



# City of Rialto

## Legislation Text

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**File #:** 20-0089, **Version:** 1

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For City Council Meeting [February 11, 2020]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Manager

FROM: Perry Brents, Director of Community Services

Request City Council to amend the Professional Services Agreement with LDM Associates, Inc. to continue Community Development Block Grant Consulting Services and provide additional services increasing the total contract by \$156,950, for a total contract amount of \$271,950 and extending the term for one (1) additional year to February 11, 2021.

### **BACKGROUND**

On June 26, 2018, City Council authorized a Request for Proposal (RFP 19-014) to retain a CDBG Consultant. Proposals were received from two firms; LDM & Associates, Inc. and Rincon Consultants, Inc. On February 12, 2019, City Council awarded LDM Associates, Inc. a one (1) year contract with two (2) optional one-year extensions as the proposal was ranked higher overall for the management of CDBG grant funding and the Neighborhood Stabilization Program (NSP) Implementation and Administration. The approved PSA is for services based on a 12-month calendar, not the fiscal year.

### **ANALYSIS/DISCUSSION**

Staff is seeking City Council approval of an increase in the total contract amount of \$156,950 and the first of two (2) optional one-year extensions of the LDM Professional Services Agreement. The contract amendment includes an additional cost of \$41,950 to provide additional Services that require the preparation and submission of the Five-Year Consolidated Plan (2020-2025), Analysis of Impediments (2020-2025) and One-Year Action Plan (2020-2021) and the approval of Council in identifying the appropriate FY year budgets per the calendar years identified in the LDM Associates Professional Services Agreement (PSA). The approval of a one-year extension will; 1) cover balance of costs for services rendered in Fiscal Year 2019-2020, and 2) Approve \$115,000 for costs to cover Fiscal Year 2020-2021.

The request for a contract extension is based on satisfactory performance by LDM Associates as Community Development Block Grant Consultant (CDBG) in service to the City of Rialto over the past 12 months. With over 34 years of experience administering CDBG programs, LDM Associates continues to provide outstanding CDBG consulting services to the City. LDM is extremely familiar with complex HUD regulations. All Housing and Urban Development (HUD) audits performed since the firm has been involved with the City's CDBG program have been satisfactory.

The City has mandatory HUD reports due June 30, 2020. An amendment to the contract is being requested for LDM Associates to provide additional work requested to complete the reports. The

work is not covered within the Scope of Work provided in the current Agreement. However, the Agreement does allow the City to request and order extra work beyond the specified Scope of Services. This is referenced in the Agreement under Section 1.8 titled, *Additional Services*.

Preparing reports required by HUD is also mentioned within the guidelines of RFP 19-014 under “CDBG Program Implementation and Administration” and states, “Prepare reports, as required by HUD, including, but not limited to a One-Year Action Plan, and Annual Funding application, annual performance report (CAPER), Quarterly Cash Transaction Reports, etc., Section 3 Reports, and other reports required by HUD”.

The City desires to utilize this option to request Additional Services from LDM to prepare HUD reports that include, the Five-Year Consolidated Plan (2020-2025), Analysis of Impediments (2020-2025) and One-year Action Plan. The total fixed cost is estimated at \$41,950. These reports are within the expertise of LDM Associates, who are familiar with and have prepared these reports for the City over the last several years. Based on the scope of work and rate schedule (see Exhibit A), LDM Associates proposes to bill on a time and material basis. The additional work identified for completion by LDM Associates, including the one-year contract extension as CDBG Consultant, consists of the following:

#### **CDBG Grant and Neighborhood Stabilization (NSP) Programs 2019-2020 (Consulting Services One-Year Contract Extension)**

The Professional Services Agreement with LDM Associates, Inc. that outlines the Scope of Work for providing CDBG Program Implementation and Administration as required to comply with all HUD regulations and deadlines for all approved City CDBG projects.

