



AGENDA

FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING ADVISORY COMMITTEE
WEDNESDAY, APRIL 20, 2022, 12:00 PM

TELECONFERENCE CALL-IN NUMBER: (747) 200-6781
CONFERENCE ID: 525 710 562#

To join via phone, dial (747) 200-6781, then enter 525 710 562# when prompted.

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1. **Call to Order**

2. **Roll Call**

- Zella Knight, Chair
- Pamela Williams, Vice Chair
- James Brooks
- Mary Canoy
- Renee Contreras
- Kelli Lloyd
- Connor Lock
- Elda Mendez-Lemus
- Ruthie Myers
- Takao Suzuki
- Anna Swett

3. **Reading and Approval of the Minutes of the Previous Meeting**

Regular Meeting of March 16, 2022

4. **Report of the Executive Director**



Administrative Office
700 West Main Street, Alhambra, CA 91801
Tel: (626) 262-4511 TDD: (626) 943-3898



Executive Director: Emilio Salas
Commissioners: Hilda L. Solis, Holly J. Mitchell, Sheila Kuehl, Janice Hahn, Kathryn Barger

5. **Presentations**

Blue Ribbon Commission on Homelessness
Action Plan for 2022-2023
Fiscal Year 2022-2023 Budget

6. **Public Comments**

Regular Agenda

7. **Fiscal Year 2022-2023 Budget of the Los Angeles County Development Authority (All Districts)**

Recommend that the Board of Commissioners:

Adopt and instruct the Chair to sign a Resolution approving the \$982,361,800 Fiscal Year (FY) 2022-2023 Budget.

Instruct the Executive Director, or his designee, to implement the LACDA's FY 2022-2023 Budget and take all related actions for this purpose, including execution of all required documents.

Find that the approval of the LACDA's FY 2022-2023 Budget is not subject to the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.

Authorize the Executive Director, or his designee, to execute Funding Agreements or amendments to existing Funding Agreements with the County of Los Angeles (County) and all required documents necessary to accept \$102,000 in Centro Estrella Rent funds, \$700,000 in South Whittier Resource Center funds, \$475,000 for the Cooperative Extension Program, \$1,007,000 for the Community Policing Program, \$425,000 for South County Family Sites, \$11,105,000 for Measure H: Homeless Initiative Strategy B4, and \$216,000 for the Homeless Coordinator and ancillary services.

Authorize the Executive Director, or his designee, to execute a Memorandum of Understanding (MOU), and any necessary amendments to the MOU, with the County and all required documents necessary to accept \$566,318 for the Juvenile Justice Crime Prevention Act.

Adopt and instruct the Chair to sign the PHA Board Resolution approving the operating budget and certifying submission of the LACDA's FY 2022-2023 Budget to the United States Department of Housing and Urban Development.

8. Amendment to Increase Annual Compensation to Building Materials and Supplies Contract (All Districts)

Recommend that the Board of Commissioners:

Find that approval of an amendment to the existing contract with HD Supply Maintenance, Ltd. (HD Supply) for building materials and operating supplies is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

Authorize the Executive Director or designee to execute an amendment to the contract with HD Supply to increase the annual compensation to \$1,335,000, using program funds included in the LACDA's approved Fiscal Year 2021-2022 budget, following approval as to form by County Counsel.

9. Commissioner Comments or Suggestions for Future Agenda Items

Access to the agenda and supporting documents are available on the LACDA website. Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Advisory Committee meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least four business days prior to the meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the LACDA by phone at (626) 586-1855 from 8:00 a.m. to 6:00 p.m., Monday through Thursday, or by e-mail at nick.teske@lacda.org.

**MINUTES FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
HOUSING ADVISORY COMMITTEE**

Wednesday, March 16, 2022

The meeting was convened via teleconference.

Digest of the meeting. The Minutes are being reported seriatim.

The meeting was called to order by Commissioner Knight at 12:02 p.m.

