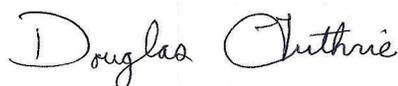


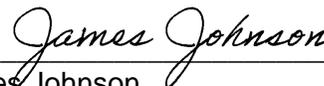
Report of the President & CEO

June 25, 2020

**RESOLUTION DELEGATING AUTHORITY TO THE PRESIDENT AND CEO, OR HIS OR HER
DESIGNEE, TO NEGOTIATE AND SETTLE CERTAIN CLAIMS AND LITIGATION MATTERS UP
TO \$50,000**



Douglas Guthrie
President & Chief Executive Officer



James Johnson
General Counsel

Purpose: To authorize the President and CEO, or his or her designee, to negotiate and settle claims, demands, and litigation matters against HACLA in amounts up to \$50,000 and to enter into any related agreements or documents, all with the approval of legal counsel.

Issues: HACLA receives and evaluates claims pursuant to Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code of the State of California (the "Claims Law"). The Claims Law governs claims for money or damages against "Local Public Entities" including HACLA and prescribes the procedures relating to determinations by local public entities concerning (i) the form of claims against local public entities or against officers, agents and employees thereof, (ii) the sufficiency of claims presented, (iii) the presentment of late claims, and (iv) actions with regard to approval or rejection of such claims.

Section 905 of the Government Code exempts certain enumerated types of claims, including but not limited to the following: (1) claims under the Revenue and Taxation code; (2) claims in connection with filing a notice of lien, statement of claim, or stop notice; (3) claims by public employees for fees, salaries, expenses, and allowances; (4) workers' compensation claims; (5) claims for benefits under a public retirement or pension system; (6) claims for principal or interest on bonds or other instruments of indebtedness; (7) claims that relate to a special assessment against a property; (8) claims by the state or department of state, or by another local public entity or judicial branch; (9) claims arising under the Unemployment Insurance Code; (10) claims for recovery of penalties under Labor Code section 1720. Additional claims are excluded from application of the Claims Law by case law. Thus, all such claims exempted from the Claims Act pursuant to Section 905 or case law are thus excluded from this delegation.

It is intended that these exempt claims would be covered by a separate delegation of authority, if approved by the Board. In the event that a settlement includes multiple claims, some of which are covered by the Tort Claims Act and some of which are not, Board authorization would be required if the settlement amount allocated to the claims covered by the Tort Claims Act exceeded \$50,000.

The Claims Law authorizes an employee of the local public entity to perform those functions and to allow, compromise, or settle claims not exceeding \$50,000 if the governing board of the local public entity adopts a resolution delegating such authority. The proposed Resolution delegates authority to the President and CEO, or his or her designee, to take action with regard to allowing, compromising, or settling all claims,

demands, and litigation matters subject to the Claims Law involving payments by HACLA up to \$50,000.

Vision Plan: PATHWAYS Strategy #7: Identify opportunities to reduce operating and administrative costs so that scarce resources are maximized

The proposed delegation will expedite the review, approval, and execution of settlement agreements to resolve claims against HACLA. The delegation will provide explicit authority to efficiently resolve outstanding claims, demands, and litigation.

Funding: The proposed delegation should not have a significant budgetary or program impact. HACLA has several insurance policies covering different types of risk, so to the extent any settlement is a covered matter HACLA's out-of-pocket expenses would be limited to our deductible.

Environmental Review: Not applicable

Section 3: Not applicable

Attachment: Resolution

RESOLUTION NO. _____

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DESIGNEE, TO NEGOTIATE AND SETTLE CERTAIN CLAIMS AND LITIGATION MATTERS
UP TO \$50,000**

WHEREAS, HACLA is a public body, corporate and politic, organized and existing under the Housing Authorities Law (commencing at Section 34200 of the California Health and Safety Code and, specifically, Section 34311), and authorized to transact business and exercise the powers of a housing authority [pursuant to action of the Board of Commissioners (the "Board")]; and

