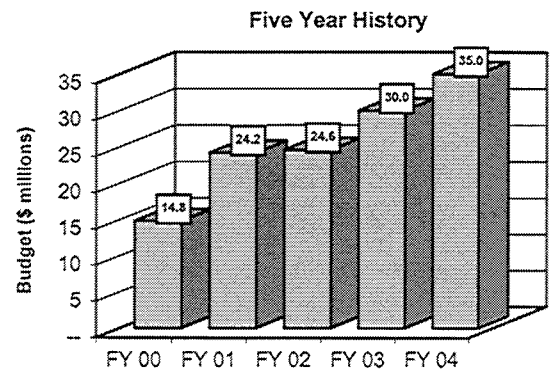


HOUSING DEPARTMENT

2003 - 2004 Proposed Budget

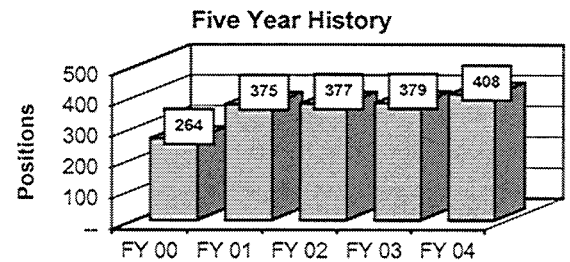
FUNDING

	2002-03 Estimated	2002-03 Budget	2003-2004 PROPOSED	
			Amount	%Change
Salaries	\$ 23,975,000	\$ 24,353,298	\$ 28,395,180	16.6%
Expense	5,483,000	5,642,978	6,579,292	16.6%
Equipment	32,000	31,600	11,200	(64.6)%
Special	--	--	--	-- %
TOTAL	\$ 29,490,000	\$ 30,027,876	\$ 34,985,672	16.5%



STAFFING

	June 30, 2003 Projected Staffing	2002-2003 Adopted Budget	2003-2004 PROPOSED	
			Authorized Staffing	%Change
Regular	349	379	408	7.7%



BUDGET HIGHLIGHTS

	Direct Cost	Positions
◆ 2002-03 Employee Compensation Adjustment	\$ 223,759	--
◆ 2003-04 Employee Compensation Adjustment	790,987	--
◆ Valley Office Staff	402,416	--
◆ Case Management and Hearing Staff	1,283,996	22
◆ Code Enforcement Program Staff	1,197,132	--
◆ Development and Integration of Data System	316,810	--
◆ Public Information Services	539,780	--

Recapitulation of Changes

	Adopted Budget 2002-03	Total Budget Changes	Budget Appropriation 2003-04
EXPENDITURES AND APPROPRIATIONS			
Salaries			
Salaries General	24,101,820	4,041,882	28,143,702
Salaries As-Needed	145,061	-	145,061
Overtime General	106,417	-	106,417
Total Salaries	24,353,298	4,041,882	28,395,180
Expense			
Printing and Binding	171,461	-	171,461
Travel	19,361	-	19,361
Contractual Services	3,013,626	436,390	3,450,016
Transportation	206,328	-	206,328
Governmental Meetings	4,194	-	4,194
Office and Administrative	571,048	94,000	665,048
Operating Supplies	1,050	-	1,050
Leasing	1,655,910	405,924	2,061,834
Total Expense	5,642,978	936,314	6,579,292
Equipment			
Furniture, Office and Technical Equipment	31,600	(20,400)	11,200
Total Equipment	31,600	(20,400)	11,200
Total Housing Department	30,027,876	4,957,796	34,985,672

SOURCES OF FUNDS

General Fund	2,435,025	(2,435,025)	-
Community Development Trust Fund (Sch. 8)	8,849,601	335,966	9,185,567
HOME Invest. Partnerships Program Fund (Sch. 9)	3,412,434	418,904	3,831,338
Rent Stabilization Trust Fund (Sch. 23)	6,717,532	2,698,745	9,416,277
Housing Opp. for Persons with AIDS (Sch. 41)	240,620	(9,259)	231,361
Code Enforcement Trust Fund (Sch. 42)	8,202,664	3,948,465	12,151,129
Municipal Housing Finance Fund (Sch. 48)	170,000	-	170,000
Total Funds	30,027,876	4,957,796	34,985,672
Percentage Change			16.51%
Positions	379	29	408

Changes Applicable to Various Programs

The following changes involve two or more budgetary programs. These changes are explained below and apportioned as single entries in the affected programs. Single-program changes are shown only in the programs involved.

