**HOUSING AUTHORITY**
**of the County of Los Angeles**
Administrative Office
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**Gloria Molina**
**Yvonne Brathwaite Burke**
**Zev Yaroslavsky**
**Don Knabe**
**Michael D. Antonovich**
*Commissioners*

**William K. Huang**
*Acting Executive Director*

August 5, 2008

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

Dear Commissioners:

**APPROVE MEMORANDUM OF UNDERSTANDING WITH THE CITY OF PARAMOUNT FOR SECTION 8 PROGRAM INVESTIGATIONS (DISTRICT 4) (3 VOTE)**

**SUBJECT:**

The Memorandum of Understanding (MOU) with the City of Paramount will enable the Housing Authority to continue investigations of Housing Voucher Choice Program (Section 8 Program) participating landlords and tenants to ensure compliance with program regulations.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that approval of the MOU between the Housing Authority and the City of Paramount 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 and authorize the Acting Executive Director to execute the MOU with the City of Paramount, attached in substantially final form, under which the Housing Authority will provide investigative services and receive $25,000 from the City of Paramount, to be effective following approval as to form by County Counsel and execution by the parties.

3. Authorize the Acting Executive Director to incorporate into the Housing Authority's approved Fiscal Year 2008-2009 budget a total of $25,000 from the City of Paramount, for the purposes described above, and to incorporate any additional funds that may be received from the City of Paramount for services performed during the term of the MOU.

4. Authorize the Acting Executive Director to execute amendments to the MOU with the City of Paramount to include minor administrative changes, and to extend the time of performance for up to two additional years, in one-year increments; and authorize the Acting Executive Director to incorporate funds received from the City of Paramount into future approved Housing Authority budgets, for the purpose described above.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to provide investigations of Section 8 Program participants for ten months within the City of Paramount.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund. The City of Paramount will provide a total of $25,000, which will be incorporated into the Housing Authority's 2008-2009 Fiscal Year budget.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

Since 1994, cooperation agreements have been entered into with the City of Paramount that have permitted the Housing Authority to administer the Section 8 Program within the jurisdiction. Under separate agreements, the Housing Authority also investigates participating landlords and tenants to ensure compliance with program regulations and local and federal laws. The new MOU will continue these investigations for ten months, using the services of one quarter-time investigator working 520 hours over the term.

The Housing Authority will provide the following services: conduct investigations of suspected program violations; interview witnesses and review files, public records and other documents; prepare written reports and maintain activity logs; prepare cases involving program violations for administrative action; prepare cases for civil or criminal action to document and recover subsidies received by participants based on fraud; testify at criminal and administrative hearings; participate in crime prevention task forces; conduct fraud awareness training for city and County law enforcement officers and other officials; prepare monthly investigation reports; address quality of life issues; and perform related duties.

The MOU includes mutual indemnification language providing for the City of Paramount and the Housing Authority to defend and hold harmless and indemnify each other. This language has been incorporated into agreements with other jurisdictions that provide for administration of the Section 8 Program within those jurisdictions.

The MOU has been reviewed by County Counsel. It was recommended for approval by the Housing Commission on July 23, 2008, and it is anticipated that the Paramount City Council will approve the new MOU in early August.

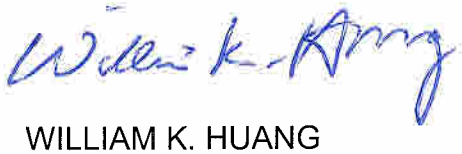
**ENVIRONMENTAL DOCUMENTATION:**

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. The activity is not subject to the provisions of CEQA pursuant to State CEQA Guidelines, Section 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 PROGRAM:**

The services are a deterrent to program fraud and other criminal activity.

Respectfully submitted,



WILLIAM K. HUANG
Acting Executive Director

Attachment: 1

**Memorandum of Understanding By and Between**
**The Housing Authority of the County of Los Angeles and the**
**City of Paramount**

This Memorandum of Understanding ("MOU") is made and entered into this ___ day of _____ 2008, by and between the Housing Authority of the County of Los Angeles (the "Housing Authority") and the City of Paramount (the "City").

Whereas, on October 18, 1994, and continuing, the Housing Authority and the City have entered into annual Cooperation Agreements whereby the Housing Authority administers the Housing Choice Voucher Program – Section 8 (the "Program") within the City, pursuant to Title II of the Housing and Community Development Act of 1974, as amended, and Section 34200 et. seq. of the California Health and Safety Code; and

Whereas, the Housing Authority operates the Program within the City using funds allocated by the U.S. Department of Housing and Urban Development ("HUD"), and monitors the compliance of Program participants with regulations established by HUD and the Housing Authority; and

Whereas, the Housing Authority on an ongoing basis performs investigations to ensure that participants comply with said regulations, and that participants are not involved in criminal or other activity that may negatively impact the Program; and

Whereas, on March 14, 2006, and continuing, the Housing Authority and the City have entered into agreements that have permitted the Housing Authority to perform investigative services within the City; and

Whereas, the Housing Authority and the City wish to enter into the following MOU to provide the equivalent of one quarter-time investigator to perform services for ten (10) months, with funds provided by the City;

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

1. Investigative Activities

   This MOU shall provide for additional investigative services to address criminal activity and other violations related to the Program administered by the Housing Authority within the City.

