



City of Huntington Beach

File #: 19-862

MEETING DATE: 9/16/2019

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 an Agreement with Lorraine Mendez & Associates for US Department of Housing and Urban Development (HUD) Program Consulting Services for a total contract amount not to exceed \$120,000 through October 2022; and, authorize increase in Professional Services authority in the City Manager's Department

Statement of Issue:

The City utilizes professional consulting services on an as-needed basis to assist with compliance activities for the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs. The current agreement with Lorraine Mendez & Associates for these services is set to expire October 2019. A Request for Proposal (RFP) was issued and Lorraine Mendez & Associates was selected as the most qualified for HUD consulting services from this RFP process. Staff is requesting an approval of the Agreement for three (3) years in the amount of \$40,000 for each year in an amount not to exceed \$120,000 which allows for completion of current activities through October of 2022.

Financial Impact:

Services provided under this agreement are funded through the CDBG and HOME programs. There is no impact to the General Fund. Sufficient funds are available in Account 23980801.69365 (\$30,000) and 24080701.69365 (\$10,000) for years 2019-2020. Similar funds from CDBG and HOME programs will be used to fund subsequent years.

Recommended Action:

A) Approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Lorraine Mendez & Associates for US Department of Housing and Urban Development (HUD) Consulting Services" in the amount of \$120,000 through October 2022; and,

B) Approve an increase in Professional Services authority in the City Manager's Department by the commensurate amount.

Alternative Action(s):

Do not approve Agreement and direct staff accordingly.

Analysis:

The City of Huntington Beach receives federal Community Development Block Grant (CDBG) funding and HOME Investment Partnership (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 programs and services benefitting low-to-moderate income residents and those specifically residing in census block groups designated with more than 47.83 percent residents of low-to-moderate income. Projects include housing rehabilitation for qualified homeowners, fair housing counseling and assistance, case management for seniors in need, literacy tutoring, after school programs in the Oak View neighborhood, coordination of services to the homeless, and capital improvements in the designated areas or which assist the mobility of the disabled on a citywide basis consistent with the Americans with Disabilities Act.

The City is required to report progress to HUD on a monthly, quarterly, and annual basis using a variety of mechanisms and to engage in ongoing monitoring to ensure compliance with program regulations. Both the CDBG and HOME programs allow for a small percentage of the overall funds granted to the City to be utilized for program administration, which, for Huntington Beach, also includes the required fair housing services. Many Cities, including Huntington Beach, utilize the services of qualified consultants to take on some of the detailed and complex and ever-changing responsibilities and to perform field and document monitoring of program subrecipients.

The City of Huntington Beach issued a Request for Proposals (RFP) for HUD consulting services in June 2019 and received three (3) proposals. Proposals were received from Lorraine Mendez & Associates, Tierra West and Wildan Engineering. Lorraine Mendez & Associates (LMA) was selected to provide this service at a cost not-to-exceed \$40,000 annually for three years. In the current program year, LMA has been engaged in prior year reporting, subrecipient monitoring, as well as in the six-month long preparation of the 2019-2020 annual plan, which serves as the City's annual application for HUD funding.

Not approving LMA Agreement could put the City at a significant disadvantage in meeting HUD's various compliance mandates and in securing program funding for 2020-2021. Thus, the City is seeking to go into contract with MLA through October 2022, which will enable them to complete existing projects and reporting.

Environmental Status:

Not applicable.

Strategic Plan Goal:

Enhance and maintain high quality City services

Attachment(s):

1. "Professional Services Contract Between the City of Huntington Beach and Lorraine Mendez & Associates for US Department of Housing and Urban Development (HUD) Consulting Services"
2. Professional Services Award Analysis