Program Changes	Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special			
Obligatory			
1 . 2002-03 Employee Compensation Adjustment Related costs consist of employee benefits. SG \$223,759 Related Costs: \$28,266	223,759	-	252,025
2 . 2003-04 Employee Compensation Adjustment Related costs consist of employee benefits. SG \$790,987 Related Costs: \$99,746	790,987	-	890,733
3 . Salary Step Plan and Turnover Effect Related costs consist of employee benefits. SG \$293,197 Related Costs: \$36,972	293,197	-	330,169
4 . Change in Number of Working Days One more working day. Related costs consist of employee benefits. SG \$89,619 Related Costs: \$11,301	89,619	-	100,920
5 . Deletion of 2002-03 Equipment One-time funding for 2002-03 equipment purchases is deleted. EQ \$(31,600)	(31,600)	-	(31,600)
Workload			
6 . Outreach Program Contracts Funding for contracts is deleted for Systematic Code Enforcement Program (SCEP) outreach. However, the department will continue to provide the SCEP outreach using existing City staff. This will allow contractual services funds to be transferred to other outreach programs, increasing the visibility of tenant services provided by the department, including the Rent Escrow Account Program (REAP), the Rent Reduction Program (RRP), the Urgent Repair Program (URP), and the Utility Maintenance Program (UMP). Existing funding from the Code Enforcement Trust Fund will be replaced partially with funding from the Rent Stabilization Trust Fund. EX \$(75,000)	(75,000)	-	(75,000)

Program Changes		Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special				
New Facilities				
7 .	Relocation Lease Costs Funding is provided for the relocation of the department headquarters. The current lease of office space at the John Ferraro Building will expire in December 2003. The Department of Water and Power requires the office space currently occupied by the department to relocate staff from the Anthony Office Building. Additional lease costs associated with the decentralization of the Code Enforcement Program and the Rent Program staff are also provided. Funding is provided from the Code Enforcement Trust Fund, the Community Development Trust Fund, the Home Investment Partnership Program Fund, and the Rent Stabilization Trust Fund. <i>EX \$405,924</i>	405,924	-	405,924
Service Level				
8 .	Automation of Rent and Code Systems Funding is provided to continue one Systems Analyst II on resolution authority to consolidate the Rent Stabilization Ordinance System, Housing Inspection Program, and Habitability Resolution Section databases into a single property database. This will improve operations by reducing maintenance efforts, increasing coordination of enforcement activities, enabling data validation and data sharing, and reducing staff time required for the preparation of reports. Funding is provided from the Rent Stabilization Trust Fund and the Code Enforcement Trust Fund. Related costs consist of employee benefits. <i>SG \$65,160</i> Related Costs: \$14,412	65,160	-	79,572
9 .	Valley Office Staff Funding is provided to continue seven positions, including one management, three administrative, and three clerical staff on resolution authority to manage the Valley Office. Resolution authority for the positions was approved in FY 2002-03 (CF Nos. 02-1326 and 02-1326-S1). The staff will provide services at the public counter, including providing information and referrals, accepting complaints, accepting payments of fees, accepting and assisting with document filings, and providing certified copies of documents. Funding is provided from the Rent Stabilization Trust Fund and the Code Enforcement Trust Fund. Related costs consist of employee benefits. <i>SG \$388,416; EX \$14,000</i> Related Costs: \$92,328	402,416	-	494,744
10 .	Case Management and Hearing Staff Funding and position authority for 22 positions, including 11 inspection, one administrative, and 10 clerical staff are provided to manage cases referred to the Rent Escrow Account Program (REAP), conduct third and fourth inspections of properties requiring additional monitoring to achieve compliance with applicable housing standards, assist with administration of the REAP program, and implement hearing and appeal requirements of the REAP Ordinance and the Rent Stabilization Ordinance (RSO). Funding is provided from the Code Enforcement Trust Fund and the Rent Stabilization Trust Fund. Related costs consist of employee benefits. <i>SG \$1,239,996; EX \$44,000</i> Related Costs: \$292,584	1,283,996	22	1,576,580

