



# City of Huntington Beach

File #: 19-551

MEETING DATE: 6/17/2019

## REQUEST FOR CITY COUNCIL ACTION

**SUBMITTED TO:** Honorable Mayor and City Council Members

**SUBMITTED BY:** Dave Kiff, Interim City Manager

**PREPARED BY:** Kellee Fritzal, Deputy Director of Economic Development

**Subject:**

**Approve and authorize execution of Contract Amendment No. 2 with Rosenow, Spevacek Group, Inc. (RSG) adding additional compensation of \$30,000 and extending the term to December 30, 2019 for Affordable Housing Compliance Monitoring of HOME Projects**

**Statement of Issue:**

The Office of Business Development utilizes professional services annually to assist with site inspection and monitoring services for the HOME Investment Partnership (HOME) Program. The City Council's approval consideration is requested for the extension of the Agreement for an additional one (1) year term in an amount not-to-exceed \$30,000 to complete inspections through December 30, 2019.

**Financial Impact:**

Funds for this agreement are available in the Housing Residual Receipt and Low Moderate Income Housing Asset account 35280301.69325 (\$30,000).

**Recommended Action:**

Approve and authorize the Mayor and City Clerk to execute "Amendment No. 2 to Professional Services Contract Between the City of Huntington Beach and Rosenow Spevacek Group, Inc., for Affordable Housing Compliant Monitoring" to December 30, 2019 in the amount not-to-exceed \$30,000.

**Alternative Action(s):**

Do not approve the Amendment and direct staff accordingly.

**Analysis:**

The City of Huntington Beach receives HOME funds on an annual basis from the US Department of Housing and Urban Development (HUD). These funds are utilized by the City to provide affordable housing projects to benefit low-to-moderate income households. Affordable Housing projects include new apartment development, and acquisition and rehabilitation of existing multi-family apartments. Depending on the size of the apartment complex, site inspection and monitoring of the development

are required by HUD every one to three years. Of the City's 48 affordable housing developments, 21 developments are funded with HOME funds. As a result, approximately 10 to 14 apartment complexes are inspected annually to ensure compliance to HUD regulations and the City's Regulatory Agreement as required by City auditors.

The Office of Business Development utilizes professional services annually to assist with site inspection and monitoring services for the HOME Investment Partnership (HOME) Program. The initial three year agreement was entered between Rosenow, Spevacek Group, Inc. (RSG) and the City on July 1, 2014 (Attachment 1). The agreement was amended to extend the agreement to June 2018 (Attachment 2). The request approve an extension of the Agreement for an additional one (1) year in an amount not-to-exceed \$30,000 allows for completion of current inspections as well as sufficient time to issue a request for proposals to secure and adequately prepare the selected consultant (Attachment 3). The City will pursue a Request for Proposals in the following fiscal year for continued services.

**Environmental Status:**

Not applicable.

**Strategic Plan Goal:**

Strengthen long-term financial and economic sustainability

**Attachment(s):**

1. Professional Services Contract (Agreement) between the City of Huntington Beach and Rosenow, Spevacek Group, Inc. for Affordable Housing Compliance Monitoring
2. Amendment No. 1 to Professional Services Contract between the City of Huntington Beach and Rosenow Spevacek Group, Inc, for Affordable Housing Compliance Monitoring
3. Amendment No. 2 to Professional Services Contract between the City of Huntington Beach and Rosenow Spevacek Group, Inc, for Affordable Housing Compliance Monitoring
4. Certificate of Liability Insurance