



LACDA BOARD DEPUTIES MEETING AGENDA

Date: Thursday, March 6, 2025

Time: 2:00 p.m.

Location: Virtual

Virtual meeting information: Microsoft Teams link: [Join Teams meeting](#)

Dial-in by phone: [+1 747-200-6781](#) - Phone conference ID: 965 534 737 #

1. CALL TO ORDER

2. PRESENTATION/DISCUSSION ITEMS

- Fire Recovery Update
- Agency Plan (Five-Year Plan and FY 2025-26 Annual Plan)

3. EXECUTIVE DIRECTOR'S REPORT

4. PUBLIC COMMENT (3 minutes each speaker)



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Executive Director: Emilio Salas

Commissioners: Hilda L. Solis, Holly J. Mitchell, Lindsey P. Horvath, Janice Hahn, Kathryn Barger

5. INFORMATIONAL ITEMS

Board Letters for the April 1, 2025 Board agenda:

AMENDMENT TO ENVIRONMENTAL DOCUMENTATION CONSULTING SERVICES CONTRACT

Board Letters for the April 8, 2025 Board agenda:

AGENCY PLAN FOR THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

CONTRACT FOR BOARD BUDGET SYSTEM APPLICATION SUPPORT AND ENHANCEMENT IMPLEMENTATION SERVICES

Board Letters for the April 15, 2025 Board agenda:

COMPREHENSIVE AGENCY-WIDE CLASSIFICATION AND COMPENSATION PLAN

Please note: Draft Board Letter documents are attached for informational purposes. Documents are subject to change prior to placement on a Board agenda.

April 1, 2025

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

Dear Commissioners:

**AMENDMENT TO ENVIRONMENTAL DOCUMENTATION CONSULTING SERVICES
CONTRACT
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This letter recommends approval of an amendment to the Los Angeles County Development Authority's (LACDA) existing contract ("Contract") with Rincon Consultants, Inc., to increase the annual compensation by \$200,000 to \$400,000 for environmental documentation consulting (EDC) services for the fourth and the fifth year of the contract.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that approval of the recommended contract amendment is not subject to the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.
2. Authorize the Executive Director or designee to execute an amendment to the EDC services Contract and all related documents with Rincon Consultants, Inc., to increase the annual compensation by \$200,000 for a maximum annual compensation not to exceed \$400,000, using program funds included in the LACDA's approved Fiscal Year (FY) 2024-2025 budget, to be effective following approval as to form by County Counsel and execution by all parties.

3. Authorize the Executive Director or designee to execute an amendment to the Contract, to extend the term for an additional one-year term with the same annual compensation not to exceed \$400,000, contingent upon satisfactory performance and continued funding, using program funds to be included in the LACDA's annual budget approval process, to be effective following approval as to form by County Counsel and execution by all parties.
4. Authorize the Executive Director or designee, upon his determination and as necessary and appropriate under terms of the Contract, to amend the Contract to add or delete services, modify the statement of work, revise the fee schedule, and to increase the annual compensation by up to 10% as needed for additional services, and if necessary, to terminate for convenience.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

This letter recommends approval of an amendment to the existing Contract with Rincon Consultants, Inc., to increase the annual compensation by \$200,000 to a maximum of \$400,000. In addition, this letter recommends authority to extend the Contract for one additional one-year term at the same annual compensation of \$400,000.

On June 29, 2021, the Board of the Commissioners approved a one-year Contract with for EDC services to the LACDA on an as-needed basis, with the option of four one-year extensions at a maximum annual compensation not to exceed \$200,000. The Contract has been extended and currently in the fourth year. The EDC services include but are not limited to environmental documents for noise, traffic, and biological studies, documentation for historic and archaeological preservation reviews under Section 106 of the National Historic Preservation Act, South Central Coastal Information Center coordination, and slum/blight reviews.

The LACDA's demand for EDC services has significantly increased due to the growing need for environmental assessments and/or historic and archaeological preservation reviews for additional projects. Among these projects are the Interim Housing Rehabilitation Project and Nehemiah Project LA, which includes both new construction project and the rehabilitation of a historic structure. Additionally, five new affordable housing projects: Veterans Commons, Cudahy Seniors, Casa de la Luz, West LA VA Building 300, and Mercy Claremont, all require environmental assessments or other relevant reviews. The LACDA's Affordable Housing Notice of Funding Availability (NOFA) is expected to fund additional projects, though the exact number remains undetermined. Additional projects may arise that are not yet identified.

Given the increased workload, the current annual compensation for the EDC services contract will not be sufficient to support these additional projects. Additional funding is essential to ensure the timely completion of these projects.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund. The annual compensation amount of up to \$400,000 will be funded with Community Development Block Grant (CDBG) administrative funds allocated by the U.S. Department of Housing and Urban Development (HUD) for Fiscal Year 2024-2025 and other Federal, State, and County funds included in the LACDA's approved Fiscal Year 2024-2025 budget. The Contract may be extended for one additional year at the same annual compensation of \$400,000, using funds to be included in the LACDA's annual budget process, contingent upon satisfactory performance and continued CDBG funding from HUD. A 10% contingency of up to \$40,000 per year is also being set aside for unforeseen costs, using the same source of funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Contract contains all latest applicable Board-mandated provisions, including those pertaining to contractor responsibility and debarment.

ENVIRONMENTAL DOCUMENTATION

The proposed activities are exempt from the National Environmental Policy Act (NEPA) 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 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 amendment will allow the LACDA to continue providing environmental assessments and other relevant reviews, ensuring compliance with applicable federal and state environmental laws and.

Respectfully submitted,

EMILIO SALAS
Executive Director

April 8, 2025

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

Dear Commissioners:

**APPROVE THE AGENCY PLAN FOR THE LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY
(ALL DISTRICTS) (3 VOTE)**

SUBJECT

This letter recommends approval of the Los Angeles County Development Authority's Agency Plan which consists of an Annual Plan for Fiscal Year 2025-2026 and a Five-Year Plan for Fiscal Years 2025-2030 ("Agency Plan"). The Agency Plan is comprised of the LACDA's program goals, major policies, and financial resources. The Agency Plan is a strategic planning document that identifies the Los Angeles County Development Authority's goals for the next five years. Submission of the Agency Plan is required by the U.S. Department of Housing and Urban Development for receipt of Capital Fund Program (CFP) funds, operating funds for the Public Housing Program, and administrative fees for the Housing Choice Voucher Program.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that approval of the Agency 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.
2. Approve the attached Agency Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Los Angeles County Development Authority's (LACDA) program goals, major policies, and financial resources, including the Admissions and Continued Occupancy Policy for the Public Housing Program (ACOP), and the Housing Choice Voucher Program (HCV) Administrative Plan.

3. Adopt and instruct the Chair to sign the attached Resolution approving the Agency Plan for submission to HUD, and authorize the Executive Director or designee to take all actions required for the implementation of the Agency Plan.
4. Authorize the Executive Director or designee to execute all documents required to receive HUD-allocated 2025 CFP grant funds.
5. Authorize the Executive Director or designee to incorporate into the Agency Plan all public comments received and approved for inclusion by the Board; and authorize the Executive Director or his designee to submit the Agency Plan to HUD by April 17, 2025.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On October 21, 1998, the Quality Housing and Work Responsibility Act (QHWRA) mandated Public Housing Agencies to submit an Agency Plan every five years to HUD and provide HUD an update as an Annual Plan every year.

