summary: Estimated Economic Impacts*	
Estimated Construction Jobs Created:	200
Total Permanent Jobs Created:	135
Estimated City of L.A. share of Gross Property Tax: Year 1	\$98,800
Estimated NPV of City of L.A. Gross Property Tax: 30 years	\$1,518,798
Estimated Utility User Tax: Year 1 (Revenue to the City of Los Angeles 9/10/10-com,elec,gas)	\$20,000
Estimated NPV of Utility User Tax: 30 years (Revenue to the City of Los Angeles)	\$307,449
Estimated Business Tax Revenue: Year 1 (Revenue to the City of Los Angeles \$42,265)	\$42,265
Estimated NPV of Business Tax Revenue: 30 years (Revenue to the City of Los Angeles)	\$649,716

*The figures provided in the table above are for estimation purposes only; actual fiscal impact or job creation may be higher or lower than these estimates. Standardized formulas were used to generate these figures and are based on accepted econometric practices and basic tax calculations.

Anticipated General Fund revenues will come from a number of sources, with property tax making up the majority of the City's revenues. Business sales taxes and utility user fees will also make significant contributions to the new stream of General Fund revenues resulting from the development of the CRA/LA optioned properties. Moreover, the projects will support construction jobs and result in net new jobs to areas throughout the City, will provide additional expenditures in the City.

Without the funding to hire the needed staff, EWDD will not be able to meet the current demands the CRA/LA properties require nor the anticipated demands resulting from the fully integrated citywide asset management strategy.

Resources Needed to Carry Out the Jobs Committee Instructions

The Ad Hoc Committee on Comprehensive Job Creation Plan has instructed EWDD over the last few months to advise on creating and staffing a new Small Business Commission, create a Citywide Community Revitalization Investment Area (CRIA) establishment policy, and develop a process for creating Jobs and Economic Development Incentive (JEDI) Zones, among other instructions (see Attachment 1). Of the instructions, the Department's priority is to initiate and manage the process of formulating a Citywide Economic Development Strategy.

On April 19, 2016 the Ad Hoc Committee on a Comprehensive Job Creation Plan approved recommendations instructing EWDD to return to Council with a Request for Proposals (RFP) to identify a consultant to develop the Strategy. The report identified basic components that should be included in the RFP scope of work, and the resulting Strategy. These components overlap with much of the work recently assigned to EWDD by the Ad Hoc Committee, including, but not limited to: the Small Business Commission, developing City-owned properties, and exploring new economic development incentive zones, such as Enhanced Infrastructure Financing Districts (EIFDs), CRIA, and JEDI Zones.

Implementation of these assigned tasks by EWDD must be fully informed by the Strategy, which will take approximately one year to complete. However, regardless of the final Strategy recommendations, EWDD will need expanded capacity to carry out the added workload expectations. As such, the Department requests Resolution Authority for four (4) additional positions. These four positions are requested without funding in FY2016-17 so that EWDD can allocate these new positions and have new capacity in place and ready to implement the Strategy upon Council approval beginning July 1, 2017. If approved, the EWDD will request General Fund support for these positions during the 2017-18 budget process.

A brief summary of the major duties for each of the four (4) requested unfunded positions is described in Attachment 2 according to the new workload anticipated by the Ad Hoc Committee on Comprehensive Job Creation Plan instructions. The EWDD is requesting Resolution Authority without funding in FY2016-17 for one Assistant Chief Grants Administrator, one Management Analyst II, and two Management Assistant positions to accomplish the tasks assigned by the Ad Hoc Committee.

Without the authority for these new positions, EWDD cannot undertake the following work:

- Evaluating, recommending and implementing new business incentives, including, but not limited to JEDI Zones
- Establish and support a new Small Business Commission

The EWDD will coordinate efforts with a consultant to complete the initial work of developing a CRIA establishment policy. Once a CRIA policy is approved by Council, as indicated on Attachment 2, one Management Assistant position is requested to begin CRIA implementation.

In summary, the EWDD is requesting \$800,000 in FY2016-17 for four (4) technical positions, consultant costs and related administrative costs to adequately perform the duties associated with the acquisition and disposition of real property for economic development purposes. In addition, the department is requesting Resolution Authority for four (4) additional unfunded positions to carry out the new workload anticipated by the Ad Hoc Committee on Comprehensive Job Creation Plan instructions.

Attachments

ONGOING EWDD ECONOMIC DEVELOPMENT ASSIGNMENTS

CITYWIDE ECONOMIC DEVELOPMENT STRATEGIC PLAN C.F. [13-1090-S1](#)

Report, Economic and Workforce Development Department, dated November 12, 2015, relative to report back on Economic and Workforce Development Department efforts to create a citywide economic development plan. **Report**, CLA/CAO, dated April 15, 2016, relative to the Citywide Economic and Development Strategy: That the Council:

1. Authorize the GM, EWDD, or designee, to prepare a RFP for the selection of a consultant to prepare a Citywide Economic Development Strategy, subject to the review and approval of the City Attorney, and report back to Mayor and Council; and
2. Instruct the GM, EWDD, or designee, with the assistance of other departments as appropriate, to develop the Scope of Work for the RFP relative to the Citywide Economic Development Strategy, which should consider and incorporate, at minimum:
Inter-departmental Coordination, Existing Policies and Plans, Regional Conditions, Shared Vision, Mayor and Council Initiatives, Citywide Business Incentive Plan, Resources, and Metrics.

