



City of San Leandro

Meeting Date: November 16, 2020

Staff Report

File Number: 20-491

Agenda Section: ACTION ITEMS

Agenda Number: 10.B.

TO: City Council

FROM: Jeff Kay
City Manager

BY: Tom Liao
Community Development Director

FINANCE REVIEW: Susan Hsieh
Finance Director

TITLE: Staff Report for a City of San Leandro City Council Resolution to Approve Amendment No. 1 to the Fiscal Year 2020-2021 Community Development Block Grant-Covid-19 (CDBG-CV) Contract t Between the City of San Leandro and Centro Legal de la Raza for an Amount Not to Exceed \$1,163,178 to Administer the City's Rental Assistance Program (increases FY2020-2021 Agreement by an additional \$711,206)

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council approve the resolution for Amendment No. 1 to the FY2020-2021 contract with Centro Legal de la Raza to operate the City's Rental Assistance Program. This action will amend Centro Legal's contract by increasing the original contract amount of \$451,972 by an additional \$711,206 (CDBG-CV Round III funds) for a total amount not to exceed \$1,163,178. These CARES Act federal stimulus funds were allocated to CDBG entitlement communities in September 2020 as CDBG-CV Round III funding to assist cities and counties with the impacts of COVID-19. This Amendment No. 1 is associated with the City Council's separate review of the second Substantial Amendment to the U.S. Department of Housing and Urban Development (HUD) FY2019-2020 Annual Action Plan.

BACKGROUND/ANALYSIS

This agreement will augment the CDBG public services budget that was approved by the City Council as part of the FY 2019-2020 HUD Annual Action Plan First Substantial Amendment adopted by the City Council on June 15, 2020. Centro Legal de la Raza is currently under contract with the City of San Leandro to provide rental assistance, which promotes housing stability and works to prevent homelessness for lower income renters seeking rent relief due to impacts from COVID-19.

The recommended action will vastly expand the Rental Assistance Program enabling the City to support substantially more San Leandro households as they deal with the economic impacts of

the COVID-19 pandemic and related shut-downs.

Current Agency Policies

Current City Council policy is defined by the FY 2015-2019 Consolidated Plan and the FY 2019-2020 Annual Action Plan both Amended by Resolution No. 2020-055 on June 15, 2020.

Previous Actions

HUD Five Year Consolidated Plan for 2015-2020: The current five-year plan was adopted through Resolution No. 2015-080 on April 20, 2015 and amended by Resolution No. 2020-055 on June 15, 2020. One of the priorities identified in the five-year Consolidated Plan document for Community Development Block Grant (CDBG) expenditures is "Community Development Needs - Public Services." HUD requests that cities identify specific action areas where CDBG funds can be spent. The City proposed to provide operational grant support to non-profit social service providers serving San Leandro residents

HUD FY 2019-2020 Annual Action Plan: The original Annual Action Plan document was adopted on May 6, 2019. In response to the COVID-19 Pandemic and the federal CARES Act legislation signed into law on March 27, 2020, the current annual plan was amended by the City Council through Resolution No. 2020-055 on June 15, 2020 to provide stimulus funds to community services organizations in response to impacts affecting specific vulnerable populations - homebound seniors and lower income renters -- caused by the COVID-19 pandemic.

Environmental Review

By July 1, 2020 National Environmental Protection Act (NEPA) environmental reviews of each project will be completed prior to contract execution.

Fiscal Impacts

If approved, Centro Legal will be funded by FY 2019-2020 CDBG-CV monies in the following account:

- Centro Legal de la Raza - Rental Assistance program (increase of \$711,206) - 165-43-254-5120.

Budget Authority

Budget authority for CDBG funds is derived from Title I of the Housing and Community Development Act of 1974 (24 CFR 570 et seq.).

ATTACHMENTS

Attachments to Resolution

Amendment No. 1 to the CDBG Grant Agreement with Centro Legal de la Raza for a grant amount not to exceed \$1,163,178

PREPARED BY: Maryann Sargent, Senior Housing Specialist, Community Development Department



City of San Leandro

Meeting Date: November 16, 2020

Resolution - Council

File Number: 20-492

Agenda Section: ACTION ITEMS

Agenda Number:

TO: City Council

FROM: Jeff Kay
City Manager

BY: Tom Liao
Community Development Director

FINANCE REVIEW: Susan Hsieh
Finance Director

TITLE: RESOLUTION of the City of San Leandro City Council to Approve Amendment No. 1 to the FY2020-2021 Community Development Block Grant-Covid-19 (CDBG-CV) Contract Between the City of San Leandro and Centro Legal de la Raza for an Amount Not to Exceed \$1,220,165 to Administer the City's Rental Assistance Program (increase FY2020-2021 Agreement by an additional \$768,193 in CDBG-CV funds from the U.S. Department of Housing and Urban Development)

