



City of Grass Valley City Council Agenda Action Sheet

Title: Consideration of a one-year contract extension with Michael Baker International to assist with management and reporting services related to the City's HOME and CDBG programs.

Recommendation: That Council authorize the Community Development Director to sign the one-year extension of the contract with MBI subject to legal review.

Prepared by: Thomas Last, Community Development Director

Council Meeting Date: 6/14/2022

Date Prepared: 6/07/2022

Agenda: Consent

Background Information: Since 2014, Michael Baker International (MBI) has provided staff assistance in the portfolio management and reporting requirements for the City's HOME and CDBG (Community Development Block Grants) programs. This support was needed following the staff reorganization that took place in early 2014. HOME is the City's First Time Home Buyer program that uses grants and program income to provide low-interest loans to assist moderate and low-income residents with the purchase of their first home. The CDBG program has been used in the past to fund housing rehabilitation projects for low- and moderate-income residents and with business loans. As these loans are paid, the funds are returned to the City (called program income) and can be used to fund additional HOME loans or can be used to supplement other CDBG grants (e.g. Memorial Park project). MBI provides services for new HOME loans, specifically guiding and qualifying applicants through the process, and with the quarterly and annual monitoring requirements for the HOME and CDBG programs. The costs for these consultant services are paid by program income and/or through new HOME grants received by the City.

The state's Housing and Community Development Department (HCD) requires all agencies that contract for HOME and CDBG management services to go through a new procurement, or request for proposals (RFP), process every five (5) years. Previously the state requirement was every 3 years. The current agreement with MBI was established to correspond with the state's previous 3-year procurement cycle. Therefore, staff supports this one-year extension to correspond with the state's new requirements. If the City continues to contract this service beyond next year, a new RFP process will be required.

Council Goals/Objectives: This item supports the City's goals associated with providing efficient government services.

Fiscal Impact: Costs associated with this service are paid with program income earned from CDBG and HOME loan programs.

Funds Available: Yes

Account #: 233-304 & 241-303

Reviewed by: ___ City Manager

Attachments: Proposed Agreement