JOBS AND ECONOMIC DEVELOPMENT INCENTIVE (JEDI) ZONES C.F. [13-0934-S2](#)

Motion (Krekorian-Martiez) - That Council instruct the CLA to report, in concert with the CAO and EWDD, on a program to develop econ incentive area/zones throughout the city, with particular focus on developing the economy in a way that employs large numbers of local residents in good-paying jobs, etc.

COMMUNITY REVITALIZATION AND INVESTMENT AUTHORITY (CRIA) C.F. [15-1195](#)

Motion (Buscaino - Cedillo) - That the CLA, with the assistance of the CAO and EWDD be directed to report with an analysis of AB 2 and determine which of the thirty-one (31) former CRA/LA project areas as well as communities outside those areas, would be eligible to the "Community Revitalization and Investment Authority" CRIA designation.

ENHANCED INFRASTRUCTURE FINANCING DISTRICTS (EIFD) C.F. [14-1349-S2](#)

Motion (Price – Krekorian) -That the Economic Workforce and Development Department, with assistance from the Chief Legislative Analyst, be directed to report in 60 days on the general strategy for creating Enhanced Infrastructure Financing Districts. I FURTHER MOVE that the City Administrative Officer be directed to report on the administrative costs and fiscal impact associated with establishing Enhanced Infrastructure Financing Districts and that the City Attorney be requested to identify any legal issues, including any associated with Proposition 218.

CITYWIDE ASSET MANAGEMENT PLAN C.F. [15-1521](#)

Reports, CAO, Department of General Services, and Department of Economic and Workforce Development (EWDD), relative to the development of a City-wide asset management plan and the leveraging of City properties for economic development and job creation.

OPTION AGREEMENTS / (CRA/LA) / FUTURE DEVELOPMENT PROPERTIES C.F. [14-0425](#)

Report, Municipal Facilities Committee, April 6, 2016, relative to an update on the City's efforts to acquire ten Future Development properties from the former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) for disposition and development.

SURFACE PARKING LOTS / POTENTIAL ECONOMIC DEVELOPMENT C.F. [15-0450](#)

Motion (Buscaino - Price) relative to instructing the Economic and Workforce Development Department, in collaboration with other City departments as necessary, to analyze and report back with recommendations on the economic development potential of three City-owned parcels that currently serve as surface parking lots.

NEW HALL AND EVENT CENTER EXTENSION / CONVENTION CENTER DEVELOPMENT ALTERNATIVE C.F. [14-1383](#)

Reports, CAO, relative to public-private financing options for the Los Angeles Convention Center Expansion Project.

Recommendations:

12. INSTRUCT the EWDD to compile results from the Headquarters Hotel RFI and present to Council at the same time as the comparison of the P3 Business Case;
13. INSTRUCT the CAO, BOE, CTD, CLA, and EWDD to provide an update on all facets of the Project including the Headquarters Hotel to the Economic Development Committee and the Board of Los Angeles Convention and Tourism Development within 30 days from the date of Council approval of these recommendations and every 30 days thereafter.

RESEDA TOWN CENTER SITE / CRA/LA PROPERTIES / EXCLUSIVE NEGOTIATING AGREEMENTS C.F. [14-1174-S6](#)

Motion (Blumenfield – Price) relative to the Economic and Workforce Development Department, with the assistance of the Chief Legislative Analyst and City Administrative Officer, to serve as the lead City department in negotiating and executing any Exclusive Negotiating Agreement(s) related to the development of the Reseda Town Center site.

HOTEL INCENTIVE PROGRAM C.F. [13-0991](#)

Report, Chief Legislative Analyst, 13-08-0676, dated August 6, 2013, relative to various actions pertaining to the economic development incentives for hotels in the City.

14415 SYLVAN STREET / OLD FIRE STATION 39 / EXPLORING POTENTIAL ECONOMIC DEVELOPMENT C.F. [13-1103-S1](#)

Motion (Martinez - Englander) - That Council instruct the EWDD, with the assistance of GSD, CLA and CAO, to work with CD 6 to explore the potential future economic development uses of the Old Fire Station 39 (14415 Sylvan Street, Van Nuys) and report with recommendations.

1900 SOUTH BUNDY DRIVE / 11950 WEST MISSOURI AVENUE / POTENTIAL LOCATION / APPROPRIATE RE-USE FOR ECONOMIC AND COMMUNITY DEVELOPMENT C.F. [14-1633](#)

Motion (Bonin-Blumenfeld) -That the Council direct the Asset Management Strategic Planning Unit of the CAO, in consultation with EWDD, the CLA, GSD, and any other necessary departments, to designate 1900 S. Bundy Dr./11950 W. Missouri Ave. as intended for economic development, purpose, projects, or activities and to report back within 45 days with a recommendation for the appropriate next steps for reuse of the site.

FOUR CITY-OWNED PROPERTIES / SURPLUS ASSETS FOR ECONOMIC DEVELOPMENT /CLASS C APPRAISALS C.F. [14-1171](#)

Motion (Parks – O’Farrell) - That Council take actions to declare 4 properties as surplus assets for econ development purposes and DIRECT the GSD to conduct Class C appraisals for: 1409 W. Vernon Ave; 5730/32 S. Crenshaw Boulevard; 1715 W. Florence Avenue; 729 W. Manchester Ave; and DIRECT the CAO, EWDD and GSD, in consultation with the City Attorney, to report on potential econ development opportunities, including affordable housing

703 AND 703 1/2 WEST 40TH PLACE / 704 WEST MARTIN LUTHER KING JR. BOULEVARD C.F. [15-0565](#)

Motion (Price- Wesson) relative to an economic development plan for City-owned property located at 703 and 703 1/2 West 40th Place / 704 West Martin Luther King Jr., Boulevard.

