

CITY OF YUBA CITY
STAFF REPORT

Date: August 17, 2021
To: Honorable Mayor & Members of the City Council
From: Development Services Department
Presentation By: Benjamin Moody, Development Services Director

Summary

Subject: Habitat for Humanity – 2020-2021 Community Development Block Grant (CDBG) Subrecipient Agreement Extension

Recommendation: Adopt a Resolution amending the Agreement between the City of Yuba City and Habitat for Humanity for Yuba City Housing Preservation Program, to allow for an extension to expend its 2020-2021 CDBG funding allocation.

Fiscal Impact: No direct fiscal impacts would result from extending the subrecipient agreement.

Purpose:

To amend the Agreement between the City of Yuba City and Habitat for Humanity for Yuba City Housing Preservation Program, to extend the Time of Performance to December 31, 2021 for Habitat for Humanity to expend its 2020-2021 CDBG funding allocation.

Background:

The City executes Subrecipient Agreements with organizations receiving CDBG funding for each Program Year. These Agreements include a section on “Time of Performance” that states that the CDBG funds received for that fiscal year must be spent within that fiscal year. For the 2020-2021 CDBG fiscal year, COVID-19 delayed many items relating to CDBG, including the projects and activities that subrecipients received funding for. Habitat for Humanity has requested an extension so that they may have more time to expend its 2020-2021 CDBG allocation.

Analysis:

Habitat for Humanity was awarded \$60,000 in 2020-2021 CDBG funding to administer the Housing Preservation Program. This program aims to provide critical home repairs and preventative maintenance to low-income households. The COVID-19 pandemic, and requirements for social distancing and quarantining, have affected the time of performance for this program and now Habitat for Humanity has requested an extension, so that it is able to utilize the funding effectively. Under the Department of Housing and Urban Development guidelines, it is within the grantees’ (the City) jurisdiction to allow for and execute an extension for subrecipients, and City staff has determined that an extension to December 31, 2021 is sufficient

for Habitat for Humanity to expend their 2020-2021 CDBG allocation of funding. Habitat for Humanity is in the process of completing two (2) home repair projects, with one (1) pending. Three (3) additional applications are currently being reviewed.

Fiscal Impact:

No direct fiscal impacts would result from extending the subrecipient agreement.

Alternatives:

- A. Do not authorize Development Services to amend the 2020-2021 Subrecipient Agreement with Habitat for Humanity.
- B. Direct staff on how to address Habitat for Humanity's unexpended 2020-2021 CDBG funds.

Recommendation:

Adopt a Resolution amending the Agreement between the City of Yuba City and Habitat for Humanity for Yuba City Housing Preservation Program, to allow for an extension to expend its 2020-2021 CDBG funding allocation.

Attachments:

- 1. Resolution amending the Agreement between the City of Yuba City and Habitat for Humanity for Yuba City Housing Preservation Program
 - a. Exhibit: First Amendment to the Agreement between the City of Yuba City and Habitat for Humanity for Housing Preservation Program

Prepared By:

/s/ Shannon Jones
Shannon Jones
Administrative Analyst

Submitted By:

/s/ Dave Vaughn
Dave Vaughn
City Manager

Reviewed By:

Department Head
Finance
City Attorney

BM

SM

SLC by email

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AMENDING THE AGREEMENT BETWEEN THE CITY OF YUBA CITY AND
HABITAT FOR HUMANITY FOR YUBA CITY HOUSING PRESERVATION
PROGRAM TO ALLOW FOR AN EXTENSION TO EXPEND ITS 2020-2021
CDBG FUNDING ALLOCATION**

WHEREAS, on July 1, 2020, the City Council of the City of Yuba City entered into the Agreement Between with Habitat for Humanity, whereby Habitat for Humanity as a subrecipient was awarded \$60,000 in 2020-2021 community development block grant (CDBG) funding to administer the Yuba City Housing Preservation Program; and,

WHEREAS, the Housing Preservation Program provides critical home repairs and preventative maintenance to low-income households; and,

WHEREAS, the Agreement contains deadlines for Habitat for Humanity to complete certain home repairs and maintenance; and

WHEREAS, the COVID-19 pandemic, including resulting states of emergency, closure orders, and requirements for social distancing and quarantining, has affected the time of performance for this program; and,

WHEREAS, as a result, Habitat for Humanity has requested the Agreement be amended to provide an extension and extension of time so that it is able to utilize the funding effectively; and,

WHEREAS, per Department of Housing and Urban Development guidelines, the City has authority to allow for and execute an extension for subrecipients; and,

WHEREAS, an extension to December 31, 2021, is sufficient for Habitat for Humanity to expend its 2020-2021 CDBG allocation of funding; and,

WHEREAS, the City Council now desires to amend the Agreement to provide an extension for performance to December 31, 2021.

