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Title: Second Amendment to the existing consulting services agreement with Usona Development, LLC. for \$28,800, and an extension of time to June 30, 2017 for technical assistance pertaining to the U.S. Department of Housing and Urban Development (HUD).

Sponsors: Planning and Development Department

Indexes:

Code sections:

Attachments: 1. Exhibit A - Original Usona agreement dated June 1, 2015.pdf, 2. Exhibit B - Amendment #1 to the Usona agreement.pdf, 3. Exhibit C - Amendment #2 to Usona Agreement.pdf

Date	Ver.	Action By	Action	Result
1/26/2017	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

January 26, 2017

FROM: JENNIFER K. CLARK, Director
Development and Resource Management Department

BY: KELLI FURTADO, Assistant Director
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SUBJECT:

Second Amendment to the existing consulting services agreement with Usona Development, LLC. for \$28,800, and an extension of time to June 30, 2017 for technical assistance pertaining to the U.S. Department of Housing and Urban Development (HUD).

RECOMMENDATIONS:

Staff recommends that the City Council approve the Second Amendment to the existing consulting services agreement with Usona Development, LLC. for \$28,800, and an extension of time to June 30, 2017.

EXECUTIVE SUMMARY

On June 30, 2015 the City entered into an agreement (\$49,999) with Usona Development, LLC (Usona) for services providing technical assistance in federal grants management including the Community Development Block Grant (CDBG), HOME Investment Partnership, Emergency Solutions Grant (ESG), Housing Opportunities for Persons with HIV/AIDS (HOPWA), Neighborhood Stabilization Program (NSP) and the Office of Healthy Homes Lead Control (OHHLC) programs. On December 17, 2015 the First Amendment (\$21,200) to the Usona agreement extended the contract through December 31, 2016 and included several on-site visits as well as technical assistance as requested by City staff. The proposed Second Amendment totals \$28,800, resulting in a total for the original contract and both First and Second Amendments equaling up to \$99,999.

BACKGROUND

In May of 2015, a need for technical assistance in HUD specific grants management was identified. The need was identified through an assessment of staff turnover, shortages, a lack of technical experience and capacity as well as concerns over the monitoring and timely use of various HUD funds. In June of 2015 the City entered into an agreement with Usona to provide technical expertise in federal grants management and to assist staff in addressing number of outstanding issues previously raised by HUD. William Kubal, the Principal of Usona Development, is recognized as one of the premier experts in HUD grants management. Usona is a consulting firm that assists local municipalities and non-profits in delivering solutions to meet the community needs.

Since implementation of the original agreement Usona has been instrumental in evaluating and revising program policies and procedures for staff input, reviewing and recommending changes to program implementation, assessing current reporting status, training staff on HUD systems, and preparing responses to monitoring reports.

Usona has been actively participating with the City in biweekly conference calls with HUD's San Francisco Regional Office to discuss the City's ongoing work plan to improve performance and to establish best practices for future grants management.

Beginning in December, 2016 the City hired a qualified and experienced Housing and Community Development Division Manager with significant expertise working with HUD programs. However, given the complexity and sensitivity of the various ongoing HUD programs and monitorings, it is essential that there be an overlap of the new manager and Usona in order to collaborate, transfer knowledge and prioritize projects and objectives through June 30, 2017 ensuring a smooth transition and meeting the upcoming timeliness test and other HUD deadlines in May, 2017.

The proposed second amendment includes monthly on-site consultations (\$6,000) and up to 240 hours of technical assistance and from Usona principal, William Kubal at the rate of \$95.00 per hour, totaling \$28,800.00. The Second Amendment is focused on technical assistance, including day-to-day operational oversight of CDBG; preparing responses to HUD monitoring requests for information and additional technical assistance requested by City staff, including but not limited to policies and procedures, annual action planning process, and IDIS. The proposed second amendment is recommended for approval through June 30, 2017.

ENVIRONMENTAL FINDINGS

In accordance with the California Environmental Quality Act (CEQA) Guidelines Section 15378, this

item does not qualify as a project and are therefore exempt from CEQA requirements. In addition, the proposed service is not subject to an environmental review under the provision of the National Environmental Policy Act as it is specifically for a supportive service.

LOCAL PREFERENCE

Local preference is not implemented because this is an amendment of an existing agreement.

FISCAL IMPACT

No new appropriations are needed for this agreement as the additional expense of \$28,800 can be absorbed within existing department appropriations.

Attachments:

Exhibit A - Original Usona agreement dated June 1, 2015

Exhibit B - Amendment #1 to the Usona agreement

Exhibit C - Amendment #2 to the Usona agreement