WHEREAS, the second Substantial Amendment to the Annual Action Plan (referred to hereinafter as "the Plan") was adopted on November 16, 2020 by Resolution No. 2020-____ reflecting the activities that the City plans to fund and implement during FY 2020-2021, a copy of which is attached hereto; and

WHEREAS, the City received an additional \$768,193 in CDBG-CV Round III Stimulus Funds from the U.S. Department of Housing and Community Development (HUD) in response to the Coronavirus Pandemic (COVID-19) and memorialized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136 that was adopted and authorized on March 27, 2020; and

WHEREAS, CDBG public services agreements between the City of San Leandro and Centro Legal de la Raza are presented to the City Council; and

WHEREAS, the City Council is familiar with the contents thereof; and

WHEREAS, the City Manager recommends approval of Amendment No. 1 to said agreement.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

That Amendment No. 1 to said agreement with Centro Legal de la Raza is hereby approved and execution by the City Manager is hereby authorized, to wit CDBG public services grant amendment in the amount of \$1,220,165 (FY2020-2021 Agreement for \$451,972 in CDBG-CV Round I adding \$768,193 in CDBG-CV Round III funds), as further provided in the associated staff report.

**AMENDMENT NUMBER ONE TO COMMUNITY DEVELOPMENT BLOCK GRANT
SUBRECIPIENT AGREEMENT BETWEEN
THE CITY OF SAN LEANDRO AND
CENTRO LEGAL DE LA RAZA**

This **Amendment Number One** (“Amendment”) is made by and between the City of San Leandro (“City”) and Centro Legal de la Raza (“Subrecipient”) (together sometimes referred to as the “Parties”) as of November 17, 2020, and amends that certain Community Development Block Grant Subrecipient Agreement (“Agreement”) dated July 6, 2020, between the Parties.

WHEREAS, City and Subrecipient have executed the Agreement, pursuant to which Subrecipient administers the COVID-19 Emergency Rental Assistance Program for San Leandro residents impacted by the Coronavirus Pandemic, has the organizational infrastructure and capacity to deliver these services, and is familiar with the regulations and requirements of HUD’s CDBG Program; and

WHEREAS, Subrecipient provides emergency rental assistance to eligible clients, including those impacted by COVID-19, who are residents of the City of San Leandro; and

WHEREAS, the Parties desire to amend the Agreement to extend the term of the Agreement from June 30, 2021 to June 30, 2022; and

WHEREAS, the Parties desire to amend the Agreement to increase the amount of funding provided to Subrecipient to address San Leandro senior citizens impacted by the Alameda County Shelter in Place order that commenced on March 18, 2020 in response to the Coronavirus Pandemic including payment for unanticipated expenses incurred since March 27, 2020; and

WHEREAS, on November 16, 2020, the San Leandro City Council adopted Resolution No. 2020- , approving an increase in the maximum amount of CDBG-CV Round III funds to be provided to the Subrecipient by \$768,193 to a total amount of \$1,220,165 to expand the COVID-19 Emergency Rental Assistance Program for San Leandro.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Section 1.0, “TERM OF AGREEMENT”, of the Agreement is amended to provide that the Agreement shall continue in force and effect until June 30, 2022 instead of June 30, 2021.
2. Section 3.1, “Maximum Amount of CDBG Funds”, of the Agreement is amended to increase the maximum amount of CDBG funds to be provided to Subrecipient by \$768,193 to a total amount of \$1,220,165.

Attachment B: Amendment to CDBG Subrecipient Agreement with Centro Legal de la Raza

3. Section 3.8 “Indirect Costs,” of the Agreement is amended to add the underlined word to the existing contract language: “If indirect costs are charged, the indirect cost rate shall be 2% of the total administrative overhead budget amount.”

4. Section 3.9, “Administrative Overhead” will be added to the agreement with the following description: “The Administrative Overhead portion of the budget will include costs such as salaries, wages, fringe benefits, program expenses, information technology, and will not exceed 20% of the total contract budget amount.”

5. Exhibit A, “Scope of Work” of the Agreement is hereby amended and replaced the revised Scope of Work attached to this Amendment as Exhibit A and incorporated herein.

6. Exhibit B, “Budget” of the Agreement is hereby amended and replaced with the revised Budget, attached to this Amendment as Exhibit B and incorporated herein.

7. All other terms shall remain in full force and effect.

8. This Amendment may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

The Parties have executed this Amendment as of the date first written above.

CITY OF SAN LEANDRO

CENTRO LEGAL DE LA RAZA

Jeff Kay, City Manager

Theresa Gonzalez, Executive Director

Attest:

Leticia I. Miguel, City Clerk

Approved as to Fiscal Authority:

Chui Mun (Susan) Hsieh, Finance Director

165-43-254-5120
Account Number

Approved as to Form:

Richard D. Pio Roda, City Attorney