Recommendation for Council action:

INSTRUCT the Economic and Workforce Development Department, with the assistance of the Los Angeles Housing and Community Investment Department, Chief Legislative Analyst, and the Office of Council District Nine, to develop an economic development plan for City-owned property located at 703 and 703 1/2 West 40th Place / 704 West Martin Luther King, Jr., Boulevard (Assessor Property No. 5019-025-911 and 5019-025-912) including negotiating the terms and conditions of a sale of the property to any prospective developers in accordance with City policies and California Community Redevelopment Law.

ASSET MANAGEMENT STRATEGIC PLANNING AND RECOMMENDATIONS FOR EVALUATION OF CITY PROPERTIES FOR CITY USE AND ECONOMIC DEVELOPMENT C.F. [12-1549-S3](#)

3. REQUEST the City Attorney to prepare and present an ordinance to establish a new interest-bearing Economic Development Trust Fund (EDTF), to be administered by the Economic Workforce Development Department (EWDD), to receive eligible proceeds from the sale or lease of City property for economic development purposes, in accordance with expenditure guidelines to be prepared by the EWDD.
4. AUTHORIZE the EWDD to serve as Fund Administrator of the new EDTF and to administer the disbursement of such funds for economic development projects and programs, in accordance with the EDTF ordinance to be drafted and considered under separate cover.

5. INSTRUCT the CAO and the EWDD to report to Council and Mayor with proposed staffing recommendations to assist with implementation of the City's economic development goals concerning City property.
6. DIRECT the CAO AMSP Unit and the EWDD to report annually to the Mayor and Council detailing property evaluations requested, under review, and completed, and an update on the status of all properties being reused or redeveloped for non-municipal purposes.
9. AUTHORIZE the Controller to establish an account in the new EDTF authorized to collect fifty percent of the proceeds from the sale or lease of economic development properties, pursuant to the guidelines to be provided by the EWDD and Controller instructions to be provided by the EWDD.
10. AUTHORIZE the Controller to establish an account in each of the Council Districts' Real Property Trust Fund to collect the remaining fifty percent of the proceeds from the sale or lease of economic development properties, pursuant to the guidelines provided by the EWDD and Controller instructions.
11. AUTHORIZE the Controller to direct fifty percent of proceeds from the sale or lease of City-owned property that has been designated for economic development use to the EDTF to be administered by the EWDD and the remaining fifty percent of the proceeds to the Real Property Trust Fund for the Council District in which the property is located.
13. INSTRUCT the EWDD to formulate and report to the MFC with specific guidelines for the expenditure of EDTF Funds for consideration by the MFC and to consider adding the following criteria:
 - a. Project areas of the former CRA/LA;
 - b. Areas with unemployment levels that exceed the City of Los Angeles average;
 - c. Areas where the average income is lower than the City of Los Angeles average;
 - d. Designated federal, state or local economic development zones;
 - e. Citywide or neighborhood economic development planning activities;
 - f. Staff to carry out the economic development goals of the City, and/or
 - g. Projects generating a significant number of net new jobs in the City.

**EWDD STAFFING NEEDED TO CARRY OUT AD HOC ON COMPREHENSIVE JOB CREATION PLAN
COMMITTEE INITIATIVES**

Ad Hoc Committee Instruction	Position	Function	2016-17 Annual Salary*
Business Incentives and Small Business Commission C.F. 13-0934-S2 C.F. 15-1364	Assistant Chief Grants Administrator	<ul style="list-style-type: none"> • Manage and oversee expanded Business Assistance Unit • Implement business incentives recommended by Strategy, including but not limited to, JEDI Zones • Conduct outreach and marketing efforts for business incentives • Manage Small Business Commission 	\$142,819
	Management Analyst II	<ul style="list-style-type: none"> • Provide additional support for Business Source Center System to ensure contracts are effectively administered • This position cannot be supported by CDBG due to limitations on Administrative/Planning expenditures 	\$97,271
	Management Assistant	<ul style="list-style-type: none"> • Support administrative functions for Small Business Commission 	\$69,712
CRIA Implementation C.F. 15-1195	Management Assistant	<ul style="list-style-type: none"> • Support administrative functions associated with expanded Bond Unit responsibility for CRIAs 	\$69,712
Total Annual Salaries			\$379,514

*Note: Four Resolution Authorities are requested without funding in 2016-17. If approved, EWDD will request General Fund support for these positions during the 2017-18 budget process.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 131

Date: May 5, 2016

To: Budget and Finance Committee

From:  Miguel A. Santana, City Administrative Officer Subject: **DEPARTMENT OF BUILDING AND SAFETY – CODE ENFORCEMENT
PERSONNEL OPTIONS**

During its consideration of the 2016-17 Proposed Budget, the Budget and Finance Committee (Committee) requested the this Office to report on the need to add an additional 14 code enforcement positions to the budget for \$862,724 and whether or not the \$620,000 in as-needed code enforcement could be applied toward the department's request for 7-14 positions on 120-day contracts. In addition, report back on the different code enforcement staffing options presented by the Department and related costs to get the additional \$1 million in General Fund Revenue.

