

CITY OF YUBA CITY  
STAFF REPORT

**Date:** December 21, 2021  
**To:** Honorable Mayor & Members of the City Council  
**From:** Development Services Department  
**Presentation By:** Ben Moody, Development Services Director

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**Summary**

**Subject:** Yuba Sutter Salvation Army Professional Services Agreement - CDBG-CV Low-Income Mortgage Subsistence Program

**Recommendation:** Adopt a Resolution approving a Professional Services Agreement with Yuba Sutter Salvation Army for the 2020 Community Development Block Grant CARES Act (CDBG-CV) Low-Income Mortgage Subsistence Program

**Fiscal Impact:** \$155,369 - 2020 CDBG-CV funding allocation

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**Purpose:**

To initiate the 2020 Community Development Block Grant CARES Act (CDBG-CV) Low-Income Mortgage Subsistence Program

**Background:**

The City has been granted CDBG-CV funding to be used towards assisting individuals and families affected by the COVID-19 pandemic. On May 4, 2021, the City Council allocated \$155,369 for the Low-Income Mortgage Subsistence Program to provide short-term mortgage payments to low-income homeowners in the City, whose payments have been affected by COVID-19. Yuba Sutter Salvation Army (Salvation Army) has been performing similar functions associated with rental assistance programs, and the Development Services Department has reached out to Salvation Army to help administer this program.

**Analysis:**

Salvation Army has experience administering rent, mortgage and utility assistance programs for low-income residents in the City and surrounding areas. Salvation Army has also been a subrecipient of the City's CDBG program in previous funding cycles, being familiar with the Department of Housing and Urban Development (HUD) requirements for the expenditure of CDBG funds.

The proposed Professional Services Agreement will allow Salvation Army to aid the Development Services Department in administering the CDBG-CV Low-Income Mortgage Subsistence Program, utilizing its experience and existing framework from similar programs. The Agreement will be effective for one (1) year following execution.

The Low-Income Mortgage Subsistence Program will provide one month of a current or past due mortgage payment for low-income homeowners in the City, whose payments have been impacted by the COVID-19 pandemic. The residence must be the participant's primary residence, and the payment must guarantee 30 days of additional service. To qualify, the participants must provide proof of income, identification for all household members, a mortgage statement, and sign an affidavit showing how the household was affected by the pandemic.

**Fiscal Impact:**

\$155,369 from the 2020 CDBG-CV funding allocation. This money was approved by Council to be used for the Mortgage Subsistence Program. Salvation Army will be allotted ten percent of the funding (\$15,537) to be used for administrative costs, and five percent (\$7,684) for miscellaneous charges to include marketing and operating costs, with the remainder of the contract allotted for direct program assistance.

**Alternatives:**

Modify the contract specifications and/or do not approve the proposed Professional Services Agreement with Yuba Sutter Salvation Army for the 2020 CDBG-CV Mortgage Subsistence Program.

**Attachments:**

1. Attachment 1 - Resolution Salvation Army Professional Services Agreement
2. Attachment 2 - Salvation Army CDBG-CV - PSA
3. Exhibit A - Salvation Army - Mortgage Program Overview

**Prepared By:**

Shannon Jones  
Administrative Analyst

**Submitted By:**

Diana Langley  
City Manager

# ATTACHMENT 1

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY  
APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH YUBA SUTTER  
SALVATION ARMY, FOR 2020 COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT  
(CDBG-CV) LOW-INCOME MORTGAGE SUBSISTENCE PROGRAM IMPLEMENTATION**

WHEREAS, the City of Yuba City has received \$155,369 in funding from the Department of Housing and Urban Development (HUD) for the 2020 CDBG CARES Act program; and,

WHEREAS, the City desires to retain Yuba Sutter Salvation Army as a consultant to help administer the Low-Income Mortgage subsistence Program; and

WHEREAS, Salvation Army has the familiarity with the CDBG program, experience implementing similar rental and utilities assistance programs, and existing framework to administer the Program efficiently; and

WHEREAS, the City desires to award a Professional Services Agreement to Yuba Sutter Salvation Army in the amount of \$155,369 from CDBG funding.

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. The City Council hereby awards, in the amount of \$155,369, to Yuba Sutter Salvation Army, for implementation of the CDBG-CV Low-Income Mortgage Subsistence Program and finds the award is in the best interest of the City. The City Council further authorizes the City Manager, or designee, to enter into an agreement with Yuba Sutter Salvation Army consistent with the terms of this Resolution and the material terms of the scope of services attached hereto, and subject to approval of the agreement as to legal form by the City Attorney.

2. This Resolution shall become effective immediately.

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 21<sup>st</sup> day of December 2021.

AYES:

NOES:

ABSENT:

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Dave Shaw, Mayor

ATTEST:

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Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM  
COUNSEL FOR YUBA CITY:

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Shannon Chaffin, City Attorney  
Aleshire & Wynder, LLP

## **AGREEMENT FOR PROFESSIONAL SERVICES**

This Agreement is made and entered into as of December 21<sup>st</sup>, 2021, by and between the City of Yuba City, a municipal corporation ("City") and Salvation Army Yuba Sutter Corps ("Consultant").

### **RECITALS**

- A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and
- B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein; and
- C. City desires to retain Consultant to render professional services as set forth in this Agreement.