The Agency Plan is a strategic planning document that identifies the LACDA's goals for the next five years. On June 23, 2020, the Board approved the current Five-Year Plan for Fiscal Years 2020-2024.

The Annual Plan identifies major program policies and financial resources and updates information on housing needs, waiting lists, housing strategies, program policy changes, and other program and management data. The Annual Plan must be updated each year and was last approved by the Board on April 9, 2024.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. Upon Board approval of the Agency Plan, the LACDA will submit the 2025 CFP grant funds agreement to HUD for management improvements, administrative costs, and housing rehabilitation for the Public Housing Program. Operating funds for the Public Housing Program and administrative fees for the HCV Program will be approved through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Included as part of the Agency Plan are the updated CFP Annual Statement, ACOP, and the HCV Program Administrative Plan. Significant changes to these documents are discussed below.

CAPITAL FUND ANNUAL STATEMENT

The 2025 Capital Fund Annual Statement summarizes the LACDA's plan to use modernization funds for management improvements, administrative costs and to rehabilitate housing units at Public Housing Program developments.

As authorized by HUD, the Executive Director may amend the CFP Annual Statement as necessary to respond to needs such as housing emergencies, to safeguard property or protect health and safety, or to implement other changes that are in the interests of the LACDA and Public Housing residents. The Executive Director may also implement changes to the CFP Annual Statement in response to changes in federal funding.

Admissions and Continued Occupancy Policy for the Public Housing Program

The purpose of the ACOP for the Public Housing Program is to set guidelines to determine eligibility for admission and continued occupancy. The revised Public Housing ACOP reflects the following changes:

1. Preference for Homeless Families

Currently, the LACDA provides a countywide waiting list preference for homeless families. The preference is limited to 30% of the number of vacant general occupancy Public Housing units available on July 1 of each fiscal year. The family must consist of two (2) or more persons, with one (1) member being under the age of 18 or a single elderly and/or disabled person. Victims of domestic violence, dating violence, sexual assault, or stalking receive the same admissions preference as homeless families.

Effective July 1, 2025, the LACDA will provide an expanded waiting list homeless preference, limited to three (3) households per fiscal year, for each of the family housing developments at Carmelitos, Nueva Maravilla, and Harbor Hills.

To qualify for this preference, homeless families may be referred by a Joint Powers Authority (JPA), County agencies or Community Based Organizations (CBOs) with a contract or Memorandum of Understanding (MOU) in place with the LACDA; or the family may self-certify homeless status. The LACDA will verify the family's self-certification in accordance with the Verification of Preference Status within this ACOP. The referring agency must provide a certification of the family's homeless status pursuant to Section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

The LACDA will evaluate the results of admitting limited number of homeless families to determine necessary program adjustments in support of the long-term success of homeless families and LACDA communities.

2. Site-Based Waiting Lists (SBWL)

Currently, there are 13 SBWLs, of which seven (7) are designated for elderly families. The elderly designated SBWL are:

Carmelitos Senior	Long Beach, CA
East County Senior	East Los Angeles, CA
Foothill Villa Senior	La Crescenta, CA
Marina Manor Senior	Marina Del Rey, CA
Orchard Arms Senior	Valencia, CA
South Bay Gardens	South Los Angeles, CA
West Knoll/Palm	West Hollywood, CA

Effective July 1, 2025, the Palm Senior Apartments and West Knoll Senior Apartments will be separate SBWLs and will no longer be combined. In addition, Francisquito and Whittier Manor Senior Apartments will be separate SBWLs and will no longer be combined with East County Senior SBWL. This will increase the number of elderly designated SBWLs from seven (7) to ten (10), for a total of 16 Public Housing SBWLs (combined senior and family):

Carmelitos Senior	Long Beach, CA
East County Senior	East Los Angeles, CA
Foothill Villa Senior	La Crescenta, CA
Francisquito Villa	La Puente, CA
Marina Manor Senior	Marina Del Rey, CA
Orchard Arms Senior	Valencia, CA
Palm Senior	West Hollywood, CA
South Bay Gardens	South Los Angeles, CA
West Knoll	West Hollywood, CA
Whittier Manor	Whittier, CA

3. Tenant Payment Agreements (TPA)

Currently, the LACDA usually asks that the household pay an initial lump sum (in an amount determined by the LACDA), with the remaining balance to be paid in equal payments over a period of time not to exceed 12 months for amounts under \$2,400 or 24 months for any amount in excess of \$2,400.

Effective July 1, 2025, the LACDA will not enter into a Settlement Agreement with the assisted family when the repayment balance debt exceeds \$2,400; however, LACDA may enter into a repayment agreement if the balance can be paid within 12 months of the contract execution date for amounts under \$1,200 or within 24 months for any amounts in excess of \$1,200 but not to exceed \$2,400. The LACDA will pursue termination of housing assistance and take legal proceedings for

possession of the unit if the family does not meet the eligibility criteria for repayment plans or is in breach of the Agreement.

The LACDA reserves the right to waive the balance debt limit and to increase the repayment timeframe on a case-by-case basis, depending on the reason the household owes that debt. In such cases, the LACDA will document the reason for waiving the balance debt limit in the household's file.

4. Community Service and Self-Sufficiency Requirement (CSSR): Tenant Reporting Timeframe

Currently, when an exempt individual becomes non-exempt during the 12-month lease term, the family is responsible for reporting this change to the LACDA within five (5) business days.

Effective July 1, 2025, adult resident(s) must report within ten (10) calendar days changes in their circumstances that affect the CSSR non-exempt/exempt status (i.e., public assistance recipient, employment, student, disability status, etc.) during the 12-month lease term.

5. CSSR: Staff Turnaround Timeframe

Currently, within ten (10) calendar days of a family reporting such a change or the LACDA determining such a change is necessary, the LACDA will provide written notice of the effective date of the requirement and a documentation form on which the family member may record the activities performed and number of hours contributed.

Effective July 1, 2025, the LACDA will give the family written notice within 30 calendar days of receiving the reported change.

6. Resident Unit Transfer Request

Currently, the beneficiary of a transfer must repay any debts owed to the LACDA related to the pre-transfer unit. To assure that a Resident who is the beneficiary of a transfer satisfies any debts owed to the LACDA related to their pre-transfer unit, the transferring resident shall enter into a repayment agreement that will be an Addendum to the Lease Agreement of the new residence.

Effective July 1, 2025, the LACDA will not approve or authorize a resident-initiated unit transfer when the family has an outstanding balance due to the LACDA.

Except for emergency or LACDA mandatory transfers, under these circumstances, the transferring resident shall enter into a repayment agreement that will be identified as "Repayment Agreement Addendum to the Los Angeles County

Development Authority Public Housing Lease Agreement.” The failure of the transferring Resident to pay the debts owed to the LACDA related to their pre-transfer unit shall be a material breach of the Lease Agreement for the new residence.