The Department submitted a Service Enhancement Request (SER) to fully restore Code Enforcement Services to Fiscal Year (FY) 2006-07 staffing levels as part of their FY 2014-15 budget request (Attachment 1). The Department's SER was divided into three phases with funding and position authority for future phases dependent on meeting specific performance benchmarks. Phase I was adopted to reduce the response time to customer complaints from 25 business days to 14. The Department was projected to meet their Phase I benchmark in the current fiscal year, so Phase II was funded in the FY 2015-16 budget. After adjusting for additional workload due to an increase in customer complaints, Phase II was adopted to further reduce the response time to customer complaints 11 business days. Delays in the Department's hiring process and unanticipated attrition have impacted implementation of Phase I and Phase II. Currently, 17 of the 20 restored full-time BMI positions are currently vacant. The Department does not anticipate meeting the adopted Phase II benchmarks during FY 2016-17, so the 14 positions for Phase III were not included in the 2016-17 Proposed Budget. The \$862,724 identified in the question would provide partial year salary funding without related costs for 14 positions which would be partially offset by \$432,000 in General Fund revenue receipts. Neither the funding nor the revenue are included in the 2016-17 Proposed Budget.

The Department's response to Budget and Finance Question No. 429 (Budget Memo 124) did not include factors which have limited the effectiveness of the Phase I and Phase II resources regularized as part of the 2016-17 Proposed Budget. This Office finds that the resources provided in Fiscal Year (FY) 2006-07 compare favorably to the resources in the 2016-17 Proposed Budget and are significantly closer than the Department states in their memorandum, delays in the Department's hiring process and unanticipated attrition have impacted implementation, and the Department understates the service level and revenue impact achieved through filling the vacant Phase I and Phase II positions.

The \$620,000 in as-needed code enforcement services budget line item provides full year funding for 14 Building Mechanical Inspector (BMI) substitute authorities to allow the Department to utilize 120-day appointments of retired City staff to reduce the one-time backlog of open cases. Therefore, the \$620,000 is already appropriated for the intended purpose stated in the Committee's question.

The authorization of Building Mechanical Inspector (BMI) substitute authorities has enabled the Department to make significant progress in reducing their open case backlog. These position authorities allow the Department to temporarily add fully-trained retirees to the Department's workforce using 120-day contracts. To date, these positions have provided the greatest marginal utility. Hiring 120-day contractors to address the backlog enables full-time employees to return to the field and conduct additional inspections, as well as, expediting the closure of open cases which expedites revenue collection. The use of these position authorities is consistent with the City's Financial Policies, inasmuch as one-time expenditures are utilized to support one-time workloads.

This Office is unclear on how the Department's \$1 million in additional General Fund revenue was calculated. The maximum additional General Fund revenue in FY 2016-17 from authorizing Phase III is \$432,000 and the maximum revenue associated with additional substitute BMI positions is less than \$250,000. The additional General Fund receipts from the Department's other General Fund inspection activities, such as, their Conservation of Existing Structures and Mechanical Devices and the grant receipts for the Community Development Block Grant (CDBG) Pro-Active Code Enforcement (PACE) program may have been comingled into the total. This explanation is supported by the chart provided by the Department to the Committee on Thursday, April 28 during consideration of their budget comingled the General Fund receipts of the Residential and Commercial Code Enforcement budget program (\$4.4 million) and Conservation of Existing Structures and Mechanical Devices (\$2.2 million).

The Department's response to Budget and Finance Question No. 429 (Budget Memo 124) requested funding for seven additional BMI substitute authorities for 120-day contractors to reduce the open case backlog. This Office would support the request if the additional authorities are provided without funding.

FISCAL IMPACT STATEMENT

The General Fund impact of adding full-year funding for seven Building Mechanical Inspector substitute authorities is \$310,000. The City does not pay for related costs for 120-day contractors. Alternatively, the additional seven authorities could be authorized without funding subject to the stipulations outlined in the narrative.

Should this item be funded, offsetting General Fund revenues or appropriations will need to be identified.

MAS:JLK:02160090c

Question No.429

Attachment

2014-15 Service Enhancement Request (Detail)**Department Name:** Building and Safety**Service/Package Name:** SER-17 Restore Portion of Resources for Commercial/Residential Complaints**Program Number:**
BC0804**Program Name:**
Conservation of Existing Structures and Mechanical Devices**General description of the service and funding requested***Provide a description of the service that will be performed and detail the requested funding. Indicate whether this is an entirely new service, or an existing service that will be enhanced.*

This budget request is to enhance existing Commercial and Residential Complaint (CRC) services within the Department's Code Enforcement Bureau (CEB). The over-arching goal is to restore enough resources so that complaints can be responded to in a reasonable amount of time (goal is 5 business days) instead of the current unacceptable response time of 25 business days (more than 1 month!).

The following 42 positions are requested:

- 2 Principal Inspectors
- 7 Sr. Building Mechanical Inspectors (Sr. BMIs)
- 31 Building Mechanical Inspectors (BMIs)
- 2 Clerk Typists

The cost of this request is \$4,132,310 (\$3,129,034 General Fund and \$1,003,276 LADBS Enterprise Fund, 48R) as the positions are split funded between the General Fund and LADBS Enterprise Fund .

