



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 FOUR (4) CONTRACTS FOR THE HOME PRESERVATION GRANT PROGRAM [PROJECT NO. 601074-18 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM] FOR THE PROPERTIES AT 5806 BARTMUS STREET, 5575 JOAQUIN COURT 5605 JOAQUIN COURT, AND 5455 PUEBLO COURT

MEETING DATE: January 15, 2019

RECOMMENDATION:

Approve the Resolution, approving four (4) contracts for the Home Preservation Grant Program [Project NO. 601074-18 COMMUNITY DEVELOPMENT BLOCK GRANT, CDBG Program] for the properties at 5806 Bartmus Street, 5575 Joaquin Court 5605 Joaquin Court, AND 5455 Pueblo Court.

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 6, 2018, the City Council approved the Fiscal Year 2018/2019 CDBG Program funding budget for the Home Preservation Grant Program in the amount of \$95,000 and on October 16, 2018 approved an increase to the budget in the amount of \$115,641 for a grand total of \$210,641. 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 home improvement repairs such as new roofing, exterior paint, window replacement, and to conduct asbestos and/or lead-based paint testing and remediation and/or abatement of these hazardous materials.

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

ANALYSIS:

Staff has initiated four new home improvement projects located at (1) 5806 Bartmus Street, (2) 5575 Joaquin Court, (3) 5605 Joaquin Court, and (4) 5455 Pueblo Court. These proposed home improvement projects include, but are not limited to the following items: HUD required items such as new smoke and carbon monoxide detectors and Ground Fault Circuit Interrupters (GFCI), new entry door, windows, roofing, exterior paint, and ADA accessibility improvements. Staff has already expended CDBG funding in the amount of \$657.00 to conduct asbestos and lead-based paint testing for one of the four properties. Asbestos and lead based paint testing is an eligible CDBG cost, therefore, CDBG funds were used to pay for the required testing.

The scope of work for each of the four home improvement projects was circulated to qualified contractors satisfying the program 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 each of the four 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 an increase grant amount over \$20,000 on a case by case basis.

The repairs and improvements were prioritized based on the health and safety needs of the dwelling. The Director has also determined that all of the improvements identified in the scope of work are crucial to the overall rehabilitation of the dwelling, therefore, a written authorization containing the Public Works and Development Services Director's approval regarding the increase in grant amount will be filed pending Council approval of the contract awards.

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

CONSTRUCTION BID			
	Company Name	Property Address	Total Bid Amount
1.	A-Custom Construction, Commerce, CA	5455 Pueblo Court	\$21,740.00
2.	A-Custom Construction, Commerce, CA	5605 Joaquin Court	\$22,975.00
3.	Qualitex Home Improvement	5806 Bartmus Street	\$23,751.00
4.	Nabb Construction, Inc.	5575 Joaquin Court	\$25,065.00
		Total:	\$93,531.00

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

A total of \$210,641 was allocated for this fiscal year's Home Preservation Grant Program. Staff has already expended a total of \$657.00 on asbestos and lead based paint testing. If approved, an additional \$93,531.00 will be expended on construction costs for the proposed four projects for a grand total of \$94,188.00. The remaining funds will be available for 3-4 additional projects for fiscal year 2018-2019.

FISCAL IMPACT:

No additional capital costs are expected for these Home Preservation Grant Program projects. These activities can be carried out using the Federal CDBG funds and do not impact the City's General Fund. The funds are available from the following account number:

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

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to the 2012 strategic planning goal: "*Protect and Enhance the Quality of Life in the City of Commerce*," as it addresses an environmental issue of concern important to the community.

ALTERNATIVES:

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

ATTACHMENTS:

1. Resolution
2. Housing Preservation Program Agreement
3. Agreement for Rehabilitation

Prepared by: Esther Luis, Program Consultant, MDG Associates, Inc.
Reviewed by: Matt Marquez, Deputy Director of Development Services
Approved by: Maryam Babaki, Director of Public Works & Development Services
Reviewed by: Vilko Domic, Finance Director
Approved as to form: Noel Tapia, City Attorney
Respectfully submitted: Edgar P. Cisneros, City Administrator