7. Resident Request to Transfer Process

Currently, resident-initiated transfers, whether to another unit or development, require submitting a Resident Request to Transfer Form (RRTF) to the site Management office. Within ten (10) calendar days, the Property Manager will review the request and determine if the resident is in good standing with the LACDA, has met the 24-month residency requirement, and has not transferred within the last four (4) years.

Effective July 1, 2025, Public Housing resident(s) must submit a completed Resident Request to Transfer Form (RRTF) to their respective site Management Office. The LACDA will provide a written response within 30 calendar days from receipt of the RRTF. Except for emergency or LACDA mandatory transfers, the resident must be in good standing with the LACDA, have met the 24-month residency requirement, and have not transferred within the last four (4) years.

8. Criminal Background Check

Currently, the LACDA conducts criminal background screening for applicants and new member add-ons during the suitability and eligibility process.

Effective July 1, 2025, the LACDA will complete a criminal background check and registered sex offender screening when member(s) declare that they have been cited, charged, arrested, and/or convicted for any drug-related, violent, sex-related, or other criminal activity between annual reexaminations. The LACDA will pursue the necessary action delineated in the current LACDA policies.

9. Preference for Tenant-Based and Project-Based Voucher (PBV) Families Displaced Due to Housing Quality Standards (HQS) Non-Compliance

Currently, there is no preference in the Public Housing waitlist for LACDA HCV families displaced due to the termination of Housing Assistance Payment (HAP) Contracts between the LACDA and the owner. HAP Contract terminations result from HQS deficiencies noted on the unit and the owner fails to make the repairs within the period established by the LACDA in the notice of abatement.

Effective immediately, if a LACDA HCV family is unable to lease a new unit within the period provided by the LACDA, the LACDA will offer the family a place on the Public Housing waitlist(s) with a selection preference for the appropriate-size

public housing unit. If the family accepts the offer, they will be granted the preference and must qualify based on the ACOP's suitability and eligibility criteria.

Below are the proposed policy changes for the Public Housing program based on the Voluntary Compliance Agreement (VCA).

10. LACDA Staff Trainings

Currently, the ACOP does not explicitly state training criteria for staff.

Effective July 1, 2025, LACDA's respective staff shall complete an annual Fair Housing Training (e.g., HUD or other Vendor training). Newly hired staff who become involved in any stage of the application, screening, and leasing process must complete a mandatory Fair Housing Training within 30 days of their hire date.

The training shall include Staff's obligations under Title VI, the Violence Against Women Act, the Fair Housing Act, and other civil rights requirements.

LACDA shall provide HUD with a written certification stating the training date and the name and position of each employee who attended and completed it.

11. Waiting List Registration Guidance

Currently, the LACDA provides guidance to registrants when requested, but it was not explicitly stated in the ACOP.

Effective July 1, 2025, The LACDA will provide registrants guidance on properly completing the initial registration, particularly for listing a residence, including a mailing address if the registrant is experiencing homelessness. The guidance shall also include information on how to update their residential/ mailing address, including family composition. The LACDA will also inform the registrant on what to expect in future correspondences with the LACDA and how the LACDA plans to send future communications and notices to the registrant/ applicant. The ACOP will be revised accordingly.

12. Waiting List Information

Currently, the waiting list contains preliminary information entered by registrants, including the family's address, social security number, date of birth, income, family composition, and disability status.

Effective July 1, 2025, the waiting list will now request from registrants and house the following information for each applicant listed:

- Residential, mailing, and/or employment address (if applicable) of the head of household;

- Name, date of birth, and social security number of head of household, co-head/marital type partner, and each additional member;
- Household's gross annual income;
- Referral from an Agency;
- Disability status for each member;
- Veteran status;
- Homeless status;
- VAWA status;
- Accessibility requirement, if any (need for an accessible unit with specific features);
- Date and time of registration and registration/confirmation number;
- Admission preference, if any;
- Race and ethnicity of the head of household;
- The specific Public Housing waitlist(s) selected;
- Email address and contact number;
- Preferred designated contact method; and
- If applicable, a point of contact (i.e., emergency number, social services contact person, etc.).

13. Updating the Waiting List

Currently, to update the waiting list, the LACDA will send an update request via first-class mail to each family on the waiting list to determine whether the family continues to be interested in and qualifies for the program.

Effective July 1, 2025, the LACDA shall utilize a variety of contact methods when attempting to communicate with an applicant who indicates in any initial registration material(s) that they are experiencing homelessness within the LACDA's jurisdiction, including, but not limited to mail notification, email, phone calls, and contact with a designated point of contact, such as a family member or a social service agency. The LACDA shall keep a record of attempts to contact an applicant.

14. Removal from the Waiting List

Currently, should an applicant fail to respond within the established due date, they will be removed from all selected waiting lists. If a letter is returned by the U.S. Postal Office with a forwarding address, it will be considered as 'returned undeliverable,' and the applicant will be subject to removal from all selected waiting lists.

Effective July 1, 2025, applicants who fail to respond by the established due date will be removed from all selected waiting lists. If a letter is returned by the U.S. Postal Office and no contact has been established via mail notification, email,

phone calls, or contact with a designated point of contact, the applicant will be subject to removal from all selected waiting lists.

15. Registrants Indicating Homelessness

Currently, all registrants must submit verification(s) to support their preference(s).

Effective July 1, 2025, registrants experiencing homelessness within the LACDA's jurisdiction will not require residency verification until selected from the waitlist.

Whenever a registrant has indicated homelessness and has not been referred to the LACDA by a Community-Based Organization (CBO), the LACDA will assign the registrant the Homeless Preference and verify the homeless status during the selection process.

16. Verification of Preference Status

Currently, the LACDA has expanded the acceptable verifications for families claiming homelessness as well as residency.

Effective July 1, 2025:

1. Homeless families: May qualify for this preference via a referral by a Joint Powers Authority (JPA), County agencies, or CBOs with a contract or Memorandum of Understanding (MOU) in place with the LACDA. Additionally, the LACDA will require partner agencies to use a Coordinated Entry System for homeless referrals. The referring agency must provide a certification of the family's homeless status.

Homeless families may qualify for this preference whenever a registrant has indicated in the initial registration materials living in homelessness and has not been referred to the LACDA by a JPA, County agency, or CBO; the LACDA agrees to assign this applicant the Homeless Families Preference. These applicants will go through a flexible system of allowable methods for verifying eligibility for this preference during the selection/application stage. The flexible verification methods include:

- a. Third-Party Verification ("TPV") from JPA, County agency, or CBOs with which the LACDA has an established contract or an executed Memorandum of Understanding; and/or,
 - b. TPV from landlord/lessee, utility company, employer, school, DMV, State of California (voter registration, state-issued identification), credit reporting agency, financial institution, U.S. Postal Service, medical institution/provider, faith-based organization, social service organization, housing/transitional shelter, IRS, or California Franchise Tax Board.
2. Residency preference: Include families that live, work, or have been hired to work in the LACDA's jurisdiction.