Reason for Split Funding

The Sr BMIs and BMIs issue Orders to Comply to address code violations they find during a response to a complaint, many of which require a building permit to bring the property into compliance (e.g., illegal use/occupancy, illegal construction, substandard building, etc.). The same CEB inspector that issues the orders also performs the inspections related to the new construction permit(s) needed to bring the property into compliance. Fees collected for new construction permits are deposited into the Enterprise Fund and the Enterprise Fund pays for the costs related to providing those services. Therefore, these positions are split funded between the General Fund and Enterprise Fund based on historical samplings of the time a CEB inspector spends on performing new construction inspections.

CEB Background

The CEB was established in July 1999 to provide focused and proper oversight over much-in-demand code enforcement services. Prior to organizing the CEB, code enforcement services were mixed with new construction services and done when time permitted. This organization didn't pose a funding problem at the time because the entire Department, with few exceptions, was funded by the General Fund. However, the lack of concentrated effort in providing ongoing code enforcement services was causing many problems throughout the City: Blight was left unchecked, substandard buildings left to further deteriorate, abandoned buildings were home to prostitution, drugs and other illegal uses, illegal occupancies and construction were out of control. Further, complaints were not readily responded to, complaints were not managed/tracked so some complaints taken multiple times, complaints and responses were not measured and no performance goals were established. Formation of the CEB resolved these issues, some immediately and some over time. The response time goal was set and met at 72 hours until about FY 2004-05. Since that time, the CEB has suffered cuts almost every year, except for this fiscal year (FY 2013-14). However, it LADBS is slated for an 11% cut in its General Fund budget in FY 2014-15 (5% reduction of the FY 2013-14 Adopted Budget + 6% to cover the cost of

2014-15 Service Enhancement Request (Detail)

obligatory increases). The Department is hopeful that this reduction will not be taken (also see "OBP-4 for the reduction and requested restoration in SER-06 Restore Nuisance Abatement Revocation and Add Back Cut Vancant Building Abatement Positions" budget request).

Currently, the backlog of cases (complaints where it has been found that a violation exists) are 12,000 cases and response time is an unacceptable 25 business days (more than 1 month).

The difference between "prior to 1999" and now is that CEB manages its resources well, including establishing goals, tracking complaints and response times, prioritizing and addressing life-safety issues first. Many services have been streamlined and automated, but there's only so much that can be done using these tools. It is not reasonable to expect that only 43 "boots on the ground" (senior inspectors and inspectors) can cover over 400 square miles of territory as complex and demographically diverse as the City of Los Angeles. But, that is where we are today with Commercial/Residential Complaints.

It is also difficult to understand why the CRC has been cut almost on an annual basis for funding reasons:

- Since FY 2006-07, CEB positions have been cut by 49% (from 179 positions to 87 positions)

The following positions were excluded to normalize the data between staffing and revenue::

- 18 to 12 positions for Annual Inspection Monitoring, AIM, program formerly known as Vehicle Establishment Inspection Program, VEIP (was transferred to the LADBS Enterprise Fund in FY 2012-13)
- 8 to 7 positions for Local Enforcement Agency, LEA (added to LADBS in FY 10-11)
- 6 positions for Foreclosure Registry (added in FY 13-14, but ordinance needed to start the program not done)

- Since FY 2006-07, General Fund revenue increased through CEB services by approximately 600% (from less than \$600,000 in FY 2006-07 to \$4.2 million estimated for FY 2013-14)

The following revenue was removed to normalize the data between staffing and revenue:

- \$1.6 million for AIM in FY 06-07 (not part of GF revenue in FY 13-14)
- \$1.25 million for LEA in FY 13-14 (not part of GF revenue in FY 06-07)

Approving this Request will Resolve the Backlog and Response Time Issues

If this request is approved, it is conservatively estimated that response time will drop from 25 to 5 business days and the backlog of cases will be reduced to and maintained at a maximum of 7,500 open cases. Overtime (see budget request "SER-05-2 Increase General Fund Overtime") will be utilized to augment the new staff in reducing the backlog and then it is expected that the staff will be able to maintain the maximum of 7,500 open cases.

The CEB plays a major role in the elimination of blight and the enhancement of Public Safety for the residents and business owners throughout the City of Los Angeles. It receives and responds to over 21,000 (number varies) complaints annually regarding possible violations of the building code, zoning code, sign code and other ordinances.

Matrix Consulting Group Recommendation

Matrix Consulting Group is the Consultant hired by the City (Council File No. 13-0046, Contract No. C-122748) to analyze and make recommendations about consolidating some development services agencies and areas of improvement, including providing new and expanded/enhanced services. They have produced a Draft report dated November 28, 2013.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 132