#### **Five-Year Consolidated Plan (2020-2025)**

As a recipient of CDBG funds, the City will prepare a Five-Year Consolidated Plan for review and consideration by the City Council and submittal to HUD as a part of the U. S. Department of Housing and Urban Development (HUD) requirements for Program Period (2020-2025). The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. Grantees report on accomplishments and progress toward Consolidated Plan goals in the Consolidated Annual Performance and Evaluation Report (CAPER).

#### **Analysis of Impediments (2020-2025)**

HUD requires all entitlement communities to affirmatively further fair housing choices through an examination of impediments or potential impediments to fair housing choices in the community. The Analysis of Impediments to Fair Housing Choice provides an overview of the laws, regulations, conditions or other possible obstacles that may affect access to housing and other services in the community.

The Analysis of Impediments to Fair Housing Choice is a study that identifies impediments that deter residents from having fair housing choices within the City. For Program Period (2020-2025), an Analysis of Impediments to Fair Housing Choice Draft report will be prepared for review and consideration by the City Council and submittal to HUD. The scope, analysis, and format used in the draft Analysis of Impediments to Fair Housing Choice will adhere to the recommendations of the Fair Housing Planning Guide published by HUD.

### **One-Year Action Plan (2020-2021)**

As a prerequisite to receiving its annual CDBG allocation, the City is required to submit a One-Year Action Plan. As a recipient of CDBG funds, the City will prepare a One-Year Action Plan Draft (2020-2021) to appropriate CDBG funds to specific programs and projects for the 2020-2021 fiscal year. The City anticipates receiving \$1,196,679 in federal community development funds for the 2020-2021 Program Year. It is anticipated that the City will have prior year savings from CDBG funds that remain from completed and/or closed out project and activities. As a result, the City's CDBG totals may increase available CDBG funds to commit to new eligible projects. The Action Plan delineates Rialto's plan for the use of its 2020-2021 CDBG funds. It describes the resources available for program implementation and activities to be undertaken during the Program Year. The One-Year Action Plan for Program Year 2020-2021 will provide recommendations for funding by the City Council. The recommendations are separated into three categories 1) Administration 2) Public Services and 3) Capital Improvement Projects.

### **ENVIRONMENTAL IMPACT**

The request is not a Project as defined by Section 15378 of the California Environmental Quality Act (CEQA).

### **GENERAL PLAN CONSISTENCY**

Policy 2-27.2: Plan for and designate adequate funding to maintain new and existing parks and facilities.

### **LEGAL REVIEW**

The City Attorney has reviewed and supports this report.

### **FINANCIAL IMPACT**

The financial impact associated with the approval of this item is \$156,950. Funding (100% Grant Funded) in the amount of \$123,000 for the Professional Services Agreement for Administration is budgeted and available in fiscal year 2019-2020 from CDBG Fund Account No. 234-500-1850-2011 and a budget adjustment in the amount of \$33,950 will be requested during the midyear budget to be budgeted in CDBG Fund Account No. 234-500-1850-2011.

#### **Operating Budget Impact**

The CDBG Grant Consultant shall be compensated from the special revenue account for Community Development Block Grant Funding.

#### **Capital Improvement Budget Impact**

There is no impact to the Capital Improvement Budget.

#### **Licensing**

Prior to execution of the Professional Service Agreement/Purchase Order/Construction Contract, the vendor shall submit a business license application and pay a Business License tax at the rate of \$154, as well as any Administration and State fees.

### **RECOMMENDATION**

Staff recommends City Council to extend the Professional Services Agreement with LDM Associates, Inc. to continue Grant Consulting Services for one (1) additional year in the amount of \$115,000, for

Fiscal Years (2019-2020 and 2020-2021) amending the Agreement to provide for additional services fees of \$41,950 for preparation and submission of the Five-Year Consolidated Plan (2020-2025), Analysis of Impediments (2020-2025) and One-Year Action Plan (2020-2021) and approve fiscal year 2019-2020 expenditures for services rendered.