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

William K. Huang
Acting Executive Director

November 12, 2008

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

Dear Commissioners:

APPROVE COMMUNITY DEVELOPMENT BLOCK GRANT ADVANCE CONTRACT AMENDMENT NO. 1 FOR VOLUNTEERS OF EAST LOS ANGELES (District 1) (3 Vote)

SUBJECT:

This action is to approve Amendment No. 1 to Community Development Block Grant (CDBG) Advance Contract No. 101821 between the County of Los Angeles and the Volunteers of East Los Angeles (VELA), for $330,000, to provide construction signage within the First Supervisorial District, through June 30, 2009.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that approval of Amendment No. 1 to CDBG Advance Contract No. 101821 between the County of Los Angeles and VELA 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 a Amendment No. 1 to CDBG Advance Contract No. 101821 with VELA, presented in substantially final form, to increase the contract amount by $330,000, from $50,000 to $380,000, for VELA's Special Events and Programs project, using $330,000 in CDBG funds allocated to the First Supervisorial District, to be effective from date of Board approval through June 30, 2009, following approval as to form by County Counsel and execution by all parties.

3. Instruct the Acting Executive Director of the Community Development Commission to execute the standard CDBG Advance Contract Amendment, on behalf of the County of Los Angeles (County), following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

On May 27, 2008, your Board approved the 2008-2009 One-Year Action Plan for the Thirty-fourth Program Year (July 1, 2008 through June 30, 2009) to receive CDBG funds from the U.S. Department of Housing and Urban Development (HUD). At that the time, your Board approved CDBG Advance Contracts with VELA for three projects, using CDBG funds allocated to the First Supervisorial District: $50,000 for the Volunteers of East Los Angeles project; $50,000 for the Special Events and Programs project; and $145,000 for the East Los Angeles Farmers Market project. The proposed Advance Contract Amendment will provide an additional $330,000 for the Special Events and Programs project to provide signage to indicate that area businesses are still open during road and subway construction within the unincorporated areas of the First Supervisorial District.

The Action Plan contains the County's One-Year Plan to carry out housing and community development activities funded by the CDBG program. The proposed CDBG Advance Contract Amendment to the Special Events and Programs project with VELA is consistent with the purposes set forth in the Action Plan.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The proposed CDBG Advance Contract Amendment will be funded with a total of $330,000 in CDBG funds allocated to the First Supervisorial District.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

VELA, a community-based development organization, supports community economic development activities that increase economic opportunity, principally for persons of low- and moderate-income, and that stimulate or retain businesses that enhance and promote the unincorporated East Los Angeles business districts. The Advance Contract Amendment will provide an additional $330,000 for VELA's Special Events and Programs project to provide signage to indicate that area businesses are still open during road and subway construction within the unincorporated areas of the First Supervisorial District. CDBG funds will be used for a portion of personnel costs and non-personnel professional services. VELA is located at 4620 East 3rd Street in unincorporated East Los Angeles.

Should VELA require additional or replacement personnel after the effective date of this CDBG Advance Contract, VELA shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet VELA's minimum qualifications for the positions in question.

The attached standard CDBG Advance Contract Amendment is presented in substantially final form, and will be effective following approval as to form by County Counsel and execution by all the 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 project meets the HUD national objective of serving low- and moderate-income persons.

Respectfully submitted,

WILLIAM K. HUANG
Acting Executive Director

Attachments: 2

ATTACHMENT A

APPROVE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ADVANCE CONTRACT AMENDMENT VOLUNTEERS OF EAST LOS ANGELES

Board of Directors		Employees	
Total:	7	Total:	8
7	Minorities	8	Minorities
2	Women	5	Women
100%	Minority	100%	Minority
28%	Women	62%	Women

The Community Development Commission (Commission) encourages the participation of minorities and women in the contract award process by: providing information about the Commission at local and national conferences; conducting seminars for minorities and women regarding the Commission's programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations that represent minorities and women. The above information has been voluntarily provided by VELA.

The recommendation to approve the CDBG Advance Contract with the above Agency is being made in accordance with federal regulations, and without regard to race, creed, color, gender, religion, or sexual orientation.

COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
ADVANCE CONTRACT

AMENDMENT NUMBER 1

Project Title: Special Events and Programs

Project Number: 600477-08 CONTRACT NUMBER: 101821

THIS AMENDMENT TO CONTRACT made this _____ day of _____, 2008 by the County of Los Angeles, hereinafter called the "County," and Volunteers of East Los Angeles, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Advance Contract, Contract Number 101821, Community Development Project Number 600477-08, dated July 1, 2008; and

WHEREAS, County and Operating Agency desire to amend said Contract in order that Operating Agency may better implement the project.

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that said Contract Number 101821 be amended as follows:

COMPENSATION AND METHOD OF PAYMENT has been amended to show a new total compensation amount of three hundred eighty thousand dollars ($380,000). This is an increase of three hundred thirty thousand dollars ($330,000) to the project amount. An amended Exhibit A, Project Description, is attached hereto and incorporated herein, and substituted in its entirety for the previously attached Exhibit A.

BUDGET SECTION is amended to reflect the new compensation amount of three hundred eighty thousand dollars ($380,000).

ADMINISTRATIVE CHANGE Activity Summary amended to include the installation of signage at construction zones.

