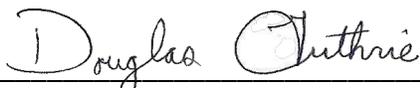
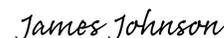


RESOLUTION CLARIFYING AND CONFIRMING THE DELEGATION OF AUTHORITY TO THE PRESIDENT AND CEO, OR DESIGNEE, TO ENTER INTO NON-PROCURED AGREEMENTS AND CONTRACTS AND SETTING LIMITS ON THAT AUTHORITY CONSISTENT WITH HACLA POLICIES AND PRACTICES



Douglas Guthrie
President & Chief Executive Officer



James Johnson
General Counsel

Purpose: To eliminate ambiguity in the President and CEO, or designee's, authority to enter into non-procured agreements and contracts and set limits on that authority consistent with Housing Authority of the City of Los Angeles ("HACLA") policies and practices.

Regarding: The President and CEO, or designee, is currently authorized by HACLA's Procurement Policy to execute procured contracts and increase any Board of Commissioners ("Board") -approved contract in an amount up to the Simplified Acquisition Threshold (currently \$250,000). However, there is no express delegation of similar authority for non-procured contracts and agreements, thereby requiring that such authority be found under Board-approved delegations of authority or HACLA's Bylaws. Article III of HACLA's Bylaws sets forth the President and CEO's powers and duties, and grants the President and CEO authority to carry-out the general administration of HACLA's day-to-day operations, but does not specifically refer to the authority to enter into non-procured contracts or agreements or set a dollar threshold on such authority.

Issues: The President and CEO derives authority to execute various agreements on behalf of HACLA from Article III of HACLA's Bylaws, express Board delegations by resolution, Board authorizations to carry out powers and duties associated with specific transactions, and express delegations provided under Board-authorized policies. For example, as noted above, under HACLA's Procurement Policy (last amended and approved on June 24, 2021 by Resolution No. 9716), the President and CEO, or persons designated in writing by the President and CEO, may enter into procured contracts and commit funds up to the Simplified Acquisition Threshold. The Simplified Acquisition Threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 in accordance with 41 U.S.C. 1908, and is periodically adjusted for inflation.

The President and CEO may also accept and administer grants up to \$250,000 pursuant to Board Resolution No. 9608 dated June 25, 2020, and may authorize the use of HACLA community space to an outside vendor or services provider under HACLA's Policy on Use of Community Space pursuant to Resolution No. 9297 dated June, 23, 2016. Additional examples of authority delegated to the President and CEO include the authorization to enter into contracts for the receipt of funds from private, local, state, or federal

government sources for up to \$100,000,000 for the acquisition of real property (Resolution. No. 9588); to accept other kinds of private or government grant funding and obligate HACLA to comply with the terms and conditions of such grant funding for grant contracts up to \$250,000 (Resolution No. 9608); and to negotiate and settle certain claims and litigation matters (Resolution Nos. 9609 and 9610).

While these delegations of authority capture significant portions of HACLA's operations, the President and CEO routinely enters into agreements that effectuate HACLA's day-to-day administration and advance its mission but fall outside these delegations. Examples include inter-agency and private party contracts, memorandums of understanding, agreements to conduct studies, cost sharing agreements, data sharing agreements, licensing, and services agreements. The President and CEO enters into such agreements pursuant to the authority implicit in Article III of HACLA's Bylaws. However, third parties have periodically sought express delegations of such authority, having found the Bylaws ambiguous. Moreover, the Bylaws do not refer to any specific dollar threshold or limit on the commitment of HACLA funds or resources.

The Board has the power to "delegate to one or more of its agents or employees the powers or duties it deems proper." (Health and Safety Code Section 34280.) Article II, Section 3 of HACLA's Bylaws state in part that HACLA's Board of Commissioners may "[b]y resolution duly adopted, authorize any officer, employee or agent to enter into any contract or execute any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances." Pursuant to the Bylaws, the Board may by resolution authorize the President and CEO, or designee, to execute non-procured agreements and contracts on behalf of the authority.

The proposed resolution seeks to provide the President and CEO, or designee, with the express authority to enter into and execute non-procured agreements and contracts not exceeding a commitment of resources or funds in excess of the Simplified Acquisition Threshold, that further HACLA's mission or day-to-day operations, consistent with all applicable laws and regulations. Using the Simplified Acquisition Threshold was deemed reasonable and consistent with the Procurement Policy and certain prior delegations of authority as noted above.

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

The proposed delegation will clarify and confirm the President and CEO's non-procured contracting authority thereby helping expedite the execution of certain contracts and agreements in furtherance of HACLA's mission and day-to-day operations.

Funding: The proposed delegation is not contemplated to have a significant budgetary or program impact.

Environmental Review: Not applicable

Section 3: Not applicable

Attachment:

1. Resolution

RESOLUTION NO. _____

RESOLUTION CLARIFYING AND CONFIRMING THE DELEGATION OF AUTHORITY TO THE PRESIDENT AND CEO, OR DESIGNEE, TO ENTER INTO NON-PROCURED AGREEMENTS AND CONTRACTS AND SETTING LIMITS ON THAT AUTHORITY CONSISTENT WITH HACLA POLICIES AND PRACTICES

WHEREAS, the Housing Authority of the City of Los Angeles (“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 authorized to transact business and exercise the powers of a housing authority pursuant to action of the Board of Commissioners (the “Board”);

WHEREAS, Article III of HACLA’s Bylaws set forth the President and CEO’s powers and duties, and grants the President and CEO authority to carry-out the general administration of HACLA’s day-to-day operations;

WHEREAS, the Board is authorized to delegate to the President and CEO such powers and duties as it deems proper pursuant to California Health and Safety Code Section 34280 and Article II of HACLA’s Bylaws; and

WHEREAS, for the reasons set forth in the Report of the President and CEO of the same date herewith, the Board seeks to confirm and clarify, pursuant to the Bylaws and this express delegation of authority, that the President and CEO, or designee, may enter into non-procured agreements and contracts and commit resources and expenditures not exceeding the Simplified Acquisition Threshold, as may be adjusted from time to time, in furtherance of effectuating HACLA’s mission and conducting HACLA’s day-to-day operations, consistent with all applicable laws and regulations.

NOW, THEREFORE, BE IT RESOLVED that the Board confirms and clarifies, pursuant to the Bylaws and this express delegation of authority, that the President and CEO, or designee, may enter into non-procured agreements and contracts and commit resources and expenditures not exceeding the Simplified Acquisition Threshold, as may be adjusted from time to time, in furtherance of effectuating HACLA’s mission and conducting HACLA’s day-to-day operations, consistent with all applicable laws and regulations.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
James Johnson, General Counsel

By: _____
Cielo Castro, Chairperson

DATE ADOPTED: _____