Program Changes		Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special				
Service Level				
11 .	Public Information Services Funding and resolution position authority for seven positions, including one Senior Clerk Typist and six Clerk Typists are provided to manage telephone and public counter inquiries. Specific duties include disseminating informational materials, providing referrals for assistance from other agencies, and assisting with registration of rental units and collection of fees. Funding is provided from the Rent Stabilization Trust Fund and the Code Enforcement Trust Fund. Related costs consist of employee benefits. <i>SG \$254,340; EX \$285,440</i> Related Costs: \$75,408	539,780	-	615,188
12 .	Regional Office Staff Funding and resolution position authority for seven positions, including two Management Analysts I, two Senior Clerk Typists, two Accounting Clerks I, and one Systems Aide are provided for administrative support of two regional offices servicing the Central/East and West areas of the City. Funding is provided from the Rent Stabilization Trust Fund and the Code Enforcement Trust Fund. Related costs consist of employee benefits. <i>SG \$338,640; EX \$14,000; EQ \$11,200</i> Related Costs: \$86,052	363,840	-	449,892
Other Changes or Adjustments				
13 .	Complaint Unit - General Fund Exchange General Fund monies for the Complaint Unit are exchanged with funding provided from the Code Enforcement Trust Fund. The use of the Code Enforcement Trust Fund for the Complaint Unit activities, including inspections and enforcement, is in accordance with existing sections of the Los Angeles Municipal Code.	-	-	-
TOTAL CHANGES APPLICABLE TO VARIOUS PROGRAMS		<u>4,352,078</u>	<u>22</u>	

Housing

This program operates housing rehabilitation programs, and coordinates housing production and rehabilitation activities carried out by various City agencies and departments. The emphasis of this program is focused on increasing the quality and quantity of the City's housing stock.

Program Changes	Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special			
14. Apportionment of Changes Applicable to Various Programs Related costs consist of employee benefits Related Costs: \$66,898	383,640	-	450,538
Obligatory			
15. Deletion of Funding for Resolution Authorities Due to the City's current financial constraints, only critical positions will be continued. Related costs consist of employee benefits. Delete: Housing Development Construction Estimator (one position) Asset Control Area Program Staff (six positions) Continue: Housing Development Construction Estimator - See Item 16 Asset Control Area Program Staff - See Item 17 SG \$(421,836) Related Costs: \$(66,291)	(421,836)	-	(488,127)
Service Level			
16. Housing Development Construction Estimator Funding is provided to continue one Construction Estimator on resolution authority to provide cost estimates for new construction and rehabilitation housing projects. Funding is provided from the Community Development Trust Fund and the Home Investment Partnerships Program Fund. Related costs consist of employee benefits. SG \$74,448 Related Costs: \$15,576	74,448	-	90,024
17. Asset Control Area Program Staff Funding is provided to continue six positions, including a Finance Development Officer II, a Finance Development Officer I, two Management Analysts I, and two Management Assistants on resolution authority to administer the Asset Control Area Program. This program is a collaborative effort between the City and the Enterprise Foundation to acquire and rehabilitate properties that have been foreclosed by the U.S. Department of Housing and Urban Development. After the properties are rehabilitated, they are sold to low and moderate income homebuyers. Funding is provided from the Home Investment Partnership Program Fund. Related costs consist of employee benefits. SG \$380,280 Related Costs: \$85,116	380,280	-	465,396

Program Changes	Direct Cost	Posi- tions	Total Cost
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Changes in Salaries, Expense, Equipment and Special

Service Level

18. Inspections of HOME Funded Properties	250,712	-	306,068
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Funding is provided to continue three Housing Inspectors and one Clerk Typist on resolution authority to inspect single-family and multi-family properties that received funding from the Home Investment Partnership Program (HOME) Fund for acquisition, rehabilitation, or construction financing. Resolution authority for the positions was approved in FY 2002-03 (CF No. 02-0870). Federal regulations require the inspection of these properties on a periodic basis to ensure compliance with applicable housing standards. Funding is provided from the HOME Fund. Related costs consist of employee benefits.

SG \$242,712; EX \$8,000

Related Costs: \$55,356

19. Housing Development Staff	-	-	-
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Resolution authority is provided for eight positions, including three Rehabilitation Construction Specialists I, one Finance Development Officer I, one Management Assistant, two Accountants II, and one Material Testing Technician I to support housing development activities. Resolution authority for the positions was approved in FY 2002-03 (CF No. 02-1267). The Material Testing Technician I position determines the lead-based paint content of work completed through the Handyworker Program in compliance with U.S. Department of Housing and Urban Development (HUD) requirements. The remaining positions will administer and manage activities associated with the department's Earthquake Loan Portfolio, including foreclosures, loss mitigation, and workout agreements. In addition, the positions will also be used to address increased housing development workload anticipated from projects funded through the Affordable Housing Trust Fund and State funds made available through the passage of Proposition 46 (Housing and Emergency Shelter Trust Fund). The positions will be provided within existing budgeted funds and no additional appropriations are required.