<u>Roll Call</u>	<u>Present</u>	<u>Absent</u>
Zella Knight	X	
Pamela Williams	X	
James Brooks	X	
Mary Canoy	X	
Renee Contreras	X	
Kelli Lloyd	X	
Connor Lock	X	
Elda Mendez-Lemus		X
Ruthie Myers	X	
Takao Suzuki	X	
Anna Swett	X	

Commissioners Brooks and Contreras were not counted in the initial roll call due to technical difficulties, but later confirmed their attendance.

Agenda Item No. 3 – Reading and Approval of the Minutes of the Previous Meeting

On motion by Commissioner Myers, seconded by Commissioner Williams, with Commissioners Knight and Suzuki abstaining, the minutes of the Regular Meeting of February 23, 2022 were approved as presented.

Agenda Item No. 4 – Report of the Executive Director

Chief of Programs Tracie Mann welcomed new Commissioner Kelli Lloyd, who introduced herself to the Committee. Tracie then provided an update on the State’s COVID-19 Rent Relief Program. To date, the State has paid out over \$621 million to assist over 51,000 tenants and landlords in Los Angeles County, excluding the cities of Los Angeles and Long Beach.

Tracie reported that the County and the LACDA would retain indoor masking requirements until March 21, 2022. Masks will continue to be strongly recommended for all employees, members of the public, and contractors. Tracie reported that the deadline for employees to register their vaccination status had been extended to March 15, 2022.

Tracie reported that on March 11, 2022, President Biden signed the Federal Fiscal Year (FFY) 2022 Omnibus Appropriations Package to fund federal programs through September 30, 2022. Overall, the bill provides HUD with \$53.7 billion, approximately \$4 billion above FFY 2021 enacted levels. This is the first year that funding levels were not limited by the Budget Control Act of 2011, which put in place strict spending limits on defense and domestic programs. Some of the highlights include:

- \$3.2 billion for the Public Housing Capital Fund, a \$435 million increase from FFY 2021, and the largest ever annual funding for the Capital Fund
- \$5 billion for the Public Housing Operating Fund, a \$200 million from FFY 2021
- \$109 million for the Family Self-Sufficiency Program, an \$4 million increase from FFY 2021
- \$24 billion for Housing Assistance Payments (HAP) renewals, a \$1 billion increase from FFY 2021
- \$200 million for approximately 25,000 new Housing Choice Vouchers nationwide
- \$3.3 billion for Community Development Block Grant, a \$175 million decrease from FFY 2021
- \$1.5 billion for Home Investment Partnerships, a \$150 million increase from FFY 2021
- Direction for HUD to consult with public housing agencies, advocates and researchers to provide a report back to Congress within 180 days on ways to improve the administrative fee formula
- Direction for HUD and the Department of Veterans Affairs (VA) to develop performance metrics to track and assess the impact of VA Supportive Housing (VASH) program flexibilities on utilization, the reasons for unused funds, the effectiveness of the program, and the distribution of resources.
- Direction for HUD to coordinate with the Department of Treasury to evaluate the effectiveness of emergency rental assistance programs in helping households avoid eviction and homelessness and maintain housing stability.

Tracie reported on two pending State bills, AB 2203 and SB 1335, that seek to limit the use of credit histories in the application process for government rental subsidies.

Tracie reported that the LACDA has now issued over 1,400 of the 1,964 Emergency Housing Vouchers (EHVs) that we received from HUD and leased 230 households. Nationwide, 19.6% of the total EHVs allocated have been leased. The LACDA has received over 4,100 referrals from the Los Angeles Homeless Services Authority (LAHSA) for the EHVs.

Tracie reported that on March 1, 2022, the LACDA received 73 Foster Youth to Independence (FYI) Vouchers under the Family Unification Program through HUD's competitive Notice of Funding Availability. The LACDA was one of 18 public housing

agencies nationwide to receive an allocation. In partnership with LAHSA, the County Department of Children and Family Services and Department of Health Services, these vouchers will be used to prevent homelessness among young adults aged 18-24 who have aged out or will soon age out of the foster care system. Youth receiving an FYI voucher will receive supportive services such as life skills, rental lease and program compliance, job preparation and attainment counseling, and educational and career advancement counseling.