WHEREAS, the State Legislature has enacted Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code of the State of California ("Claims Law"), which governs claims for money or damages against HACLA and prescribes, among other matters, the procedures relating to determinations by the governing board of local public entities, including HACLA, concerning (i) the form of claims against local public entities or against officers, agents and employees thereof (Section 910.4), (ii) the sufficiency of claims presented (Section 910.8), (iii) the presentment of late claims (Sections 911.3, 911.6, 912.2), and (iv) action on claims presented (Section 912.6); and

WHEREAS, Section 905 of the Government Code exempts certain enumerated types of claims, including but not limited to the following: (1) claims under the Revenue and Taxation code; (2) claims in connection with filing a notice of lien, statement of claim, or stop notice; (3) claims by public employees for fees, salaries, expenses, and allowances; (4) workers' compensation claims; (5) claims for benefits under a public retirement or pension system; (6) claims for principal or interest on bonds or other instruments of indebtedness; (7) claims that relate to a special assessment against a property; (8) claims by the state or department of state, or by another local public entity or judicial branch; (9) claims arising under the Unemployment Insurance Code; (10) claims for recovery of penalties under Labor Code section 1720.

WHEREAS, Government Code Section 935.4 provides that a local public entity may authorize an employee of the local public entity to perform those functions of the governing body of the public entity under the Claims Law that are prescribed by the local public entity, including authorizing such employee to allow, compromise, or settle a claim against the public entity if the amount to be paid pursuant to the allowance, compromise or settlement does not exceed fifty thousand dollars (\$50,000); and that a charter provision, ordinance, or resolution may provide that, upon written order of that employee, the auditor or other fiscal officer of the local public entity shall cause a warrant to be issued upon the treasury of the local public entity in the amount for which a claim has been allowed, compromised, or settled; and that other claims are exempt from Claims Law requirement by case law; and

WHEREAS, the Board of HACLA desires to delegate the authority which it is authorized to delegate pursuant to the Claims Law in the manner provided; and

WHEREAS, the Board is authorized to delegate to the President and CEO such powers and duties as it deems proper.

NOW THEREFORE BE IT RESOLVED:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference and constitute a material part of this Resolution.

Section 2. Pursuant to Section 935.4 of the Government Code of the State of California, the Board does hereby authorize, order, and direct the President and CEO, or his or her designee, to approve, deny, and otherwise make determinations concerning (i) the form of claims, (ii) the sufficiency of claims presented against HACLA, and (iii) the presentment of late claims.

Section 3. Pursuant to Section 935.4 of the Government Code of the State of California, the Board does authorize, order, and direct the President and CEO, or his or her designee, to allow, compromise, or settle any claim against HACLA or any claim to which any officer or employee of HACLA is a party and as to which HACLA is required by law to indemnify such officer or employee, provided that (1) the claim is not exempt by Government Code Section 905 or by case law; and (2) the amount to be paid by HACLA pursuant to the allowance, compromise, or settlement does not exceed Fifty Thousand and No/100 Dollars (\$50,000.00). The President and CEO, or his or her designee, is authorized, ordered, and directed to execute any agreements and other documents on behalf of HACLA which may be necessary to accomplish and complete any such allowance, compromise, or settlement.

Section 4. The Board further authorizes, orders, and directs the President and CEO, or his or her designee, to allow, compromise, or settle any litigation against HACLA or any litigation to which any officer or employee of HACLA is a party and as to which HACLA is required by law to indemnify such officer or employee, provided that (1) the claim is not exempt by Section 905 of the Government Code or by case law; and (2) the amount to be paid by HACLA pursuant to the allowance, compromise, or settlement does not exceed Fifty Thousand and No/100 Dollars (\$50,000.00). The President and CEO, or his or her designee, is authorized, ordered, and directed to execute any agreements and other documents on behalf of HACLA which may be necessary to accomplish and complete any such allowance, compromise, or settlement, all with the approval of legal counsel.

Section 5. Nothing contained herein shall prevent the Board from reviewing, considering, or acting upon any claim or litigation matter in its sole and absolute discretion.

Section 6. This Resolution shall be effective immediately upon adoption.

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
Ben Besley, Chairperson

APPROVED AS TO FORM:

BY: _____
James Johnson, General Counsel

DATE ADOPTED: _____