The range of documentation and information considered in verifying all applicants' eligibility for the Residency Preference at the selection stage has been updated to increase opportunity and flexibility. Acceptable third-party documentation is deemed current if they are dated within 120 days and includes the following:

- a. Current rent receipts, leases, utility bills, employer or agency records, school records, driver's licenses, voter registration records, credit reports, and statements from a household where the family resides. At the LACDA's discretion, verification of residency may also include other documents, certifications, or declarations as needed to verify that a family lives or works in the jurisdiction;
- b. Utility bill includes cellular phones or internet or any utility service contract, statement, or payment receipts; financial statements, including credit card bills or bank statements;
- c. Mail received at residency address (must be verified with U.S. Postal Service certification);
- d. Employer records, including documentation such as paystubs or communications;
- e. Documentation or a written statement from a faith-based organization;
- f. Documentation or a written statement from a social service organization;
- g. Documentation or a written statement from a housing/transitional shelter or any housing assistance servicing agency;
- h. Internal Revenue Service (IRS) or California Franchise Board (FTB) return;
- i. Any document issued by an entity, office, or authority governing over a country, state, county, city, municipality, district, agency, department, or any other political subdivision of a country or state that is typed and contains the agency name, department name, state seal, or is on official letterhead;
- j. DMV vehicle registration; and/or,
- k. Valid State-issued identification.

For purposes of this section, a credit report or a statement from a financial institution, such as a bank, cannot be used by themselves to demonstrate or deny eligibility for the Residency Preference. A credit report and/or statement from a financial institution may be used with other items on this list to verify residency.

17. Record Keeping

Currently, the LACDA maintains a written record of every termination and/or eviction in accordance with its record retention policy.

Effective July 1, 2025, the LACDA shall retain files of all applicants denied the Homeless Families Preference or the Residency Preference. These files must include the applicant's initial registration, final application, results of any informal

hearings, and all documentation submitted to the LACDA. This documentation should also detail the reason for denial and include any materials used in this determination.

The LACDA shall submit these files to the HUD annually upon request. Within 30 days of receipt of these files, HUD will inform the LACDA of any dispute with the determination, along with an explanation of the dispute. If HUD makes a final determination that an applicant was wrongfully denied, the LACDA agrees to reinstate the applicant to "Active" on the waiting list with the original application date and time and preferences claimed, and/or offer the applicant housing. If the LACDA does not agree with HUD's determination, the LACDA agrees to provide HUD an explanation for their reasoning in writing within 30 days.

At HUD's discretion, HUD may request a meeting with the LACDA to discuss the disagreement for a final resolution.

Housing Choice Voucher (Section 8) Program Administrative Plan

The purpose of the HCV (Section 8) Program Administrative Plan is to set forth the policies and procedures that govern the LACDA's administration of its rental assistance programs. This upcoming year, the LACDA will present changes with two effective dates: 1) Changes that are mandated to be in the Administrative Plan no later than June 6, 2025, by the additional streamlining Housing Opportunity Through Modernization Act of 2016 (HOTMA) changes released via a federal register on May 7, 2024; and 2) the LACDA's adopted policies for FY 2025-2026 effective July 1, 2025.

Effective June 1, 2025, the following changes will be incorporated into the LACDA's Administrative Plan to comply with HOTMA's mandated implementation date:

Housing Choice Voucher (HCV) Program

1. Information When a Family is Selected – Voucher Issuance

Currently, language access flyers are specific to tenant annual recertification packets.

Effective June 1, 2025, to meet HUD's requirements and address recommendations from community organizations, the LACDA will provide a Babel notice to families when they receive a voucher, request a reasonable accommodation, or during the application and recertification processes. This notice will inform families about available language access resources. Furthermore, information about language access will be accessible on the LACDA's website.

2. Manufactured Home Space Rentals – HAP Calculation

Currently, the LACDA does not specify how HAP is calculated for families who own a manufactured home and lease the space in its Administrative Plan.

Effective June 1, 2025, in accordance with HUD guidelines, the LACDA will revise its Administrative Plan to include language addressing the following:

1. Housing Assistance Payment: The HAP for a manufactured home space under the HCV Program will be the lower of the payment standard minus the Total Tenant Payment (TTP) or the family's eligible housing expenses minus the TTP.
2. Eligible Housing Expenses: A family's eligible housing expense will be the total of:
 - a. The rent charged by the owner for the manufactured home space.
 - b. Charges for maintenance and management of the space.
 - c. The monthly payments made by the family to amortize the cost of purchasing the manufactured home established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made, including any required insurance and property taxes included in the loan payment to the lender.

The amortization cost does not include increases in debt service or changes to the loan term due to refinancing after a home purchase. Debt service from installation charges may be included in monthly payments. If payments are ongoing, installation charges incurred before a family receives assistance can also be part of the amortization cost.

3. Distribution of HAP: If the LACDA's HAP exceeds the portion of the monthly rent due to the owner, the LACDA will pay the balance of the HAP to the family.

3. Definition of Inspection Types – Extraordinary Circumstances

Currently, the LACDA does not have language in the Administrative Plan relating to inspections during extraordinary circumstances.

Effective June 1, 2025, in accordance with HUD, the LACDA will revise its current policy to state that in extraordinary circumstances, such as when a unit is located in a presidentially declared disaster area, HUD may grant an exception to the 24-hour inspection requirement for life-threatening deficiencies and the 15-day inspection requirement for non-life-threatening deficiencies until an inspection can be conducted.

4. Tenant Relocation due to HQS Abatement

Currently, when a family receives a voucher due to an owner's failure to correct HQS deficiencies, they are given a 60-day voucher term and an automatic 60-day extension. The LACDA does not offer the family a selection preference for Public Housing if the family is unable to locate a unit within the voucher term.

Effective June 1, 2025, to comply with HUD requirements, the LACDA will modify its Administrative Plan to state that if a family's HAP contract is terminated due to the owner's failure to address HQS deficiencies, resulting in a unit abatement, the family will receive a 90-day voucher term with an automatic 90-day extension. The LACDA will continue its regular extension policy beyond the initial 180 days granted to the family, except that any extension granted will be for a minimum of 90 days. If the family is unable to lease a new unit within this time, the LACDA will offer the family a preference for an appropriate Public Housing unit that first becomes available after the voucher period expires.

5. HAP Contract Execution – Extenuating Circumstances

Currently, the LACDA may not execute a HAP contract more than 60 calendar days after the commencement of the lease term, and no payments will be made until the contract is executed.

HUD has provided clarification regarding the execution of the HAP contract. Effective June 1, 2025, the LACDA will update its Administrative Plan to indicate that in extenuating circumstances that prevent or prevented the LACDA from meeting the 60-day HAP contract execution deadline, the LACDA may submit a request for an extension to the HUD field office. The request must be submitted no later than two weeks after the 60-day deadline and include an explanation of the extenuating circumstances and any supporting documentation. HUD will determine if the extension request is approved at its sole discretion.

6. “Household” Members

Currently, the LACDA's Administrative Plan states the requirements for including a foster child, foster adult, or live-in aide are authorized as part of the family's household composition. However, it does not indicate the rules for continued occupancy for foster children and foster adult(s) who exit the foster care system.

