COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles
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Gloria Molina
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Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

October 9, 2007

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

Dear Commissioners:

APPROVE EXCHANGE OF CDBG FUNDS BETWEEN THE CITIES OF BEVERLY HILLS AND SAN FERNANDO (3)
(3 Vote)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that approval of the exchange of CDBG funds between the Cities of San Fernando and Beverly Hills 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. Approve Amendment No. 3 to CDBG Reimbursable Contract No. 70745 between the County of Los Angeles and the City of San Fernando, presented in substantially final form, to add $75,000 in CDBG funds from the City of Beverly Hills in exchange for $41,250 in general tax revenues, pursuant to an agreement between the two cities, thereby increasing the amount of CDBG funds allocated to the City of San Fernando from $1,144,307 to $1,219,307.

3. Approve Amendment No. 2 to CDBG Reimbursable Contract No. 70716 between the County of Los Angeles and the City of Beverly Hills, presented in substantially final form, to remove $75,000 in CDBG funds in exchange for $41,250 in general tax revenues from the City of San Fernando, pursuant to an agreement between the two cities, thereby reducing the amount of CDBG funds allocated to the City of Beverly Hills from $534,372 to $459,372.

4. Authorize the Executive Director of the Community Development Commission to execute on behalf of the County of Los Angeles the contract amendments, attached hereto in substantially final form, to be effective through June 30, 2008, following approval as to form by County Counsel and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The City of Beverly Hills has executed an agreement with the City of San Fernando to grant CDBG funds in exchange for general tax revenue funds. The proposed amendments will effectuate the transfer of these funds.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The City of Beverly Hills has agreed to transfer $75,000 in previously allocated CDBG funds to the City of San Fernando in exchange for $41,250 in general tax revenues. The current contract amount for the Reimbursable Contract with City of Beverly Hills is $534,372. The proposed amendment will reduce the contract amount to $459,372.

The City of San Fernando has agreed to accept $75,000 in CDBG funds from the City of Beverly Hills. The current contract amount for the Reimbursable Contract with the City of San Fernando is $1,144,307. The proposed amendment will incorporate the new funds, thereby increasing the contract amount to $1,219,307.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The City of Beverly Hills has agreed to transfer a total of $75,000, in CDBG funds from previous fiscal years, to the City of San Fernando, in exchange for $41,250 in general tax revenues.

The City of San Fernando will use the additional CDBG funds to implement CDBG-eligible projects for low- and moderate-income persons, while the City of Beverly Hills will use the general tax revenues for city operations.

The contract amendments, attached hereto in substantially final form, will be used for the proposed transfer of funds. The amendments will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION:

This action 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 it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. These activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 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 PROGRAM:

The proposed contract amendments will enable the City of San Fernando to increase the amount of CDBG funds available to administer and implement CDBG-eligible projects to benefit low- and moderate-income persons, and the City of Beverly Hills to use general tax funds for city operations.

Respectfully submitted,

Bobbette A. Glover
for CARLOS JACKSON
Executive Director

Attachments: 2

COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER ___3___

CITY: SAN FERNANDO

CONTRACT NUMBER: 70745

THIS AMENDMENT NO. 3 TO CONTRACT 70745 is made this_____ day of _____, 2007, by and between the County of Los Angeles, hereinafter called the "County," and the City of San Fernando, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Reimbursable Contract, Contract Number 70745, dated July 1, 2006, and amended April 3, 2007 and July 1, 2007;

WHEREAS, the County and the Operating Agency desire to amend said Contract in order to reflect an exchange of $75,000 in CDBG funds from the City of Beverly Hills so that the City of Beverly Hills may gain additional funds for its general city operations and the Operating Agency may better implement its CDBG-eligible projects;

WHEREAS, the Community Development Commission of the County of Los Angeles administers this Contract on behalf of the County;

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 70745 be amended as follows:

1. **COMPENSATION AND METHOD OF PAYMENT** has been amended as follows: to show a revised compensation amount of one million two hundred nineteen thousand three hundred seven dollars (**$1,219,307**). This is an increase of seventy-five thousand dollars (**$75,000**) to the contract amount to reflect an exchange of $75,000 in CDBG funds from the City of Beverly Hills for $41,250 in general tax revenue funds of the Operating Agency, so that the City of Beverly Hills may gain additional funds for its general city operations, and the Operating Agency may better implement its CDBG-eligible projects.

2. All other terms and conditions of said Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers on the day, month and year first above written.

COUNTY OF LOS ANGELES

BY: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

CITY OF SAN FERNANDO

BY: _____

TITLE: _____

ATTEST: _____

CITY CLERK: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

BY: _____
Deputy

APPROVED AS TO PROGRAM:

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Director, CDBG

COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER ___2___

CITY: BEVERLY HILLS

CONTRACT NUMBER: 70716

THIS AMENDMENT NO. 2 TO CONTRACT 70716 is made this_____ day of _____, 2007, by and between the County of Los Angeles, hereinafter called the "County," and the City of Beverly Hills , hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Reimbursable Contract, Contract Number 70716, dated July 1, 2006, and amended July 1, 2007;

WHEREAS, the County and the Operating Agency desire to amend said Contract in order to reflect an exchange of $75,000 in CDBG funds with the City of San Fernando for $41,250 in general tax revenue funds of the City of San Fernando so that the Operating Agency may gain additional funds for its general city operations and the City of San Fernando may better implement its CDBG-eligible projects;

WHEREAS, the Community Development Commission of the County of Los Angeles administers this Contract on behalf of the County;

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 70716 be amended as follows:

1. **COMPENSATION AND METHOD OF PAYMENT** has been amended to show a revised compensation amount of four hundred fifty-nine thousand three hundred seventy-two dollars (**$459,372**). This is a decrease of seventy-five thousand dollars (**$75,000**) to the contract amount.

2. All other terms and conditions of said Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers on the day, month and year first above written.

COUNTY OF LOS ANGELES

BY: _____
CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

CITY OF BEVERLY HILLS

BY: _____

TITLE: _____

ATTEST: _____

CITY CLERK: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

BY: _____
Deputy

APPROVED AS TO PROGRAM:

CARLOS JACKSON, Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Director, CDBG