2. Term

This MOU shall commence as of the day and year first above written and shall remain in full force for a period of ten (10) months, from September 1, 2008 through June 30, 2009, unless sooner terminated as provided herein. The MOU may be renewed by written amendment duly executed by the parties, for an additional two years, in one-year increments.

3. Termination

This MOU may be terminated by either party with thirty (30) days written notice transmitted to the addresses provided in Paragraph 6 below.

4. City Responsibilities

For those supplemental investigative and supervisory services provided by the Housing Authority, identified in Paragraph 5 below, the City shall pay to the Housing Authority the sum of Two Thousand and Eight-Three Dollars ($2,083) per month, or a total amount not exceeding Twenty-Five Thousand Dollars ($25,000) during the term of this MOU.

The City shall receive from the Housing Authority investigative services totaling no less than 120 hours per three-month period, and no more than 520 hours during the term of this MOU.

The City shall make its staff available to the Housing Authority, as necessary to address Program-related violations and criminal activity and to carry out corrective measures. However, City staff shall **not** accompany Housing Authority investigators into the field when assessing Program-related violations or criminal activity.

The City warrants that all services performed by its employees under this MOU shall be carried out in accordance with all applicable federal, state and County laws and regulations.

The City shall receive from the Housing Authority monthly invoices identifying the number of hours and description of investigative services performed. The City shall remit payment for the quarterly invoices within fifteen (15) days of receipt.

5. Housing Authority Responsibilities

The Housing Authority shall recruit and retain the services of a qualified Investigator to perform the following: conduct investigations of suspected violations of the Program administered by the Housing Authority; gather information through interviewing witnesses, and reviewing files, public records and other documents; prepare written reports and maintain statistical activity logs; prepare cases involving Program violations for administrative action; prepare cases for civil or criminal action to document and recover subsidies received by participants based on fraud; testify in criminal and administrative hearings; participate in any Crime Prevention Task Force and work with Special Assignment Officers (Sheriff SAO); conduct fraud awareness training for law enforcement officers and other officials; prepare monthly reports on investigative activities for submission to the City; address quality of life issues and program regulation enforcement; and perform other related duties.

The Investigator shall be an employee of the Housing Authority and shall be under the supervision of the Housing Authority, and not under the supervision or training of the City. The Housing Authority warrants that all services performed by its investigator under this MOU shall be performed in compliance with all applicable federal, state and County laws and regulations.

The Housing Authority shall administer the funds provided by the City to conduct the services described above. All services to be provided by the Housing Authority are included within the quarterly sum to be paid by the City, and there shall be no additional cost to the City for services provided pursuant to this MOU. In the event of termination of the MOU, as provided herein, the City shall be responsible for all fees incurred through the effective date of termination.

The Housing Authority shall submit quarterly statements to the City identifying the number of hours provided, description of investigative services and associated costs.

6. Notices

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

| | |
|---|---|
| The Housing Authority: | William K. Huang<br>Acting Executive Director<br>The Housing Authority of the<br>County of Los Angeles<br>2 Coral Circle<br>Monterey Park, California 91755 |
| The City: | Linda Benedetti-Leal<br>City Manager<br>City of Paramount<br>16400 Colorado Avenue<br>Paramount, California 90723 |

Notices address as above provided shall be deemed delivered three (3) business days after mailed by U.S. mail or when delivered in person with written acknowledgement of the receipt thereof. The Housing Authority 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 Housing Authority shall be responsible for and shall defend and hold harmless and indemnify the City, 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 Housing Authority, its agents, employees and investigators, in relation to the rendition of services pursuant to this MOU.

The City shall be responsible for and shall defend and hold harmless and indemnify the Housing Authority, the Community Development Commission and the County of Los Angeles, and 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.

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:

THE HOUSING AUTHORITY OF
THE COUNTY OF LOS ANGELES

By_____
WILLIAM K. HUANG
Acting Executive Director

APPROVED AS TO FORM:
Raymond G. Fortner, Jr.
County Counsel

By_____
Deputy

CITY OF PARAMOUNT

By_____
LINDA BENEDETTI-LEAL
City Manager

APPROVED AS TO FORM:
Office of the City Attorney

By_____
City Attorney

ATTEST:

_____
City Clerk