Effective June 1, 2025, the LACDA will update its Administrative Plan to comply with HUD's mandate. This update will establish a process for following up with families that have a foster household member who has turned age 18 and continues to live in the home. In these situations, the LACDA will contact the family to determine whether the foster member is still under legal guardianship or custody of the state or county. If the member remains under such guardianship or custody

and provides proper verification, they will continue to be classified as a foster household member within the LACDA's system. However, if it is determined that the member is no longer under legal guardianship or custody, the family will have the option to reclassify the member from a foster household member to a family member. Should the family choose to make this change, all program rules and regulations will apply to the entire family.

7. HAP Termination Due to Insufficient Funding

Currently, the LACDA will consider program funding insufficient if it is determined that the projected year-end subsidy falls short of the authorized budget amount. In these circumstances, proper documentation must be completed before making the decision to terminate HAP contracts due to insufficient funding. If necessary, the LACDA will determine how many families need contract termination and present a plan of action to the Board of Commissioners. After notifying the Board and HUD, the LACDA will terminate contracts, except those related to elderly and disabled families. Terminated families will be placed on the waiting list with a preference for future assistance.

Effective June 1, 2025, to align with the HUD mandate, the LACDA will update its Administrative Plan to enhance the factors considered when terminating HAP contracts due to insufficient funding. In addition to exempting elderly and disabled families, the LACDA will evaluate the administrative costs associated with housing a family, the length of a family's program participation, and a family's overall good standing within the program.

Project-Based Voucher (PBV) Program

1. Definitions

Currently, the PBV chapter of the Administrative Plan does not contain definitions specific to PBV.

Effective June 1, 2025, to comply with HUD's requirement, the LACDA will include a definition of "Project" in its Administrative Plan. A "Project" is defined as a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. "Contiguous" in this definition includes "adjacent to," as well as touching along a boundary or a point. "Building" is defined as a structure with a roof and walls that contains one or more dwelling units.

2. Eligible Housing for PBV Assistance

Currently, a single-family building is not identified as being eligible for PBV assistance.

Effective June 1, 2025, to be consistent with HUD's expanded list of eligible projects, the Administrative Plan will be revised to indicate that PBV assistance may be a multifamily building or single-family building, provided that all projects are of the same housing type (existing, rehabilitated, or newly constructed).

3. Impact Analysis

Currently, an impact analysis is not required.

Effective June 1, 2025, to comply with HUD's requirement, the Administrative Plan will be updated to state that if units under the cap plus units exempt from the cap exceed 50% of the total baseline, an analysis must be completed before selecting a project for PBV assistance. The analysis should consider the ability of the LACDA to meet the needs of the community across its tenant-based and project-based voucher portfolio, including the impact on, among others, families on the waiting list and eligible PBV families that wish to move after their 1 year of PBV tenancy.

The analysis performed by the PHA must be available as part of the public record.

Additionally, the requirement of notifying the HUD field office before a Request for Proposal (RFP) was issued or a selection was made without issuing an RFP, has been removed. However, HUD must be notified when a HAP contract is executed, amended, or extended.

4. Units Subject to the Percentage Limitation

All PBV units which the LACDA has selected (from the time of the proposal or project selection date) or which are under an Agreement or HAP contract for PBV assistance count toward the 20 percent maximum or increased cap, as applicable, except units that are excluded from the program or project cap.

5. Increase Program Cap

Currently, the program cap is up to 20 percent of the amount of budget authority allocated to the LACDA by HUD in the voucher program. An additional 10 percent, (as adjusted for units excluded from the program cap) of the LACDA's vouchers may be project-based if the units are specifically made to house individuals or families that meet the definition of homeless, units are specially made available to families that include a veteran, units that provide supportive housing to persons with disabilities or to elderly persons, and/or units located in a census tract with a poverty rate of 20 percent or more.

These units must have been part of a HAP contract executed on or after April 18, 2017, or added on or after that date to any current HAP contract, including a contract entered prior to April 18, 2017.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to indicate that units that are exclusively made available to eligible youth also qualify for the higher program cap. Units that are exclusively made to serve eligible youth must be part of a HAP contract executed on or after December 27, 2020, or the units must have been added on or after that date to an existing HAP Contract, including a contract entered into prior to December 27, 2020.

Additionally, the Administrative Plan will be updated to replace the statement that if a project is located *in a census tract with a poverty rate of 20 percent or more* with a project that is located in an *area where vouchers are difficult to use*, count towards the additional 10 percent program cap. An *area where vouchers are difficult* is defined as:

1. A census tract with a poverty rate of 20 percent or less, as determined by HUD;
2. A ZIP code area where the rental vacancy rate is less than 4 percent, as determined by HUD or
3. A ZIP code area where 90 percent of the Small Area FMR is more than 110 percent of the metropolitan area or county FMR

The provisions that units made specifically to house individuals or families that meet the definition of homeless, units that are specially made available to families that include a veteran, and/or units that provide supportive housing to persons with disabilities or elderly persons remain unchanged.

6. Higher Project Cap

Currently, the project cap is 25 percent of the total number of dwelling units (assisted or unassisted) in the project. Assistance may be provided to the greater of 25 units or 40 percent of the number of dwelling units (assisted or unassisted, as adjusted by exceptions to the project cap) if the project is located in a census tract with a poverty rate of 20 percent or more.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to replace the statement that if a project is located *in a census tract with a poverty rate of 20 percent or more* with a project that is located in an *area where vouchers are difficult to use*. An *area where vouchers are difficult* is defined as:

1. A census tract with a poverty rate of 20 percent or less, as determined by HUD;

2. A ZIP code area where the rental vacancy rate is less than 4 percent, as determined by HUD; or
3. A ZIP code area where 90 percent of the Small Area FMR is more than 110 percent of the metropolitan area or county FMR.

7. Exceptions to the Project Cap

Currently, units exclusively made available for elderly families or units for households eligible for supportive services do not count towards the project cap.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to state that units exclusively made available to eligible youth will also not count towards the project cap.

HAP contracts in effect prior to December 27, 2020, when the exception of units made available to eligible youth came into effect, are governed by those HAP contracts' terms concerning the number and type of excepted units in a project. The owner must continue to designate the same number of contract units and assist the same number and type of excepted units as provided under the HAP contract during the remaining term of the HAP contract and any extension.

The owner and the LACDA may mutually agree to change the requirements for excepted units under the HAP contract to comply with the new and revised excepted unit requirements, however, any change to the HAP contract may only be made if the change does not jeopardize an assisted family's eligibility for continued assistance at the project.

The provisions that units that are exclusively available for elderly families or units for households eligible for supportive services continue to be excluded from the project cap.

Units excluded from program cap are also excluded from the project cap.

8. Units Excluded from the Program Cap

Currently, PBV units under the RAD program, HUD-VASH PBV set-aside vouchers, and units subject to certain federal rent restrictions or were receiving another type of long-term housing subsidy provided by HUD do not count towards the program cap.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to expand that units that are being rehabilitated or built to replace existing units already excluded from the program or project cap will continue to be excluded.

Additionally, units that previously qualified for the Low-Income Housing Tax Credit program are now considered as units that have had federally required rent restrictions and, therefore, also excluded from the program cap.

The new exclusion may only be made available to HAP contracts entered into on or after April 18, 2017.