TOTAL HOUSING	<u>667,244</u>	<u>-</u>	
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2002-03 Program Budget	7,514,928	101	
Changes in Salaries, Expense, Equipment and Special	<u>667,244</u>	<u>-</u>	
2003-04 PROGRAM BUDGET	<u>8,182,172</u>	<u>101</u>	

Rent Control

This program administers the Rent Stabilization Ordinance by registering and collecting fees from nearly 65,000 landlords who own approximately 450,000 rental units, providing an appeals procedure to a seven-member Rent Adjustment Commission, providing information to the public, enforcing provisions of the ordinance, and assisting the City Attorney in criminal prosecutions of landlords.

Program Changes	Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special			
20 . Apportionment of Changes Applicable to Various Programs Related costs consist of employee benefits Related Costs: \$87,857	2,471,784	-	2,559,641
Obligatory			
21 . Deletion of Funding for Resolution Authorities Due to the City's current financial constraints, only critical positions will be continued. Related costs consist of employee benefits. Delete: Automation of Rent and Code Systems (one position) Rent Adjustment Commission Staff (three positions) Re-Rental Compliance Monitoring (one position) Habitability Resolution Program Staff (four positions) Continue: Automation of Rent and Code Systems - See Item 8 Rent Adjustment Commission Staff - See Item 22 Re-Rental Compliance Monitoring - See Item 23 Habitability Resolution Program Staff - See Item 24 SG \$(406,188) Related Costs: \$(75,264)	(406,188)	-	(481,452)
Service Level			
22 . Rent Adjustment Commission Staff Funding and position authority are continued for three positions, including a Management Assistant, a Senior Clerk Typist, and a Clerk Typist to assist the Rent Adjustment Commission. The positions perform hearings legally mandated by the Rent Stabilization Ordinance (RSO) and the Rent Escrow Account Program (REAP) Ordinance relative to evictions, relocation benefits, rent increases, and maintenance of habitability standards in multi-family dwellings. Funding is provided from the Rent Stabilization Trust Fund and the Systematic Code Enforcement Trust Fund. Related costs consist of employee benefits. SG \$127,236 Related Costs: \$34,620	127,236	3	161,856

Program Changes		Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special				
Service Level				
23.	Re-Rental Compliance Monitoring Funding is provided to continue one Management Analyst I on resolution authority to monitor landlords for compliance with the re-rental provisions of the Rent Stabilization Ordinance (RSO). The RSO requires landlords to obtain a re-rental certificate prior to returning units to the rental market after a major rehabilitation. The position would also ensure that rents for units returned to the rental market are within the allowable increases of the RSO. Funding is provided from the Rent Stabilization Trust Fund. Related costs consist of employee benefits. SG \$58,392 Related Costs: \$13,560	58,392	-	71,952
24.	Habitability Resolution Program Staff Funding and position authority are continued for four positions, including two Clerk Typists and two Management Analyst I positions to process referrals to the Rent Escrow Account Program, Property Management Training Program, and Urgent Repair Program. The referrals are generated from the Systematic Code Enforcement Program, the County Health Department, the Los Angeles Fire Department, the Department of Building and Safety, and the Office of the City Attorney. Funding is provided from the Rent Stabilization Trust Fund. Related costs consist of employee benefits. SG \$186,264 Related Costs: \$48,264	186,264	4	234,528
TOTAL RENT CONTROL		<u>2,437,488</u>	<u>7</u>	
2002-03 Program Budget		6,742,048	100	
Changes in Salaries, Expense, Equipment and Special		<u>2,437,488</u>	<u>7</u>	
2003-04 PROGRAM BUDGET		<u>9,179,536</u>	<u>107</u>	

Code Enforcement

This program provides routine, periodic inspections of all multifamily rental properties in the City for basic code enforcement and habitability. This program is supported by a fee assessed to owners of all residential complexes consisting of two or more units.