All other terms and conditions of the Agreement shall remain the same and 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 Acting 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: _____
WILLIAM K. HUANG,
Acting Executive Director
Community Development Commission
of the County of Los Angeles

VOLUNTEERS OF EAST LOS ANGELES

BY: _____

TITLE: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

BY: _____
Deputy

APPROVED AS TO PROGRAM:

WILLIAM K. HUANG
Acting Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Director, CDBG

Community Development Commission
County of Los Angeles
Project Description and Activity Budget

Contract No. 101821 Version 1

PROJECT	OPERATING AGENCY
Project No: 600477-08 Title: Special Events & Programs Funding Period: 7/1/2008 To: 6/30/2009 Jurisdiction: 1st District	**Organization** Name: Volunteers of East Los Angeles (VELA) Type: CBO CDC Program Mgr: Greg Jordan

Project Administration

Grace Gonzalez, Executive Director
Volunteers of East Los Angeles (VELA)
4620 East 3rd Street
Los Angeles, CA 90022
(323) 263-4462
grace.gonzalez@volunteersofela.org

Eligibility Summary

Funding Source: CDBG
HUD Code: 17D Other Commercial/Industrial Improvements
Eligibility Citation: 570.204 (a)(2)
National Objective: LMA
Nat. Objective Citation: 570.208(a)(1)
Est. Accomplishments: 2,000 Performance Indicator: Businesses

Activity Summary

This is a continuing program in which Volunteers of East Los Angeles (VELA) is the designated Community Based Development Organization (CBDO). This program is aimed at stimulating business within the unincorporated area of the First Supervisorial District, a predominately low- and moderate-income area through: (1) the coordination with local artists to place five murals at five different business location, where the walls have been defaced with gang graffiti. The murals will display the rich history of East Los Angeles, therefore, the refurbishing will revitalize the neighborhoods; and (2) provide a comprehensive marketing strategy and outreach program to the local businesses, local workforces and local residents, that assist them with promoting their products and services to the local community. All those businesses that currently run along the Metropolitan Transportation Authority(MTA) Gold Line along 3rd Street and adjacent cross

blocks). Also educate the public, with regards to safety issues related to the (MTA) Gold Line construction current and upcoming. There is no leverage funding. These are 100% CDBG funded.

Of the total budget $50,000 in CDBG funds will be used to assist 1,000 businesses and pay for personnel and non-personnel costs associated with the mural refurbishing.

The remaining $330,000 in CDBG funds will be used for non-personnel costs associated with the coordination of signage for businesses located along the Goldline construction project.

Special Conditions

Per 36 CFR 800: Protection of Historic Properties (Section 106 Historic Review): should any water and or sandblasting equipment be used for graffiti removal on residential or commercial properties, the Operating Agency shall submit a Basic Property Identification Form for these properties to the Community Development Commission (CDC) for review. Review and clearance of proposed actions through this process must be granted PRIOR to the start of graffiti removal on the property when "destructive removal methods" are used (sand or water blasting). Historic properties that may be adversely impacted will be evaluated by the State Historic Preservation Officer (SHPO). Floodplain review and public noticing in compliance with the National Environmental Policy Act (NEPA) of 1969 must also be completed where applicable. Each property must be cleared through this office on an INDIVIDUAL basis.

The Operating Agency must maintain payroll and time attendance records signed by the employee and approved by the supervisor. Time distribution records must reflect total work time on a daily basis by program and/or funding source, as applicable.

The Operating Agency will comply with procurement standards outlined in, 24 CFR, Part 84, Section 84.44, entitled Procurement Procedures, for the purchase of all goods and contracted services using CDBG or ESG funds.

The Operating Agency is responsible for monitoring the activities of the subrecipient for program implementation, compliance with federal and county financial requirements, including the requirements specified under "Retention of Financial Records," and compliance with all other applicable regulations.

The Operating Agency shall maintain during the term of this Contract and for a period of five (5) years after the expiration of the contract complete and adequate financial records and accounts as considered necessary by the Community Development Commission (CDC) to assure proper accounting for all program funds and to support all program expenditures. These records and accounts shall include, but not be limited to, the following:
* A double-entry General Ledger that supports the costs charged to the CDBG or ESG Program;
* Records documenting procurement of goods and services;

* Contracts for goods or services;
* Lease or Rental Agreements;
* Invoices;
* Billing Statements;
* Cancelled Checks;
* Timecards signed by employees and supervisors;
* Personnel Authorization Records;
* Payroll Registers;
* Payroll Tax Records;
* Bank Statements;
* Bank Reconciliations; and
* Documentation to support the allocation of costs.

The Operating Agency shall execute a professional services agreement with each consultant/contractor prior to incurring any costs or distributing any CDBG or ESG funds, in compliance with federal contractual requirements.

Contracted Services/Subrecipients

VELA will procure for artists to refurbish murals. In addition, VELA will procure for the installation of signage for the businesses located within the Goldline construction project.

Funding Summary

Cost Category	Amount
Personnel	$25,000.00
Non-Personnel	$355,000.00
Total	**$380,000.00**

Service Area

Region	Population	Low/Mod Pop	
EAST LOS ANGELES - BELVEDERE/CITY TERRACE/EASTMONT -U	125,815	84,017	
Grand Total:	**125,815**	**84,017**	**66.78% Low/Mod**