9. Project Record Retention

Currently, HUD does not have a project record retention policy.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to specify the LACDA must maintain the following records throughout the HAP contract term and for three years thereafter:

1. Records to document the basis for PHA selection of the proposal, if the selection is competitive, or project, if the selection is noncompetitive, including records of the PHA's site selection determination and records to document the completion of the review of the selection process in the case of PHA-owned units and copies of the written notice of proposal selection and the response of the appropriate party;
2. The analysis of impact, if applicable;
3. The subsidy layering determination, if applicable;
4. The environmental review record, if applicable;
5. The Agreement to enter into a HAP contract, if applicable;
6. Evidence of completion, if applicable;
7. The HAP contract and any rider and/or amendments, including amendments to extend the term of the contract;
8. Records to document the basis for PHA determination and redetermination of rent to owner;
9. Records to document HUD approval of the independent entity or entities, in the case of PHA-owned units;
10. Records of the accessibility features of the project and each contract unit; and
11. Other records as HUD may require.

10. Environmental Review

Currently, all selected projects require an environmental review.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to specify that for existing housing, proposals selected in accordance with the site selection standards in effect on or after June 6, 2024, no environmental review is required before entering into a HAP contract, except to the extent a Federal environmental review is required by law or regulation relating to funding other than PBV housing assistance payments.

11. Term of the HAP Contract

Currently, the HAP contract may only be extended within 24 months of its expiration date.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to specify the PBV HAP contract may be extended at any time during its life. However, the maximum term of the contract may not be more than 40 years.

12. PBV HAP Contract Termination or Expiration

Currently, the LACDA is not required to specify in the Administrative Plan that a tenant-based voucher had to be issued to families residing in a project where the owner terminated the HAP contract or declined to renew the HAP contract.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to specify that unless a termination or expiration without extension occurs due to insufficient funding or other extraordinary circumstances determined by HUD, the LACDA shall issue a tenant-based voucher to each family occupying a contract unit.

13. Family Rejection of the Unit or Owner Rejection of the Family

Currently, the Administrative Plan allows for removing the family from the site-based waiting list if the family rejects the unit or the owner denies the family.

Effective June 1, 2025, to be consistent with HUD's updated regulation, the Administrative Plan will be updated to specify this requirement is now a must unless the family has good cause.

Good cause is defined as:

1. The family determines the unit is not accessible to a household member with a disability or otherwise does not meet the member's disability-related needs.
2. The unit has HQS deficiencies.
3. The family is unable to accept the offer due to circumstances beyond its control (e.g., hospitalization, temporary economic hardship, or natural disaster).
4. The family determines whether the unit presents a health or safety risk to a household member who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

Effective July 1, 2025, the following changes are incorporated into the LACDA's Administrative Plan:

1. Homeless Preference

Currently, the LACDA, under its homeless preference, commits 100% of expected annual voucher attrition to assist Los Angeles County-based homeless persons and families.

To qualify for the program, homeless individuals and families must be referred through the Continuum of Care (CoC), Coordinated Entry System (CES), or partner agencies contracted with the LACDA. These partner agencies must participate in homeless initiatives and may include those providing transitional or permanent supportive housing. The referring agency must verify the homeless status of those referred. Families already on the waiting list who claim homelessness but lack a referral must obtain certification from a CoC CES or a partner agency. The number of families eligible for this preference will be determined annually by the LACDA. Admission is on a first-come, first-served basis and subject to funding availability.

Moving forward, the LACDA will commit 50% of the expected annual voucher attrition to assist Los Angeles County-based homeless persons and families. The qualification criteria under the LACDA's homeless preference remain unchanged. The change in voucher attrition commitment to homeless persons and families will allow the LACDA to assist other vulnerable populations needing housing through its waiting list.

2. Violence Against Women Act (VAWA)

Currently, the LACDA's Administrative Plan states that form HUD-5380, titled "Notice of Occupancy Rights Under VAWA," and form HUD-5380, titled "Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, and Alternate Documentation," must be provided when a family is denied housing assistance and admission, specifically when applicants are briefed for a voucher.

Moving forward, the LACDA will add clarifying language in its Administrative Plan stating that families will receive HUD-required VAWA forms when they are denied admission and when they are admitted to the program, specifically when a family is leased up, and the HAP contract has been established with the owner, as well as when adult members are added to the program after the family has been admitted.

3. Letter of Authorization for HAP Contract Execution

Currently, the LACDA's Administrative Plan states that once the agency has received the appropriate authorization to enter a HAP contract with an owner, this letter of authorization will remain in effect until it is replaced by another authorization or until the HAP contract is terminated.

Moving forward, the LACDA will update the language in its Administrative Plan to clarify that once proper authorization has been obtained to enter a HAP contract with an owner, the letter of authorization will remain valid for the specified unit or building as detailed in the letter. This authorization will continue until it is terminated by the owner or replaced by a different authorization.

4. Voucher Issuance

Currently, the LACDA's Administrative Plan allows families to request a waiver to rent a unit with fewer bedrooms than their voucher size, provided that the unit does not exceed the maximum occupancy requirements.

Moving forward, the LACDA will update its Administrative Plan to clarify that families are not required to request a waiver to lease an otherwise acceptable unit that complies with the maximum occupancy requirements.

The Administrative Plan and ACOP include additional language changes that are statutory, regulatory, and/or clarify existing policy.

Admissions and Continued Occupancy Policy (ACOP) and Administrative Plan Proposed Joint Policies

The LACDA implemented major joint policy changes for the Public Housing and Section 8 tenant-based rental assistance programs. The revised Public Housing ACOP and the Section 8 Administrative Plan jointly reflect the following changes:

1. Waiting List Purge

Currently, the LACDA's policy allows the purging of the Public Housing and Housing Choice Voucher (HCV) waiting lists at least once a year by a mailing to all applicants to ensure that the waiting list is current and accurate.

Effective July 1, 2025, the LACDA will purge its waiting lists at least once every three (3) years by a mailing and email blast to all registrants to ensure that the waiting lists are current.

2. Waiting List Registration

Currently, when a family registers for the LACDA waiting list, preliminary information is collected, including the family's address, social security number, date of birth, income, family composition, and disability status.

Effective July 1, 2025, the LACDA will expand the information collected during a family's registration process. Additionally, registrants can update any changes in their circumstances or information at any time by reporting in writing or updating their online portal account in the LACDA's HARP system.

During the registration process, whether through the application phone line or website, the LACDA will obtain the following information:

- Residential, mailing, and/or employment address (if applicable) of the head of household;
- Name, date of birth, and social security number of head of household, co-head/marital type partner, and each additional member;
- Household's gross annual income;
- Referral from an Agency;
- Disability status for each member;
- Veteran status;
- Homeless status;
 - Registrants experiencing homelessness within LACDA's jurisdiction will not require residency verification until they are selected from the waitlist. Once selected, verified homeless registrants living within the LACDA's jurisdiction will qualify for the local preference.
- VAWA status;
- Accessibility requirement, if any (need for an accessible unit with specific features);
- Date and time of registration and registration/confirmation number;
- Admission preference, if any;
- Race and ethnicity of the head of household;
- The specific Public Housing waitlist(s) selected;
- Email address and contact number;
- Registrants preferred designated contact method; and
- If applicable, a point of contact (i.e., emergency number, social services contact person, etc.).