Agenda Item No. 5 - Presentations

Annual Plan

Agenda Item No. 6 - Public Comments

Sarah Richardson
Miss Singleton

Agenda Item No. 7 – Annual Plan for the Los Angeles County Development Authority

On motion by Commissioner Canoy, seconded by Commissioner Myers, with Commissioner Knight abstaining, the following was approved:

Recommend that the Board of Commissioners:

Find that approval of the Annual Plan is not subject to the provisions of the California Environmental Quality Act (CEQA) because it will not have the potential for causing a significant effect on the environment.

Approve the Annual Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the LACDA's program goals, major policies and financial resources, including the Capital Fund Program (CFP) Annual Statement information, the Admissions and Continued Occupancy Policy for the Public Housing Program (ACOP), and the Housing Choice Voucher Administrative Plan.

Adopt and instruct the Chair to sign a Resolution approving the Annual Plan for submission to HUD and authorize the Executive Director or his designee to take all actions required for implementation of the Annual Plan.

Authorize the Executive Director or designee to execute all documents required to receive HUD-allocated CFP funds which are estimated to be approximately \$7,200,000.

Authorize the Executive Director or designee to incorporate into the Annual Plan all public comments received and approved for inclusion by the Board; and authorize the Executive Director or his designee to submit the Annual Plan to HUD by April 17, 2022.

Agenda Item No. 8 – Amendment to Increase Annual Compensation to Fencing Services Contract

On motion by Commissioner Lock, seconded by Commissioner Suzuki, the following was approved:

Recommend that the Board of Commissioners:

Find that approval of an amendment to the existing contract is not subject to the provisions of CEQA because the activities are not defined as a project under CEQA.

Authorize the Executive Director or designee to execute an amendment to the contract with Quality Fence Company, Inc. to increase the annual compensation by \$400,000 to a total of \$500,000, using program funds included in the LACDA’s approved Fiscal Year 2021-2022 budget, following approval as to form by County Counsel.

Authorize the Executive Director or designee to execute up to three one-year extensions to the contract, at the same annual amount not to exceed \$500,000, using funds to be included in the LACDA’s budget approval process, and following approval as to form by County Counsel.

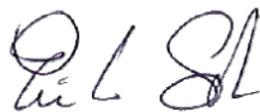
Authorize the Executive Director or designee to amend the contract to modify the Statement of Work, add services, and increase the annual compensation by up to 10% of the contract total as needed for unforeseen costs.

Authorize the Executive Director or designee, upon his determination and as necessary and appropriate under the terms of the contract, to terminate the Contract.

Agenda Item No. 9 - Commissioner Comments or Suggestions for Future Agenda Items

The meeting was adjourned at 1:29 p.m.

Respectfully submitted,



EMILIO SALAS
Executive Director
Secretary-Treasurer



April 20, 2022

Housing Advisory Committee
Los Angeles County Development Authority
700 West Main Street
Alhambra, California 91801

Dear Commissioners:

**FISCAL YEAR 2022-2023 BUDGET OF THE LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY
(ALL DISTRICTS)**

SUBJECT

This letter recommends approval of the Fiscal Year (FY) 2022-2023 recommended Budget of the Los Angeles County Development Authority (LACDA). The FY 2022-2023 Budget totals \$982,361,800, an increase of \$112,820,500 or 13% over the final approved FY 2021-2022 Budget of \$869,541,300.

IT IS RECOMMENDED THAT THE COMMITTEE:

1. Recommend that the Board of Commissioners adopt and instruct the Chair to sign a Resolution (Attachment A) approving the \$982,361,800 FY 2022-2023 Budget.
2. Recommend that the Board of Commissioners instruct the Executive Director, or his designee, to implement the LACDA's FY 2022-2023 Budget and take all related actions for this purpose, including execution of all required documents.
3. Recommend that the Board of Commissioners find that the approval of the LACDA's FY 2022-2023 Budget is not subject to the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.



