



**COMMUNITY DEVELOPMENT COMMISSION/  
HOUSING AUTHORITY**  
of the County of Los Angeles

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Commissioners

**Monique King-Viehlend**  
Executive Director

June 12, 2018

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

Dear Commissioners:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

2-D June 12, 2018

CELIA ZAVALA  
ACTING EXECUTIVE OFFICER

**MEMORANDUM OF UNDERSTANDING WITH THE CITY OF LOS ANGELES FOR THE PACOIMA  
RENOVATE FAÇADE IMPROVEMENT GRANT PROGRAM  
(DISTRICT 3) (3 VOTE)**

**SUBJECT**

This letter recommends approval of a Memorandum of Understanding (MOU) with the City of Los Angeles (City) for the Pacoima Renovate Façade Improvement Grant Program, which the Commission will administer within and for the City.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Executive Director or designee to execute and if necessary terminate an MOU with the City, and any related documents or amendments as may be necessary, to rehabilitate business commercial storefronts within the City, following approval as to form by County Counsel.
2. Authorize the Executive Director or designee to accept and incorporate up to \$450,000 in Non-Housing Excess Bond Proceed funds (Funds) from the City into the Commission's approved Fiscal Year 2018-2019 budget for the purposes described above.
3. Find that the approval of the MOU and acceptance of Funds from the City 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.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Commission will use the funds from the City combined with funds from the County which have

been allocated for the Renovate Façade Improvement Grants Program (Program) for business commercial storefronts within the City, specifically in the Pacoima target area in the City's Seventh Council District.

### **FISCAL IMPACT/FINANCING**

The total cost of the program is estimated to be \$900,000. Upon the Board's approval of these recommendations, the program will be fully funded with \$450,000 from the City and \$450,000 from the County's Economic Development Initiative funds, which was previously approved by the Board of Supervisors for this purpose on June 26, 2017. Based on recently completed projects in the County's unincorporated areas, the amount of combined funds should yield up to 5 separate façade improvements, each of which would renovate multiple store fronts.

Final grant amounts will be determined based on completion of inspections of commercial storefronts and write-ups of proposed scopes of work or architectural design plans. Each grant will be evidenced by an executed Grant Agreement for Rehabilitation and Maintenance Covenant as signed by the commercial property owner that will not require repayment but will be monitored for adherence to maintenance guidelines and a Construction Contract with a procured general contractor that will be reviewed and supervised accordingly.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Program provides grants for exterior improvements to business storefronts that are typically in lower-income commercial corridors in unincorporated Los Angeles. Under the MOU, Program services will now be available for businesses within the City, specifically in the Community of Pacoima, which is located in the County's Third Supervisorial District. The MOU will commence in FY2018-2019 and any future funding will be included in the Commission's annual budget process. Upon approval of the MOU, all program activities will continue thereafter until either party agrees to terminate the Program by providing a 30 day written notice. Under the MOU, Program grants will be provided to commercial business property owners to help them address exterior improvements including but not limited to the repair of windows, doors, awnings, painting, and to address related City building and safety code violations.

The Commission will administer the Program and work in conjunction with staff from the City to address Program-related issues identified in processing applications for Program grants and pertinent activities.

The Commission will designate a project manager along with support from the Commission's Construction Management Unit to administer the Program within the City. At no time will Commission staff report to or be under the supervision of the City.

The Commission will administer the Funds provided by the City to conduct the services described above, and all services to be provided by the Commission are included within the allocated amount and includes the amount paid into the Program by the City. Any additional costs related to administering the Program in the City will be paid by the City pursuant to the MOU. In the event of termination of the MOU, the City shall be responsible for all fees incurred through the effective date of termination and will be invoiced by the Commission within 30 days of termination.

### **ENVIRONMENTAL DOCUMENTATION**

The Honorable Board of Commissioners

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This 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.

Properties rehabilitated through this Program will be reviewed and approved on a site by site basis prior to the commencement of any work under this MOU.

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

The recommended actions will assist low- and moderate-income property owners with rehabilitation of their business storefronts to beautify, strengthen and revitalize commercial corridors in the County of Los Angeles and City.

Respectfully submitted,



MONIQUE KING-VIEHLAND

Executive Director

MKV:KT:CJ:fo

Enclosures

**Memorandum of Understanding (MOU) By and Between the  
Community Development Commission of the  
County of Los Angeles and the  
City of Los Angeles Economic and Workforce Development Department  
for the Pacoima Renovate Façade Improvement Grant Program**

This Memorandum of Understanding ("MOU") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between the Community Development Commission of the County of Los Angeles ("Commission") and the City of Los Angeles ("City") Economic and Workforce Development Department ("EWDD").