The Administrative Plan, and ACOP include language changes that are statutory, regulatory, and/or clarify existing policy.

Section 24 of the Code of Federal Regulations, Part §903.17, requires a public hearing to approve the Agency Plan. Copies of the Agency Plan were made available for review and comment during a public review and comment period from December 30, 2024, to February 13, 2025, at twelve housing developments, LACDA administrative offices, and

Honorable Board of Commissioners

April 8, 2025

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the LACDA website. Notices of the availability of the documents and the Board meeting date were also published in newspapers of general circulation during the public comment period. On March 19, 2025, the Housing Advisory Committee recommended approval of the Agency Plan.

The Summary of Public Outreach regarding the Agency Plan, a list of the eight (8) Public Housing Program developments, and the Agency Plan, are provided as Attachments, A, B, and C, respectively.

The Resolution approving the Agency Plan for submission to HUD, provided as Attachment D, has been approved as to form by County Counsel. At the conclusion of the Public Review and Comment period, the LACDA will provide to the Board all public comments pertaining to the Annual Plan. Public comments received are included in the Board-approved Agency Plan and are submitted to HUD.

ENVIRONMENTAL DOCUMENTATION

Approval of the Agency Plan is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(1), because it involves planning activities that will not have a physical impact on or result in any physical changes to the environment. The activities are also 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.

Prior to implementation of any particular project, an Environmental Service Request will be submitted to the LACDA's Environmental Services Unit for review. Each project will receive an environmental clearance in accordance with CEQA Guidelines and NEPA regulations before proceeding with the project.

IMPACT ON CURRENT PROGRAMS

Submission of the Agency Plan is required by HUD for the receipt of CFP funds and for the continuation of the Public Housing and HCV Programs.

Respectfully submitted,

EMILIO SALAS
Executive Director

Enclosures

Attachment A

Summary of Public Outreach

Section 511 of the QHWRA instructs every Public Housing Agency to convene one or more Resident Advisory Boards (RABs) to assist and make recommendations on the development of the Agency Plan, as well as on any significant amendments or modifications. Residents of the Public Housing Program and Section 8 HCV Program, including participants of the Project-Based Program, were invited to join the RAB to learn about the programs outlined in the Agency Plan and to provide their input.

Summary of RAB Activities

Public Housing Program

The LACDA's regular annual RAB meetings were held virtually and in community rooms at our properties. This new format is to accommodate residents who do not have a means of transportation. This also assisted in providing peace of mind for residents due to the ongoing health concerns surrounding various diseases.

In addition to limited in-person meetings, individual telephone calls and an email blast with details and instructions were made to inform RAB members of the RAB meeting.

Section 8 Program

To accommodate the LACDA's RAB members, the LACDA held two RAB meetings via a ZOOM conference call. An email with details and instructions was sent out to RAB members and calls were made in advance to ensure RAB members would be able to attend the RAB meeting remotely.

Other Outreach Activities

- Overall, the RAB was content with the Agency Plan goals, as they are in line with Los Angeles County's housing needs. Given the uncertainty of the mandated HUD policy changes to the programs, there were no comments from the RAB. This has been noted under Section C.2 of the 5-Year PHA Plan (Form HUD-50075-5Y).
- As needed, translators are made available during the Public Housing and Section 8 RAB meetings.
- In December 2024, a public notice was posted to all Public Housing residents notifying them of the Public Review and Comment Period.
- In December 2024, an email to stakeholders and participating cities was sent announcing the commencement of the Public Review period and inviting them to comment.
- In December 2024, a public notice announcing the Public Review and Comment Period was published in the Los Angeles Times, La Opinion, the Daily News, Los Angeles Sentinel, the Daily Breeze, and the Long Beach Press Telegram.

- During the Public Review and Comment Period, the Agency Plan was made available at eight (8) housing developments, the LACDA Administrative Office in Alhambra, the Section 8 Palmdale office, and the LACDA website.
- Summaries of the Agency Plan were available during the Public Review and Comment Period in Russian and Spanish at the above locations and on the LACDA's website (<https://www.lacda.org/section-8/shared-info/public-documents>).

Attachment B

<u>Housing Development</u>	<u>Address</u>	<u>District</u>
1. Nueva Maravilla	4919 E. Cesar Chavez Los Angeles, CA 90022	1
2. South Scattered Sites Management office	10901 Vermont Ave. Los Angeles, CA 90044	2
3. South Bay Gardens	230 E 130 th St Los Angeles, CA 90061	2
4. Marina Manor	3405 Via Dolce Marina Del Rey, CA 90292	2
5. Kings Road Apartments	800 N Kings Road West Hollywood, CA 90069	3
6. Carmelitos Family	700 Via Wanda Long Beach, CA 90805	4
7. Harbor Hills	26607 S. Western Avenue Lomita, CA 90717	4
8. Orchard Arms	23520 Wiley Canyon Rd Valencia, CA 91355	5

April 8, 2025

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

Dear Commissioners:

**CONTRACT FOR BOARD BUDGET SYSTEM APPLICATION SUPPORT AND
ENHANCEMENT IMPLEMENTATION SERVICES
(ALL DISTRICTS) (3 VOTE)**

CIO RECOMMENDATION: (X) APPROVE

SUBJECT

This recommended action is to approve a Contract award to Neubrain, LLC. for professional services for the Los Angeles County Development Authority (LACDA)'s Board Budget System Application Support and Enhancement Services.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Executive Director, or designee, to execute a Contract with Neubrain, LLC (Neubrain) to provide Board Budget System Application Support and Enhancement Services for the Los Angeles County Development Authority (LACDA)'s Operating Budget System and related services for the LACDA for a five-year term, with a maximum Contract Sum not to exceed \$944,755.25 which is comprised of (i) \$878,524.94 for ongoing support and upgrades; and (ii) \$66,230.31 for Pool Dollars for additional Board Budget System Application Support and Enhancement services, with Pool Dollar expenditures to be authorized through issuance of change notices and/or amendments, as applicable.
2. Delegate authority to the Executive Director, or designee, to execute amendments to the Contract to: (i) add, delete, and/or change certain terms

and conditions as mandated by federal, state, or local law or regulations, or as required by the Board and/or Executive Director, which are not part of the Statement of Work (SOW); (ii) internally reallocate funds between budget pools within the Contract; (iii) approve assignment and delegation of the Contract, resulting from acquisitions, mergers, or other changes in ownership; (iv) terminate the Contract for convenience, if necessary; and (v) make changes to the SOW as operationally necessary, with all actions subject to prior approval as to form by County Counsel.

3. Delegate authority to the Executive Director, or designee, to execute Change Notices or Amendments to the Contract to increase the maximum Contract Sum by no more than \$85,866.84 (10%) based on any unanticipated increases in work volume or special projects.
4. Find that approval of a contract with Neubrain, LLC. for professional services for the LACDA's Board Budget System Application Support and Enhancement Services 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 purpose of this action is to acquire professional services from Neubrain to provide consulting and enhancement services for the LACDA's Budget System, which was configured and implemented five years ago. These services are essential to ensure the Budget System remains aligned with evolving industry standards and provides efficiencies to meet LACDA's budget and financial needs.