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4. Recommend that the Board of Commissioners authorize the Executive Director, or his designee, to execute Funding Agreements or amendments to existing Funding Agreements with the County of Los Angeles (County) and all required documents necessary to accept \$102,000 in Centro Estrella Rent funds, \$700,000 in South Whittier Resource Center funds, \$475,000 for the Cooperative Extension Program, \$1,007,000 for the Community Policing Program, \$425,000 for South County Family Sites, \$11,105,000 for Measure H: Homeless Initiative Strategy B4, and \$216,000 for the Homeless Coordinator and ancillary services.
5. Recommend that the Board of Commissioners authorize the Executive Director, or his designee, to execute a Memorandum of Understanding (MOU), and any necessary amendments to the MOU, with the County and all required documents necessary to accept \$566,318 for the Juvenile Justice Crime Prevention Act (JJCPA).
6. Recommend that the Board of Commissioners adopt and instruct the Chair to sign the PHA Board Resolution (Attachment B) approving the operating budget and certifying submission of the LACDA's FY 2022-2023 Budget to the United States Department of Housing and Urban Development (HUD).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to establish the FY 2022-2023 appropriation authority for LACDA operations and activities.

The FY 2022-2023 recommended Budget of the LACDA totals \$982,361,800, an increase of 13% over the final approved FY 2021-2022 Budget of \$869,541,300. The increase is primarily attributed to the increased funding for the Housing Choice Voucher (HCV), No Place Like Home, and new American Rescue Plan (ARP) programs. The increase is offset by decreases from the Federal and State COVID-19 Emergency Solutions Grants (ESG) and Community Development Block Grant (CDBG) funds as authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The FY 2022-2023 recommended budget includes new funding from the \$1.9 trillion ARP stimulus package enacted on March 11, 2021; however, it does not include the omnibus package signed by the President on March 15, 2022 due to timing of the Bill. This package increases HUD's budget by \$4 billion which will increase nearly all of the LACDA's HUD programs. While this is expected to be a positive impact on the LACDA's budget, the exact allotment will not know until HUD releases the final allocation and proration levels.

Over the last two years, the LACDA has successfully launched multiple programs to mitigate the impact of the pandemic on the County. Significant effort is still required to

meet the needs of the community as we receive additional HUD funding. Despite the enormous challenges ahead, we continue to strive to improve the level of service we provide to the residents and businesses we serve on a daily basis by embodying our mission of “Building Better Lives and Better Neighborhoods.”

FISCAL IMPACT/FINANCING

The FY 2022-2023 Budget includes \$128.9 million in County funds consisting of the following: Affordable Housing Trust Fund (AHTF), County Departments, Capital Projects, Measure H/Homeless Prevention Initiatives, and Other Countywide Initiatives.

BUDGET OVERVIEW:

The total FY 2022-2023 Budget of \$982,361,800 consists primarily of federal funding provided by HUD for housing and community development programs. Over half of the budget is in support of the Housing Assistance and Public Housing programs for low-income families, seniors, disabled and veterans. Local revenue sources include County funds, public housing rental income, and other grants received in support of housing activities.

HUD funds are budgeted at \$620.3 million. The majority of HUD funds consist of \$440.9 million in various HCV funding used to administer a total of 27,898 rental subsidies for eligible individuals and families, seniors, veterans, and persons with disabilities living in the unincorporated area of Los Angeles County and participating cities; \$56.1 million to support 1,964 Emergency Housing Vouchers; \$30.6 million in CARES Act and ARP to provide fast and direct economic aid to the American people negatively impacted by the COVID-19 pandemic; \$35.2 million in CDBG funding to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons; \$45.6 million in Public Housing and Modernization funding to manage and maintain 3,229 public and affordable housing units, including new and carryover projects throughout Los Angeles County to rehabilitate housing units and perform site improvements; \$9.8 million in HOME funding to increase homeownership and affordable housing opportunities for low and very low-income households; and lastly \$2.1 million in Emergency Solutions Grants funding to assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness.