**WHEREAS**, the Commission administers, manages, facilitates and implements the Renovate Façade Improvement Program ("Renovate Program"), a business revitalization program that assists property owners in the refurbishment of commercial storefronts utilizing funds that it receives from the County of Los Angeles Board of Supervisors ("County"); and

**WHEREAS**, the City would like to partner with the Commission to provide a similar program for property owners applying for its Pacoima Renovate Façade Improvement Program ("Pacoima Renovate Program"), which provides grant assistance to commercial property owners for improvements to the exterior of their buildings; and

**WHEREAS**, the Commission wishes to collaborate with the City in facilitating a Pacoima Renovate façade improvement program in the Community of Pacoima, located in City Council District 7; and

**WHEREAS**, this MOU authorizes the Commission to administer, manage, facilitate and implement the Pacoima Renovate Program within the City's boundaries; and

**WHEREAS**, the City agrees that the Commission, on behalf of the City, will implement, administer and manage the Pacoima Renovate Program commencing on \_\_\_\_\_, 2018, pursuant to Section 17958.8 *et seq.* of the California Health and Safety Code; and

**WHEREAS**, the Commission will operate the Pacoima Renovate Program within the City within the Community of Pacoima, located in City Council District 7 using County funds it received from the Renovate Program and Non-Housing Excess Bond Proceeds funds provided for and approved by the City, and will monitor the compliance of participants in the Pacoima Renovate Program with regulations established by the Commission as set forth in the Pacoima Renovate Program guidelines; and

**WHEREAS**, the Commission, on an as-needed basis and throughout the term of the Pacoima Renovate Program, will promote the Pacoima Renovate Program within the City and will be the primary agency in the determination of award of grants to commercial business property owners who meet the eligibility requirements of the Pacoima Renovate Program for improvements/repairs to business storefronts; and

**WHEREAS**, the City wishes to enter into this MOU to provide Pacoima Renovate Program funding commencing with Fiscal Year 2018-2019 and continuing thereafter until the parties agree to terminate by providing 30 days written notice.

NOW, THEREFORE, it is agreed between the parties as follows:

1. Pacoima Renovate Program Activities

The MOU shall provide for Pacoima Renovate Program façade improvement grants to address exterior improvements to business storefronts and related City building and safety code violations as described in the Pacoima Renovate Program guidelines.

2. Term

This MOU shall commence as of the day and year first above written and shall remain in full force and effect until either party elects to terminate.

3. Termination

This MOU may be terminated by either party with thirty (30) days' written notice.

4. City Responsibilities

A. The City has approved and committed \$450,000 in Non-Housing Excess Bond Proceed funds to the Pacoima Renovate Program. The City agrees to provide an initial amount of \$50,000 of such funds to the Commission for the project delivery and management of the Pacoima Renovate Program and shall deposit, by electronic wire, the initial funds into the Commission's checking account. The Commission will establish a general ledger project for the exclusive purpose of tracking the use of cash and paying for project costs associated with Pacoima Renovate Program. This action will be taken within ten (10) working days of the approval and execution of the MOU. Within thirty (30) days of the initial deposit of \$50,000 in project delivery funds, the City shall make a second deposit of \$400,000 into the Commission's account for project cost.

B. The City authorizes Commission staff to administer the Pacoima Renovate Program in accordance with all applicable federal, state, county and city laws and regulations. Where necessary, the City shall make available designated Construction Management and/or Code Enforcement staff to work with Commission staff assigned to manage the Program on project-related activities such as the processing of applications for façade improvement grants, project case management and monitoring, and other pertinent activities.

C. City personnel assigned to the Pacoima Renovate Program shall be under the direct supervision of the EWDD Chief Grants Administrator. The EWDD's Chief Grants Administrator will work directly with the Commission's Manager of

Economic Development to ensure that City personnel assigned to the Pacoima Renovate Program are performing their responsibilities in a professional, efficient and effective manner.

- D. Any additional costs related to administering the Pacoima Renovate Program in the City will be paid by the City pursuant to this MOU.