The ongoing services and enhancements of the LACDA's Budget System will continue to streamline the budgeting process and deliver real-time access to budget and actual information for improved analysis, funding decisions, and performance measurement.

The professional consulting and enhancement services for the Budget System will include, but are not limited to, the following, recognizing that specific enhancements may be adjusted to address evolving business needs:

- Maintain integration with the LACDA's Financial and Human Resources Systems to better manage and reconcile budget data;
- Implement new models, functionalities, and tools to improve budget formulation, analysis, and monitoring; and
- Enhance existing budget modeling, cost allocations, performance management and forecasting capabilities for central and divisional budget staff.

FISCAL IMPACT/FINANCING

The maximum sum for the five-year term of the Contract including Pool Dollars is \$944,755.25. Funding for the LACDA's Budget System has been included in the LACDA's Fiscal Year 2024-25 Budget and will be included in each subsequent year's budget. A 10% contingency is being set aside for any unanticipated increases in work volume or special projects.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Contract has been reviewed and approved as to form by County Counsel, as well as the LACDA's Procurement Unit. It has been determined that the Contract complies with all applicable laws, statutes, rules, regulations, and order of the United States and the State of California. The Contract contains all latest applicable Board mandated provisions pertaining to consideration of hiring qualified County employees targeted for layoffs, contractor responsibility and debarment, Safely Surrendered Baby Law, the provisions of Paid Jury Service time for the Contractor's employees, and County of Los Angeles' Zero Tolerance Human Trafficking.

The LACDA engaged in negotiations with Neubrain, regarding the LACDA's standard terms and conditions and negotiated the most advantageous and commercially responsible terms possible for the LACDA. These mutually agreed upon LACDA's standard terms and conditions are part of this Contract.

The recommended Contract contains the Board's required provisions that are applicable to the Contract, including the requirement for the firms to comply with Government Code Section 84308 relating to campaign contribution prohibitions.

The LACDA will not request Neubrain to perform services that exceed the Contract Sum, scope of work, or extend beyond the term of the Contract. The Contract expressly provides that the LACDA does not have an obligation to pay for services by Neubrain that exceed the maximum Contract Sum. As to LACDA's Budget System, Neubrain will provide professional services and application support.

ENVIRONMENTAL DOCUMENTATION

The provision of professional services described in this Board letter are exempt from 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 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(b)(4), because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

On November 20, 2024, the LACDA issued a Request for Proposal (RFP) for the provision of the Board Budget System Application Support and Enhancement Services and posted the RFP, Solicitation number LACDA24-122, on the LACDA's open bids website of registered vendors and the Los Angeles County (LAC) Solicitations. The RFP was posted under the following Commodity Codes: LACDA: Computer Services - Data Processing, Hosting, And Related Services, Consulting Services - Accounting and Auditing, and Consulting Services - Payroll, and LAC Solicitations: Software-Microcomputer-Accounting/Financial-Bookkeeping - Bill, which consisted of approximately 551 registered vendors from the LACDA website.

On December 11, 2024, one proposal was received. The proposal met minimum threshold requirements and was forwarded to a three-member evaluation committee for further review. The evaluation committee used the "informed averaged" scoring methodology using a 1,000 points system as established in the solicitation package. The evaluation criteria consisted of qualifications (background, experience, references, etc.), approach to providing the services, quality control plan, and cost. Neubrain is being recommended for Contract award based on the evaluation criteria set forth in the RFP.

IMPACT ON CURRENT SERVICES AND PROJECTS

The ongoing services and enhancements of the LACDA's Budget System will continue to streamline the budgeting process and will improve the efficiency of the LACDA's finance and budget business processes and maximize the return on the LACDA budget investments. It will reduce administrative costs, provide management with the ability to monitor and manage the overall LACDA budget output, manage all aspects of budget and forecast, and provide real-time analytical reporting capabilities.

Respectfully submitted,

Reviewed by:

EMILIO SALAS
Executive Director
Los Angeles County Development Authority

PETER LOO
Chief Information Officer
County of Los Angeles

ES:KT:mr

Enclosures

April 15, 2025

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

Dear Commissioners:

**COMPREHENSIVE AGENCY-WIDE CLASSIFICATION AND COMPENSATION PLAN
(ALL DISTRICTS) (3 VOTE)**

SUBJECT

This letter recommends authority to implement a classification and compensation plan for all non-represented positions within the Los Angeles County Development Authority (LACDA), to replace the classification and salary plan that was adopted nearly 31 years ago on May 26, 1994. All LACDA positions are unclassified and exempt from civil service rules.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Executive Director or designee to update its current classification and salary plan based on the recommended action.
2. Authorize the Executive Director or designee to regularly maintain the recommended classification and compensation plan to ensure the proper allocation and compensation of positions based on market data for similar roles to reduce the number of costly personnel-related issues.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In September 2019, the Los Angeles County Development Authority (LACDA) entered a contract with Koff & Associates (K&A) to conduct a comprehensive classification and compensation study that was concluded in the fall of 2023. The scope of work encompassed a thorough review of the LACDA's current classification structure, assigned duties, organizational charts, reporting relationships, job descriptions, and salary schedules to achieve the following objectives:

- 1) Ensure job descriptions accurately reflect the work performed and are properly allocated within a clear and systematic classification structure. This includes recognizing staff alignments, reporting relationships, and organizational structure.
- 2) Establish a pay structure that offers competitive salaries compared to the marketplace, ensures internal equity, and can attract and retain high-quality staff. This structure must be sustainable for both current and future operational needs and economic conditions.

The 54 existing classification specifications are outdated and do not accurately reflect the job functions, qualifications, level of responsibility, decision making authority, and work complexity typically defined in a series. The proposed classification plan includes 59 non-represented classifications, which consists of a combination of existing classifications, redefined classifications, and new classifications.

The LACDA's current salary structure is not standardized and lacks internal and market alignment. K&A created a salary range structure based on market data as defined by job scope, level, duties and responsibilities, and the qualifications required for successful job performance. It also addresses internal relationships and standardizes the range spread and differential between classifications. The LACDA recommends approving the proposed salary structure with modifications to include both 40% and 50% range spreads, depending on class concept. The recommended classification and salary plan is attached as Exhibit A.

Implementation of Strategic Plan Goals

Approval of the above actions will further the County Strategic Plan North Star Goal III – Realize Tomorrow's Government Today. Specifically, it will address Strategy III.3 to Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT

The cost of implementing the recommended classification and compensation changes has been included in the LACDA's proposed Fiscal Year 2025-2026 Budget.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act pursuant to Title 24 of the 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 action is not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA guidelines Section 15060(c)(3) and 15378 because it is not defined a project under CEQA and does not have the potential for causing a significant effect on the environment.

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IMPACT ON CURRENT PROGRAM

Approval of this action will ensure the proper allocation and compensation of positions based on the duties and responsibilities assigned to these jobs. Additionally, these actions are important in addressing operational needs associated with the Fiscal Year 2025-2026 Budget.

Respectfully submitted,

EMILIO SALAS
Executive Director

ES:KMT:NT

Enclosures