### **AGREEMENT**

1. Scope of Services. The Consultant shall furnish the following services in a professional manner.

**See Attached Scope of Services  
(Exhibit A)**

2. Time of Performance. Services of the Consultant shall start on the 21<sup>st</sup> day of December, 2021, and end on the 30<sup>th</sup> day of June, 2022. The grant is made only for the current fiscal year. All funds referred to under this Agreement shall be spent prior to the end of the current fiscal year. All funds not spent within the current fiscal year shall be returned to the City within thirty (30) days after the conclusion of the current fiscal year, unless arrangements for an extension are made.
3. Payment. The services shall be payable only from the Community Development Block Grant fund. It is expressly agreed and understood that the total amount to be paid by the City under this Agreement shall not exceed \$155,369.
4. Method of Payment. Consultant shall submit monthly billings to City describing the work performed during the preceding month. –Consultant's invoices shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenses. City shall pay Consultant not later

than 30 days after approval of the monthly invoice by City staff. Consultant shall not expend more than ten percent (10%) or \$15,537 for administrative purposes and not more than five percent (5%) or \$7,684 for miscellaneous charges such as marketing and operating costs.

5. Termination. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days written notice of termination. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination. Such compensation is subject to the conditions of Section 4 of this agreement.
6. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees, agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon request.
7. Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regards to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.
8. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to

Consultant, which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

9. Consultant's Books and Records:

- a. Consultant shall maintain any and all ledgers, books of accounts, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of four (4) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.
- b. Consultant shall maintain all documents and records which demonstrated performance under this Agreement for a minimum period of four (4) years, or for any longer period required by law, from the date of termination or completion of this Agreement.
- c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.
- d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

10. Independent Contractor. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Consultant shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, like and/or medical insurance and Workers' Compensation Insurance, as the Consultant is an independent contractor.



Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

- a. Will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and
- b. Possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(B)(2).)

12. Interest of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

13. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

14. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

15. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession. Consultant shall maintain a City of Yuba City business license.

16. Indemnity. Consultant agrees to defend, indemnify and hold harmless the City, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs, including attorney fees and expenses in connection therein), arising out of the performance of this Agreement in whole or in part by any negligent act or omission of the Consultant, or anyone directly or indirectly employed by the Consultant or anyone for whose acts the Consultant may be liable, or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.

17. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, necessary insurance policies as described in Exhibit B.

18. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City

**Benjamin Moody  
Director of Development Services  
City of Yuba City  
1201 Civic Center Blvd  
Yuba City, CA 95993  
(530) 822-3231**

If to Consultant:

**Major Julius Murphy  
Corps Officer  
Yuba Sutter Salvation Army  
401 Del Norte Ave  
Yuba City, CA 95991  
(530) 216-4530**

19. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

20. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

21. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under the Agreement without the written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.
22. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
23. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
24. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Sutter.
25. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other party arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.
26. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS/ENDISPUTE ("JAMS") or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.
27. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding

upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

28. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

29. Prohibited Interest. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising there from.

30. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non- discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

**CITY OF YUBA CITY:**

**SALVATION ARMY YUBA SUTTER:**

By: \_\_\_\_\_ By: \_\_\_\_\_

**Diana Langley**  
City Manager

Title: \_\_\_\_\_

Exhibit A: Salvation Army – Mortgage Program Overview

## EXHIBIT A:

## **The Salvation Army Yuba Sutter Corps Emergency Mortgage Assistance Program**

In response to the COVID-19 crisis, The Salvation Army Yuba Sutter Corps will administer an Emergency Mortgage Assistance Program to aid low-income to moderate-income homeowners who are unable to pay their mortgage due to the COVID-19 public health emergency. The Program will provide short term mortgage assistance utilizing CDBG Funding through the City of Yuba City.

The Emergency Mortgage Assistance Program is intended to pay up to a one-month amount of mortgage for qualifying homeowners. Each household may receive this assistance only one-time per spending period.

### **Eligible Items:**

- One month of past due balance of mortgage
- One month of current balance of mortgage

### **Ineligible Items:**

- More than one month's mortgage payment
- First month of new mortgage
- Deposits
- Escrow payments, taxes and insurance
- All fees, including late fees, condo fees, homeowner association fees/dues
- Mortgage on an agency's own facility is not eligible

### **The following conditions must be met before payment is made:**

- Current mortgage – payment due within 10 calendar days
- Past due balance – amount paid must be totally outstanding at time of payment
- The home is the participant's primary residence
- Participant must be the one responsible for the payment
- Payment is limited to one month of assistance per spending period
- Payment must guarantee 30 days of additional service

### **Documentation Requirements**

Mortgage assistance is limited to principal and interest only; escrow, taxes, insurance and late fees cannot be included in the payment. Only mortgages on principal residences are eligible; payments on 2<sup>nd</sup> mortgages and lines of credit are not eligible. Forbearance loans and loan modification fees are also ineligible.

- Photo identification for participant
- Identification for all household members
- Proof of income
- Signed COVID-19 Pandemic Affidavit how household was affected by the pandemic
- Current month's mortgage

- Mortgage statement, letter from mortgagor showing the participant's name and address, the mortgagor's name, account number, monthly amount of principal and interest, and date due.
- Past due month's mortgage
  - Mortgage statement, letter from mortgagor showing the client's name and address, the mortgagor name, account number, monthly amount of principal and interest, due date and the amount outstanding at the time of payment.

*Adapted from the Emergency Food and Shelter National Board Program*