#### 5. Commission Responsibilities

- A. The Commission has received approval from the County Board of Supervisors and committed \$450,000 in Fiscal Year 2018-19 County General funds for the implementation, administration and management of the Pacoima Renovate Program.
- B. Commission Program personnel shall be under the direct supervision of the Commission's Manager of Economic Development while City of Los Angeles Economic and Workforce Development Department's personnel shall be under the direct supervision of the EWDD Chief Grants Administrator. It will be the responsibility of the Commission's Manager and the EWDDs Chief Grants Administrator to work together to coordinate and manage the activities and responsibilities of their respective personnel.
- C. The Commission warrants that all services performed by its personnel under this MOU shall be performed in compliance with all applicable federal, state and county laws and regulations, including the City's municipal building and safety codes.
- D. The Commission shall designate at least one (1) staff person to administer and manage the Pacoima Renovate Program within the City.
- E. The Commission shall administer the funds provided by the City to conduct the Pacoima Renovate Program, and provide services as described in the "Pacoima Renovate Façade Improvement Program Guidelines," as recently amended.
- F. In the event of termination of the MOU, as provided herein, the Commission shall be responsible for turning over all unfinished project files to the City, and notifying all active clients, contractors and vendors involved in the Pacoima Renovate Program that the Commission will no longer be administering the Pacoima Renovate Program and that the City will be responsible (commencing on a date specific) for the completion of their project and will provide them with the new contact information for the person at the City now responsible for their project. Furthermore, the Commission will return to the City all unallocated Pacoima Renovate Program funds which the City originally deposited with the Commission within ten (10) working days of the effective date of termination of the MOU. The Commission will be responsible for paying all outstanding invoices associated with all project costs incurred after the return of Pacoima

Renovate Program funds to the City and will invoice the City for reimbursement of those costs.

G. The Commission shall submit quarterly reports to the City identifying Pacoima Renovate Program expenditures and individual projects status until all funds are depleted and/or this MOU is terminated, whichever comes first.

## 6. Notices

Notices provided for this MOU shall be in writing and shall be addressed to the person intended to receive the same, at the following addresses:

The Commission:            Monique King-Viehlend, Executive Director  
Community Development Commission  
of the County of Los Angeles  
700 West Main Street  
Alhambra, California 91801

The City:                      Jan Perry, General Manager  
Economic and Workforce Development Department City  
of Los Angeles  
1200 West 7<sup>th</sup> Street  
Los Angeles, California 90017

Notices addressed as above provided, shall be deemed delivered three (3) business days after mailing *through the U.S. postal service* or when delivered in person with written acknowledgement of the receipt thereof. The Commission and the City may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

## 7. Indemnification

The City shall be responsible for and shall defend and hold harmless and indemnify the Commission, Housing Authority of the County of Los Angeles, and the County of Los Angeles, its elected and appointed officials, employees and agents from all costs and claims for damages whatsoever by any third party relating to or resulting from the actions of the City arising out of or in connection with the services, work, operation or activities of the City, its agents, employees and officials, in relation to the rendition of services pursuant to this MOU.

Except for a breach by the City of its obligations under this Agreement (or under any document executed by the City pursuant to this Agreement) or the gross negligence, illegal act or willful misconduct of the City, effective as of the Closing Date, Commission, on behalf of itself and anyone, including but not limited to Property Owner or Project Tenant, claiming by, through or under Commission, hereby waives

its right to recover from, and fully and irrevocably releases, the City, the City Council, and each individual member of the City Council, and its respective employees, officers, directors, representatives, attorneys and agents (the "Released Parties") from any and all claims, responsibility and/or liability that Commission may have or hereafter acquire against any of the Released Parties for any claims, fines, penalties, fees, costs, loss, liability, damage, expenses, demands, action or cause of action arising from or related to the condition of the project (including any construction defects, errors, omissions or other conditions, latent or otherwise), valuation, salability or utility of the project, or its suitability for any purpose whatsoever

8. Entire Document

This MOU constitutes the entire understanding and agreement of the parties.

9. Authority

Each of the parties represents and warrants that the person entering into this MOU on behalf of such party is duly authorized to enter into this MOU on behalf of the party.

10. Counterparts

This MOU may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect, as if all of the parties had executed the same instrument.



IN WITNESS WHEREOF, this Memorandum of Understanding is executed by the parties hereto, by their respective officers thereunto duly authorized as follows:

COMMUNITY DEVELOPMENT COMMISSION  
OF THE COUNTY OF LOS ANGELES

THE CITY OF LOS ANGELES  
ECONOMIC AND WORKFORCE  
DEVELOPMENT DEPARTMENT

By: \_\_\_\_\_  
MONIQUE KING-VIEHLAND  
Executive Director

By: \_\_\_\_\_  
JAN PERRY  
General Manager

APPROVED AS TO FORM:

MARY C. WICKAM  
County Counsel

By: \_\_\_\_\_  
BEHNAZ TASHAKORIAN  
Senior Deputy