NOW, THEREFORE, the City Council of the City of Yuba City resolves as follows:

1. The foregoing recitals are true and correct and are incorporated as if set forth in full.
2. The City Manager, or designee, is hereby authorized and directed to execute on behalf of the City of Yuba City an amendment to the Agreement Between the City of Yuba City and Habitat for Humanity for Yuba City Housing Preservation Program, substantially in the form attached hereto, and subject to approval as to legal form by the City Attorney.
3. This Resolution shall take effect immediately upon passage.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of August 2021.

AYES:

NOES:

ABSENT:

Marc Boomgaarden, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

EXHIBIT A

**FIRST AMENDMENT TO THE 2020-2021 AGREEMENT BETWEEN THE CITY OF
YUBA CITY AND HABITAT FOR HUMANITY FOR YUBA CITY HOUSING
PRESERVATION PROGRAM**

THIS FIRST AMENDMENT to the Agreement for the Exterior Home Repair Program (First Amendment) is made this 17th day of August, 2021 by and between the City of Yuba City, California (Grantee) and Habitat for Humanity (Subrecipient).

RECITALS

WHEREAS, on July 1, 2020 the Subrecipient entered into the Agreement Between the City of Yuba City and Habitat for Humanity for Yuba City Housing Preservation Program, with the Grantee for \$60,000 in Community Development Block Grant funds (CDBG funds) for the Yuba City Housing Preservation Program

WHEREAS, delays have arisen from the COVID-19 pandemic, including resulting states of emergency, closure orders, and requirements for social distancing and quarantining.

WHEREAS, the Grantee and Subrecipient desire to mutually agree to amend the Agreement by executing this First Amendment to ensure the Subrecipient is able to complete the Housing Preservation Program and meet its obligations pursuant to the Agreement as amended.

NOW, THEREFORE, IN CONSIDERATION of the Agreement, obligations, and representations, the Grantee and Subrecipient hereby agree as follows:

1. **SECTION II. TIME OF PERFORMANCE** of the Agreement is hereby amended to read in its entirety as follows:

Services of the Subrecipient shall start on the 1st day of July, 2020, or the effective date of the Standard Agreement between the City of Yuba City and the Department of Housing and Urban Development, whichever is later, and end on the 31st day of December, 2021. All funds received by the Subrecipient under this Agreement shall be spent prior to December 31, 2021. All funds not spent prior to December 31, 2021 shall be returned to the Grantee.

2. **SECTION VII. ADMINISTRATIVE REQUIREMENTS, C.4. PROGRESS REPORTS** of the Agreement is hereby amended to read in its entirety as follows:

The Subrecipient shall submit regular Progress Reports to the Grantee in the required form and content according to the following schedule:

<u>Quarter</u>	<u>Reporting Period</u>	<u>Report Due Date</u>
1 st Quarter	July 1, 2020 - September 30, 2020	July 15, 2021
2 nd Quarter	October 1, 2020 - December 31, 2020	July 15, 2021
3 rd Quarter	January 1, 2021 – March 31, 2021	July 15, 2021

<i>4th Quarter</i>	<i>April, 1, 2021 – June 30, 2021</i>	<i>July 15, 2021</i>
<i>5th Quarter</i>	<i>July 1, 2021 – September 30, 2021</i>	<i>October 15, 2021</i>
<i>6th Quarter</i>	<i>October 1, 2021 – December 31, 2021</i>	<i>January 15, 2022</i>

3. Except for the changes specifically set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed on the date first above written by their respective officers duly authorized in that behalf.

Subrecipient:

Grantee:

Habitat for Humanity

City of Yuba City

By: _____

By: _____

Name: _____

Name:

Title: _____

Title:

Date: _____

Date: _____