



CITY OF COMMERCE AGENDA REPORT

TO: HONORABLE CITY COUNCIL

Item No. _____

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, CALIFORNIA, APPROVING AND RATIFYING THREE CONTRACTS FOR THE HOME PRESERVATION GRANT PROGRAM [PROJECT NO. 601074-16 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM]

MEETING DATE: MAY 2, 2017

RECOMMENDATION:

Approve the Resolution and assign the number next in order.

BACKGROUND:

The City of Commerce is a participant city in the County of Los Angeles Small Cities Block Grant Program that distributes Federal Community Development Block Grant (CDBG) Funds. Each year, the City receives an allocation of funding administered by the Community Development Commission of Los Angeles County for programs and projects that benefit low to moderate-income persons. With CDBG funds, the City has provided a variety of programs and projects over the years, which includes the Home Preservation Grant Program.

On February 2, 2016, the City Council approved the Fiscal Year 2016/2017 CDBG Program funding budget for the Home Preservation Grant Program in the amount of \$95,000. The purpose of the Home Preservation Grant Program is to assist low-moderate income households throughout the City with the repair and rehabilitation of their single-family owner-occupied home. The grant provides up to \$20,000 to conduct non-cosmetic home improvement repairs such as new roofing, exterior paint, window replacement and other essential items.

The selection for this Program is based on staff's review of the home improvement interest forms in the City's Program database as well as the annual windshield assessment that is conducted for every home on the Program's waiting list. The homes that are in greater need of repair and meet the Program's eligibility requirements are the first to receive assistance.

ANALYSIS:

Currently, the City's Public Works and Development Services Department staff has begun to move forward with three new home improvement cases: 1) 5033 Astor Avenue; 2) 2222 Hepworth Avenue; and 3) 1450 South McBride Avenue. These proposed home improvement cases involve, but are not limited to the following items: new roofing, window replacement, exterior paint, and exterior doors. Staff has already expended CDBG funding in the amount of \$7,200.00 to conduct lead and asbestos testing and abatement where necessary. Lead and asbestos testing and abatement are also eligible CDBG items, therefore CDBG funds were used to pay for all testing and abatement work.

The scope of work for each of the home improvement cases was circulated to an approved list of contractors maintained in the City's Public Works and Development Services Department and prepared per the City's Planning and Building Department requirements and in compliance with the County of Los Angeles Community Development Block Grant Program guidelines to advertise for bids. The initial project amount for each home was expected to total less than the \$20,000 grant amount. However, the lowest bid for all three projects exceeded the maximum grant amount of \$20,000.00. Pursuant to the Home Preservation Grant Program Guidelines, Staff in coordination with the Public Works and Development Services Director and/or Deputy Director may approve some increased grant amounts over \$20,000, due to urgent replacement items needed.

The repairs and improvements for each home were prioritized on the health and safety needs of the dwelling. Staff has determined that all of the improvements identified in the scope of work are crucial to the overall rehabilitation of the home. Therefore, staff will prepare and file a written authorization containing the Public Works and Development Services Director's approval regarding the increase in grant amount.

The following low bids were received and are being recommended by staff for Council to approve and ratify:

CONSTRUCTION BIDS			
	Company Name	Property Address	Total Bid Amount
1.	JB Construction, Bell Gardens, CA	5033 Astor Avenue	\$21,100.00
2.	A-Custom Construction Co., Commerce, CA	2222 Hepworth Avenue	\$28,400.00
3.	Qualitex Home Improvement, Downey, CA	1450 S. McBride Avenue	\$21,360.00
		Subtotal:	\$70,860.00

Staff recommends that the contracts (three) be approved for each of the above-referenced low bidders.

As stated earlier in this report, \$95,000 was allocated for this fiscal year's Home Preservation Grant Program. Staff has already expended \$7,200.00 on lead and asbestos testing, and if approved, \$70,860.00 will be expended on the construction, for a grand total of \$78,060.00. The remaining \$16,940 will be transferred to the City's unallocated funds and may be used for future CDBG-funded projects.

FISCAL IMPACT:

There are no additional costs expected for these Home Preservation Grant Program cases. These activities can be carried out with the Federal CDBG funds and do not impact the City's General Fund. The account number that the funds are available in is as follows:

29-2910-71715.10337 – Home Preservation Program Construction CDBG Fund

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is consistent with the Community Quality of Life Guiding Principle 5 of the City's Strategic Action Plan: "Foster environmentally conscious initiatives and continue to identify and develop city codes that support a clean, well-maintained, sustainable community". An Action Item titled "Pursue quality of life initiatives through the operating budget and CIP plan" was also developed to provide a pathway for the vision of the Guiding Principal to be realized.

ALTERNATIVES:

1. Approve staff's recommendation
2. Provide staff with alternative direction

ATTACHMENTS:

1. Resolution
2. Home Preservation Grant Program Agreements

Approved by: Maryam Babaki, Director of Public Works & Development Services

Prepared by: Viviana M. Esparza, Assistant Planner

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Eduardo Olivo, City Attorney

Respectfully submitted: Matt Rodriguez, Interim City Administrator