County funds are budgeted at \$128.9 million. The majority of County funds consist of \$66.8 million in AHTF for the development of affordable housing units and housing preservation; \$24.8 million in Lead-Based Paint Mitigation funds to support lead-based paint mitigation activities; \$14.1 million in Measure H/Homeless Prevention funding to provide monetary incentives to property owners to rent their available units to LACDA voucher holders; \$11.9 million in Department of Child and Family Services (DCFS) and Bringing Families Home (BFH) funding to reduce the number of families experiencing or at risk of homelessness; \$3.7 million in Capital Projects funding to complete the Fire

Station 110 and Magic Johnson Park construction projects; \$2.2 million in Department of Mental Health funding for the development of supportive housing for the homeless and/or mentally ill individuals/families; \$1 million in County funds for the Public Housing Community Policing Program; and the remaining County funds to support other countywide initiatives.

State funds are budgeted at \$173.9 million. The majority of State funds consist of \$167.1 million in No Place Like Home funding for affordable housing development; \$5.7 million in Permanent Local Housing Allocation funding to increase housing stock in cities and county; and the remaining funding will be used to support other various State initiatives.

Other funds are budgeted at \$59.2 million. The majority of Other funds consist of \$32 million in CARES Act and ARP funding through the Treasury Department to support affordable housing development, emergency rental assistance, and business relief programs; \$9.1 million in Federal Aviation Administration and Los Angeles World Airports funding providing grants to eligible property owners to sound insulate residential homes and rental units from noise caused by aircraft arriving and departing the Los Angeles International Airport; \$9.1 million in U.S. Department of Commerce's Economic Development Administration funding to create and retain jobs by providing grants to eligible businesses; \$5.6 million in General Fund to assist various general activities across the LACDA; \$2.9 million in Traffic Administration Services funding provides Court support in processing and receiving traffic citations, real-time assistance in resolving complaints, and well-needed independent monitoring of the Community Service Referral Agencies industry to help improve program reliability and accountability; and the remaining funding is used to support other program initiatives by the LACDA.

The LACDA Budget includes 690 positions, an increase of 86 positions from the FY 2021-2022 adopted budget. The majority of the new positions will assist with the increased lease-up activities related to Housing Assistance programs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In January 2001, the Community Development Commission and the Housing Authority of the County of Los Angeles, predecessors to the LACDA, with the concurrence of the County Auditor-Controller, developed an administrative policy for establishing a Capital Budget. FY 2022-2023 marks the 21st year that the LACDA will submit a Capital Budget that details ongoing and future projects. The FY 2022-2023 operating budget includes \$5.8 million in capital fund grant for seven projects.

On June 8, 2022, the Board of Supervisors will be approving the FY 2022-2023 One Year Action Plan (Action Plan) for the allocation of federal funds, which includes the planned use of CDBG, HOME, and ESG funding by the LACDA, County departments, participating cities, community-based organizations, and other public agencies. The Action Plan was created with citizen input, as required by federal regulations.

Adoption of the attached Resolution approving the FY 2022-2023 Budget (Attachment A) is necessary to establish new fiscal year appropriation authorities for the LACDA, to receive funding, and to comply with Federal Notice 94-66 (Public Housing Authority) from HUD's Office of Public and Indian Housing, issued September 2, 1994. HUD Form 52574 (Attachment B) must also be approved by the Board of Commissioners to certify the LACDA's operating budget. This letter also recommends authority for the Executive Director, or his designee, to execute any other documents for implementation of the budget, such as financial reports, audit requests and related documents required by HUD or any other governing bodies.

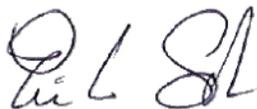
ENVIRONMENTAL DOCUMENTATION

Approval of the LACDA's FY 2022-2023 Budget is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34(a)(3) because they involve administrative activities that will not have a physical impact or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378(b) because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the FY 2022-2023 Budget will enable the LACDA to conduct program activities to benefit low- and moderate-income residents of the County and participating cities.