Program Changes	Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special			
25. Apportionment of Changes Applicable to Various Programs Related costs consist of employee benefits Related Costs: \$559,494	1,316,089	22	1,875,583
Obligatory			
26. Deletion of Funding for Resolution Authorities Due to the City's current financial constraints, only critical positions will be continued. Related costs consist of employee benefits. Delete: Code Enforcement Program Staff (21 positions) Continue: Code Enforcement Program Staff - See Item 27 SG \$(1,157,532) Related Costs: \$(190,970)	(1,157,532)	-	(1,348,502)
Service Level			
27. Code Enforcement Program Staff Funding is provided to continue 21 positions, consisting of four management, three administrative, four inspector, and 10 clerical staff on resolution authority to improve inspection response time and perform administrative tasks. Specific duties include research, billing, file preparation, training, emergency response, and other support functions. Funding is provided from the Code Enforcement Trust Fund. Related costs consist of employee benefits. SG \$1,197,132 Related Costs: \$280,968	1,197,132	-	1,478,100
TOTAL CODE ENFORCEMENT	<u>1,355,689</u>	<u>22</u>	
2002-03 Program Budget	10,638,501	110	
Changes in Salaries, Expense, Equipment and Special	<u>1,355,689</u>	<u>22</u>	
2003-04 PROGRAM BUDGET	<u>11,994,190</u>	<u>132</u>	

General Administration and Support

This program provides direction and control for the Los Angeles Housing Department and includes clerical services, budgeting and accounting functions.

Program Changes	Direct Cost	Posi- tions	Total Cost
Changes in Salaries, Expense, Equipment and Special			
28 . Apportionment of Changes Applicable to Various Programs Related costs consist of employee benefits Related Costs: \$22,820	180,565	-	203,385
Service Level			
29 . Development and Integration of Data System Funding is provided to continue one Database Architect on resolution authority to develop, implement, and maintain various databases used by the department for enforcement, billing, tracking, and reporting of the City's multi-family housing inventory. Resolution authority for the position was approved in FY 2002-03 (CF No. 02-1227). Specific duties include data analysis, modeling, and integration, as well as development of database security, backup, and disaster recovery protocols. Monies are also provided to employ contract staff for the enhancement of desktop and handheld interfaces for mileage reimbursement, inspection route sheets, referrals, and building inspection ratings, as well as close out activities for projects nearing completion. Funding is provided from the Rent Stabilization Trust Fund and the Code Enforcement Trust Fund. Related costs consist of employee benefits. SG \$76,860; EX \$239,950 Related Costs: \$15,888	316,810	-	332,698
TOTAL GENERAL ADMINISTRATION AND SUPPORT	<u>497,375</u>	-	
2002-03 Program Budget	5,132,399	68	
Changes in Salaries, Expense, Equipment and Special	<u>497,375</u>	-	
2003-04 PROGRAM BUDGET	<u>5,629,774</u>	68	

INDICATORS OF WORKLOAD

	ACTUAL 1997-98	ACTUAL 1998-99	ACTUAL 1999-00	ACTUAL 2000-01	ACTUAL 2001-02	EST. 2002-03	EST. 2003-04
RESIDENTIAL UNITS PRESERVED BY							
Departmental programs/Contract agencies	684	442	1,102	439	313	500	500
HOUSING PRODUCTION							
Loan applications received	44	45	83	301	327	806	1,124
Loans processed	31	53	33	292	327	806	1,121
Units financed	1,211	1,220	2,109	1,809	329	916	1,252
COMPLIANCE MONITORING							
Affordable units monitored	10,167	10,863	14,562	14,376	15,000	16,000	17,000
CODE ENFORCEMENT PROGRAM							
Periodic Inspections (Units)	15,630	230,850	72,504	82,607	136,178	165,000	180,000
Complaint Serviced	-	-	6,733	13,273	14,579	15,500	16,300
REAP Referrals Processed	-	-	-	-	1,295	1,400	1,500
Urgent Repair Referrals	-	-	-	-	314	350	350
City Attorney Criminal Referrals	-	-	17	63	197	300	300
RENT PROGRAM							
Rent Adjustments Processed	251	167	186	468	517	660	840
Rental Units Registered	426,401	561,220	544,686	538,000	554,000	565,000	565,000
Landlord Declarations of Evictions	-	-	-	990	1,135	1,265	1,425
Tenant Complaints Processed	1,584	2,149	3,692	5,378	5,633	5,900	6,200
PUBLIC INQUIRIES							
Telephone	135,544	175,583	210,335	235,000	222,338	220,000	220,000
Public Counter	13,152	21,000	21,165	24,000	35,360	42,432	46,600
Correspondence prepared	41,623	95,000	27,704	25,000	33,188	38,800	43,700