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer *MAS*

Subject: **BUREAU OF STREET SERVICES – TREE TRIMMING**

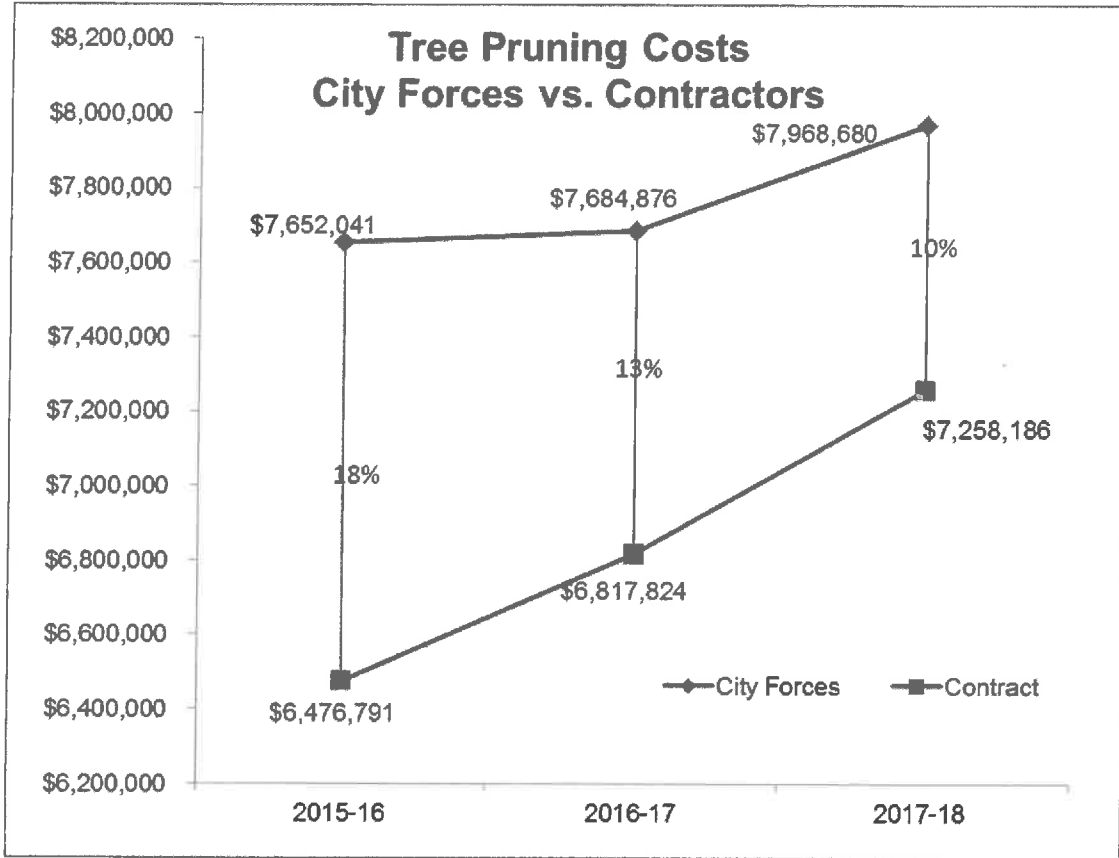
During its consideration of the Bureau of Street Services' (BSS) 2016-17 Proposed Budget, the Budget and Finance Committee requested a report back comparing the cost of pro-active tree trimming services using City forces and contractors. They also requested information regarding: (1) the average cost of tree pruning per tree in the current fiscal year and proposed for 2016-17, (2) the cost of adding one, two, or three crews of City staff; and (3) whether adding City staff would reduce costs. Attached is the Bureau's response.

The Bureau indicates that the current cost of contract tree trimming is \$165 per tree. This cost is expected to increase to \$175 per tree in Fiscal Year 2016-17. The chart below illustrates how the average price per tree trimmed by contract has increased since 2010-11:

Fiscal Year	Average per Tree	\$ Change	% Change
2010-11	\$ 56		
2011-12	\$ 76	\$ 20	36%
2012-13	\$ 75	\$ (1)	-1%
2013-14	\$ 125	\$ 50	67%
2014-15	\$ 135	\$ 10	8%
2015-16 (est.)	\$ 165	\$ 30	22%
2016-17 (est.)	\$ 175	\$ 10	6%

As the Bureau indicated in their memorandum, this Office (CAO) was previously instructed to provide a comprehensive review and report regarding various City street tree issues and concerns per Council File No. 15-0467-S3. This report includes a comparative analysis of the tree trimming costs using contractors or City forces and is planned for release this month.

Our review did find that currently City forces are more expensive than contractors. However, based on the recent and anticipated increases to contract pricing the gap begins to narrow. By Fiscal Year 2017-18, it is projected that the cost difference between City forces and contractors will be approximately 10 percent. This assumes that a total of 33,333 trees are trimmed each year. The methodology used for this comparison was consistent with standard practices used in the Charter 1022 Determination process when performing a contract cost analysis. The chart on the following page illustrates this trend:



It should also be noted that the chart above indicates that the contract prices are expected to continue to rise. To maintain the current level of tree trimming (33,000 trees pruned annually), the City would have to increase funding from year-to-year, even if contractors performed the work.

The cost (12-months) of adding one tree pruning crew is estimated as follows:

Tree Pruning Crew

Quantity	Class Title	Class Code	Wages & Count Salary	Salary Savings Rate (%)	Number of Months Funding Requested	Net Salary
1	TREE SURGEON SUPVSR I	3117	\$ 90,312	8.0%	12	\$ 83,087
4	TREE SURGEON	3114	\$ 69,438	8.0%	12	\$ 255,531
1	EQUIPMNT OPERATOR	3525	\$ 93,317	8.0%	12	\$ 85,851
1	HEAVY DUTY TRUCK OPER	3584	\$ 68,925	8.0%	12	\$ 63,411
2	TREE SURGEON ASST	3151	\$ 53,765	8.0%	12	\$ 98,928
9	TOTALS					\$ 586,809

Budget:

Acct	Account Name	TOTAL
001010	Salaries General	\$ 586,809
001090	Salaries Overtime	\$ 56,250
002120	Printing and Binding	\$ 1,500
003090	Field Equipment Expense	\$ 9,800
003310	Transportation	\$ 45,000
004430	Uniforms	\$ 5,039
006010	Office and Admin	\$ 5,750
006020	Operating Supplies	\$ 5,250
007300	Other - Other - Furniture, Office & Tech Equip	\$ 2,180,000
TOTAL DIRECT COSTS:		\$ 2,895,397

Indirect Cost - Pension/Health (Add/Delete Rate): \$ 291,153
 Total Direct & Indirect Costs: \$ 3,186,550

The total estimated cost for one tree pruning crew is \$3,186,550 for 12 months. This amount includes \$2,895,397 for direct costs and \$291,153 for indirect costs. Of the total direct cost of \$2,895,397, a total of \$2,180,000 (75 percent) is associated with one-time costs for the acquisition of equipment and vehicles that would need to be purchased for a new City crew. On-going costs total \$715,397 (25 percent) of the total direct costs.

The chart below compares costs (12-months) for one, two, and three crews. Costs are broken down into categories such as direct, indirect, one-time, and on-going costs. The chart also compares estimated productivity for each crew.

12-Months Funding for New Tree Pruning Crews

Quantity of Crews	Direct Costs			Indirect Costs	Total Cost (Direct + Indirect)	Estimated Number of Trees Trimmed
	One-Time	On-Going	Total Direct Cost			
One (Nine positions)	\$ 2,180,000	\$ 715,397	\$ 2,895,397	\$ 291,153	\$ 3,186,550	5,500
Two (18 positions)	\$ 4,360,000	\$ 1,430,794	\$ 5,790,794	\$ 582,306	\$ 6,373,100	11,000
Three (27 positions)	\$ 6,540,000	\$ 2,146,191	\$ 8,686,191	\$ 873,459	\$ 9,559,650	16,500

It is important to note that the addition of one, two, or three crews would not eliminate the need for contract tree pruning. Contract tree pruning would still be required to supplement City crews and maintain a service level of 33,000 trees pruned annually. It is estimated that a total of six City crews would be needed to prune 33,000 trees annually.

Should the Committee approve this item, it is recommended that only six months funding be provided to account for the time it will take to hire staff and acquire new equipment. It should also be noted that funding for contract tree trimming would still be required to maintain a service level of 33,000 street trees pruned. Furthermore, an additional appropriation would be necessary. Six months for one, two, and three crews is as follows:

Six-Months Funding for New Tree Pruning Crews

Quantity of Crews	Direct Costs			Indirect Costs	Total Cost (Direct + Indirect)	Estimated Number of Trees Trimmed
	One-Time	On-Going	Total Direct Cost			
One (Nine positions)	\$ 2,180,000	\$ 357,699	\$ 2,537,699	\$ 145,577	\$ 2,683,275	2,750
Two (18 positions)	\$ 4,360,000	\$ 715,397	\$ 5,075,397	\$ 291,153	\$ 5,366,550	5,500
Three (27 positions)	\$ 6,540,000	\$ 1,073,096	\$ 7,613,096	\$ 436,730	\$ 8,049,825	8,250

At this time, adding City staff to perform pro-active tree pruning would not reduce costs to the City for this service. Also, the addition of new crews would require a significant outlay for one-time equipment purchases and require an additional appropriation of City funds to maintain the current service level of 33,000 City street trees pruned annually.

FISCAL IMPACT STATEMENT

The total General Fund cost for adding six-months funding for one, two, or three new City tree pruning crews is as follows:

Six-Months Funding for New Tree Pruning Crews

Quantity of Crews	Direct Costs			Indirect Costs	Total Cost (Direct + Indirect)	Estimated Number of Trees Trimmed
	One-Time	On-Going	Total Direct Cost			
One (Nine positions)	\$ 2,180,000	\$ 357,699	\$ 2,537,699	\$ 145,577	\$ 2,683,275	2,750
Two (18 positions)	\$ 4,360,000	\$ 715,397	\$ 5,075,397	\$ 291,153	\$ 5,366,550	5,500
Three (27 positions)	\$ 6,540,000	\$ 1,073,096	\$ 7,613,096	\$ 436,730	\$ 8,049,825	8,250

Should this request be funded, offsetting General Fund appropriations or revenues will need to be identified.

MAS:SMS:06160157C

Question No.152

Attachments

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 2, 2016

TO: Budget and Finance Committee

FROM: Nazario Saucedo, Director
Bureau of Street Services

SUBJECT: 2016-17 BUDGET MEMO – QUESTION NO. 152
TREE TRIMMING

The Budget and Finance (B&F) Committee instructed the Bureau of Street Services (BSS) to report on the cost comparison of performing tree trimming via contractual services versus City workforce. Additionally, the B&F requested information regarding: (1) the average cost of tree trimming per tree in the current fiscal year and proposed for 2016-17, (2) the cost of adding one, two, or three crews of City staff; and (3) if adding City staff would reduce costs.

The City Administrative Officer (CAO) was previously instructed to provide a comprehensive review and report regarding the various City street tree issues and concerns per CF No. 15-0467-S3, which includes a comparative analysis of the tree trimming costs for contracting work versus City forces. The current cost of contract tree trimming is \$165 per tree and is expected to increase to \$175 per tree for Fiscal Year 2016-17. The cost for the addition of the crews will be determined upon release of the CAO's comparative analysis. Six crews can perform the same level of work for contract tree trimming services funded at \$5.5 million for approximately 33,000 trees. If the number of crews is reduced, the service level will be reduced proportionately.