Respectfully submitted,



EMILIO SALAS
Executive Director

ES:MF:sla

Enclosures



April 20, 2022

Housing Advisory Committee
Los Angeles County Development Authority
700 West Main Street
Alhambra, California 91801

Dear Commissioners:

**APPROVE AMENDMENT TO INCREASE ANNUAL COMPENSATION TO BUILDING MATERIALS AND SUPPLIES CONTRACT
(ALL DISTRICTS)**

SUBJECT

This letter recommends approval of an amendment to the LACDA contract with HD Supply Maintenance, Ltd., to increase the annual contract amount by \$400,000, to a total of \$1,335,000 for building materials, operating supplies, industrial supplies and other related products. HD Supply Maintenance, Ltd. (HD Supply) currently provides building materials and operating supplies to multiple buildings managed by the Los Angeles County Development Authority (LACDA).

IT IS RECOMMENDED THAT THE COMMITTEE:

1. Recommend that the Board of Commissioners find that approval of an amendment to the existing contract is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.
2. Recommend that the Board of Commissioners authorize the Executive Director or designee to execute an amendment to the contract with HD Supply to increase the annual compensation to \$1,335,000, using program funds included in the LACDA's approved Fiscal Year 2021-2022 budget, following approval as to form by County Counsel.



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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On July 10, 2017, the Board awarded a one-year contract to HD Supply to provide building materials and operating supplies, in the amount of up to \$850,000, with the option to extend up to four additional years at the same annual amount. Amendments No. 1 through No. 4, were executed properly to amend and extend the contract for each year. On July 2, 2021, the parties executed Amendment No. 5 to the building materials and supplies contract to extend for the fifth and final year through July 31, 2022. On March 18, 2022, the parties executed Amendment No. 6 to increase the contract by the authorized 10% (\$85,000) to \$935,000 for the fifth and final year.

The purpose of this action is to increase the annual compensation by an additional \$400,000 to \$1,335,000 for the remaining term of the contract through July 31, 2022. The increase is primarily due to the needed replacement of smoke and carbon monoxide detectors with a 10-year life cycle at public housing developments managed by the LACDA per new building code and U.S. Department of Housing and Urban Development (HUD) requirements.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund.

The additional annual compensation of up to \$400,000 for a total amount not to exceed \$1,335,000 will be comprised of program funds included in the LACDA's approved Fiscal Year 2021-2022 budget and future budgets as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On August 4, 2016, the County of Maricopa, Arizona (Maricopa) in conjunction with U.S Communities, a governmental purchasing alliance, conducted a Request for Proposals Solicitation, No. 16154-RFP. Then on January 11, 2017, Maricopa awarded a contract to HD Supply for building materials and supplies which was made available to public agencies nationwide through U.S. Communities. On July 10, 2017, the Board authorized the LACDA (formerly the Housing Authority of the County of Los Angeles) to execute a contract through a cooperative agreement with HD Supply.

On September 15, 2021, the LACDA was awarded a Housing-Related Hazards Capital Fund Program Grant from HUD, which authorized a large portion of funds to be utilized in the purchasing of smoke and carbon monoxide detectors. Subsequently, LACDA worked with HD Supply to obtain pricing and discounts for a large order of smoke and carbon monoxide detectors. The final orders for approximately \$375,000 utilized a large portion of the original contract authority. The LACDA currently needs additional funds to ensure that maintenance and supply ordering remain unimpacted.

In addition, the public housing sites recently completed HUD-required unit inspections, which resulted in a substantial increase of work orders requiring materials and supplies. COVID restrictions did not allow for unit inspections for almost two years. Currently, there are numerous materials and supplies orders on hold due to the need for additional contract funds.

This contract will continue to primarily be federally funded and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the Greater Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, HD Supply will continue to comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain U.S. Department of Housing and Urban Development (HUD) assistance be directed to low and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

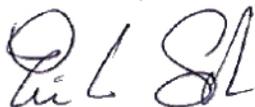
ENVIRONMENTAL DOCUMENTATION

The proposed amendment is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3) because it involves activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT SERVICES

Approval of the proposed contract amendment will allow the LACDA to continue ordering building materials and operating supplies for the public housing sites, and to purchase materials for projects and emergencies. These materials and supplies are necessary for the extraordinary maintenance, rehabilitation, and required maintenance of LACDA properties.

Respectfully submitted,



EMILIO SALAS
Executive Director