NS:JFC:RL:GS:VPV:mi

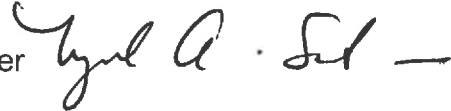
CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 133

Date: May 5, 2016

To: Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer

Subject: **DEPARTMENT OF TRANSPORTATION – REPORT BACK ON THE PROS AND CONS ON IF THE CITY WERE TO USE FULL-TIME TRAFFIC OFFICERS AS OPPOSED TO PART-TIME TRAFFIC OFFICERS**

During its consideration of the Department of Transportation's (DOT) 2016-17 Proposed Budget, the Budget and Finance Committee requested that this Office report back on the pros and cons of using Full-Time Traffic Officers or Part-Time Traffic Officers.

Background

The Traffic Officer Program provides traffic intersection control services, enforcement of City parking and abandoned vehicle regulations, emergency response services, and staffing of special events citywide. These services are important in providing safe neighborhoods, supporting healthy businesses and optimizing the City's parking infrastructure. The authorized staffing levels for the full-time force have ranged from 603 to 613 over the past seven years. The overall services provided are as follows:

- 40% Traffic control and response services
- 40% Enforcement of parking restrictions
- 20% Special Events staffing

The Part-Time Traffic Officer program was implemented in 2011-12 and provided the authority to hire up to one hundred part-time traffic officers with twenty nine Traffic Officer II positions being held vacant to fund the program. The program was created to create a dedicated force for regular parking enforcement patrol at a lower cost than using a full-time officers. This created positions that are focused on enforcement, regardless of how many officers are deployed to respond to emerging issues such as emergency response, traffic control during peak periods or for areas where traffic signals are inoperable, and regular patrol. The part-time traffic officers are not trained in intersection control and only provide patrol enforcement. The Part-Time Program has been a successful force multiplier for DOT, stabilizing enforcement activity and related revenue while allowing DOT more flexibility in deployment of Full-Time Officers.

In the presentation to your Committee, the unions stated that intersection control had declined by 70 percent since 2007-08 as a result of the Part-Time Office Program. However, only five percent of the Full-Time Officer Positions were held vacant to fund the Part-Time Traffic Officers. Therefore, it is highly unlikely that the implementation of the Part-Time Program caused the drop in intersection control. Additionally, the Part-Time Program began in 2011-12 and the number of intersection control hours presented by the union remained relatively steady from 2011-12 through 2014-15.

Part-Time Officer Pros and Cons

Pros:

- A Part-Time Officer costs approximately \$18.71 less per hour. Replacing a Part-Time Officer with a Full-Time Officer would require an additional annual appropriation of approximately \$59,600 per employee.
- According to DOT, over the last 9 Months, Part-Time Officers have issued approximately 4.9 citations per hour. Full-Time Officers have issued approximately 3.73 citations per hour. According to DOT's May 6, 2014 communication to your Committee, "These part time employees have consistently produced a citation rate that equals or exceeds that of full time officers. The part time issuance rate consistently exceeds (4) citations per hour of patrol activity."
- A Part-Time Officer's net revenue (inclusive of costs) is approximately \$117,600 per year. A Full-Time Officer's net revenue (inclusive of costs) is approximately \$90,600 per year. Therefore, replacing a Part-Time Officer with a Full-Time Officer is likely to lead to a reduction of revenue.
- The Part-Time Program has been used as a successful feeder pool for over 100 Full-Time hires. Additionally, competition among Part-Time Officers for an opportunity to receive Full-Time employment has been beneficial to DOT.
- The Part-Time Program has allowed both the employee and the City to determine if the employee is a good fit for the job prior to making a commitment to full-time employment.
- Since Part-Time Traffic Officers are focused on patrol, the City realizes a consistent base level of parking enforcement.
- Should a newly hired Part-Time Traffic Officer determine that the job is not a good fit for them, or should the City decides they are not a good fit, there is a smaller training investment and related turnover cost incurred.
- The Part-Time Program allows the flexibility to give more Full-Time Officers the opportunity for weekends off.

Cons:

- Limits management flexibility to meet vehicle impound and/or traffic control needs, as they have not been trained in these areas.
- The Department reports that many of these employees have other jobs which may conflict with the days and times the Department would like to deploy them, thus limiting management flexibility further.

Full-Time Officer Pros and Cons

Pros:

- Maximizes management flexibility to meet parking enforcement, abandoned vehicle abatement and/or traffic control needs.

Cons:

- Full-Time Traffic Officers may be re-assigned from an enforcement assignment due to emergency issues. As a result, inconsistent levels of regular patrol may create parking congestion in highly congested areas and may promote illegal behaviors.
- The cost to employ a Full-Time Traffic Officer II is approximately \$18.71 more per hour than the cost of employing a Part-Time Traffic Officer.
- Should a newly hired Full-Time Traffic Officer decide that the job is not a good fit for them, or the City decides they are not a good fit, there is a greater training investment and related turnover cost incurred.

FISCAL IMPACT STATEMENT

Although no change is recommended, should the Council elect to eliminate the Part-Time Traffic Officer Program there will likely be a decrease in citation revenue.

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