

*STAFF REPORT**CITY OF OCEANSIDE*

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DATE: August 1, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH COMMUNITY HOUSINGWORKS TO COMPLETE A NEIGHBORHOOD REVITALIZATION STRATEGY AREA PLAN; AND APPROVAL OF AN ALLOCATION OF \$50,000 FROM THE HOME INVESTMENT PARTNERSHIP PROGRAM FOR THE PROJECT**

**SYNOPSIS**

Staff recommends that the City Council approve a one-year professional services agreement with Community HousingWorks in the amount of \$50,000 to complete a Neighborhood Revitalization Strategy Area plan for the Crown Heights neighborhood and a portion of the Eastside neighborhood, with possible extension of the agreement for three additional years; approve an allocation of \$50,000 from HOME Investment Partnership Program funds to Community HousingWorks for the project; authorize the City Manager to sign the agreement; and amend the FY 2007-08 Action Plan to add this activity.

**BACKGROUND**

The City of Oceanside is a participating jurisdiction (PJ) in the HOME Investment Partnership Program (HOME) of the U.S. Department of Housing and Urban Development (HUD). The HOME program provides funds to encourage homeownership for low- and moderate-income families and the development of rental housing for very low-income families and for persons with special needs. The regulations governing the HOME program require PJs to allocate at least fifteen percent of their allocation of HOME funds to Community Housing Development Organizations (CHDO). A CHDO is a private nonprofit organization that has among its purposes the provision of decent housing that is affordable to low- and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws; has a demonstrated capacity for carrying out activities assisted with HOME funds; and has a history of serving the community within which housing to be assisted with HOME funds is to be located (24CFR92.2). The fifteen percent requirement is cumulative and the City has exceeded the requirement for some years due to allocation of CHDO funding for the Old Grove Apartments project.

The City has not allocated HOME funds to a CHDO for more than three years, which requires re-certification of organizations that are interested in providing housing and community development programs for the City. The Neighborhood Services Department sent letters in February to ten known CHDOs that are active in the San Diego region and are not limited to specific geographic areas for their projects. Community HousingWorks was the only organization to respond and has provided sufficient information to be re-certified as a CHDO.

The City contracted with Community HousingWorks (known then as Community Housing of North County) in 1998 to prepare the Calle Montecito Revitalization Plan, which led to development of the Libby Lake Community Center, the Libby Lake Child Development Center and significant improvements to public infrastructure, public safety, social services and resident satisfaction in that neighborhood. The Calle Montecito Revitalization Project is substantially complete; the Libby Lake Village housing project and improvements to Libby Lake Park are the only remaining major projects. The City will return to the Libby Lake neighborhood for the 2007 Supporting Urban Neighborhoods (S.U.N. 2007) neighborhood improvement project. The City proposes to establish a similar plan for the Crown Heights neighborhood and part of the Eastside neighborhood; the strategy plan will include objectives and activities that will lead to overall improvements to the neighborhood, economic development for residents and improvements to housing for low-income families.

## **ANALYSIS**

Allocation of HOME funds to CHDOs for housing and community development projects is a requirement under federal regulations. The City allocated significant HOME funds for development of the Old Grove Apartments by a CHDO, and this satisfied the fifteen percent CHDO requirement for the past four years. Now, however, the City must allocate funds to a CHDO or risk losing the funds. The City has been able to re-certify Community HousingWorks as a CHDO interested in working with the City on housing and community development programs.

The Calle Montecito Revitalization Plan has been substantially completed; program year 2007-08 will include a final review and evaluation of accomplishments under the plan. The City has been working with Community HousingWorks for the past three years in the Crown Heights neighborhood toward the goal of establishing a Neighborhood Revitalization Strategy Area (NRSA) in the neighborhood. A NRSA Plan that is approved by HUD can allow greater flexibility in the use of Community Development Block Grant (CDBG) and other HUD funds in the target area. A NRSA must be a specific identifiable geographic area in which the majority of residents are very low-, low- and moderate-income families, and be an area that demonstrates significant opportunities and realistic possibilities for neighborhood revitalization and economic development. The NRSA Plan must be developed with substantial resident involvement and the participation of civic leaders and municipal elected officials.

The City recognizes opportunities for improvements to infrastructure and housing for very low-income families in Crown Heights and in adjacent areas, and possible opportunities for economic development in the commercial area between Crown Heights and the Eastside. The City has contracted with a consultant for development of a plan and strategy for the Joe Balderrama Recreation Center and Park in the Eastside, which will have a substantial impact on that neighborhood. The City proposes to contract with Community HousingWorks to finalize a NRSA Plan for the Crown Heights and Eastside neighborhoods for submittal to HUD for approval. Under the Professional Services Agreement, Community HousingWorks will work with community residents and City leaders to prepare and implement a three-year NRSA Plan for the target area. The preparation phase will be completed by December 31, 2007, at a cost of \$50,000. The agreement allows for three one-year extensions at \$25,000 per year for assistance with implementation. Extension of the contract is conditional upon the availability of funds and satisfactory performance by Community HousingWorks. Extension of the contract can be done as part of the annual preparation and approval of the City's Action Plan for Housing and Community Development. The Scope of Work for the project is included in the professional services agreement attached as Exhibit B.

### **FISCAL IMPACT**

The HOME Program Unallocated – CHDO Requirement account (277.294798/00195) has approximately \$370,789 available for allocation as of July 10, 2007. The allocation of \$50,000 (277.29xxxx) to Community HousingWorks for completion of a Neighborhood Revitalization Strategy Area plan will reduce the CHDO Requirement account by that amount. Another request for allocation before the City Council will, if approved, further reduce the CHDO Requirement account by \$200,000.

### **INSURANCE REQUIREMENTS**

Recipients of HOME funds from the City must meet standard City insurance requirements.

### **COMMISSION OR COMMITTEE REPORT**

The Housing Commission reviewed this item at their June 26, 2007, meeting and recommended approval of the professional services agreement with Community HousingWorks. The Housing Commission report is attached.

### **CITY ATTORNEY'S ANALYSIS**

The City Council is authorized to hold a public hearing in this matter. Consideration of this matter should be based on the testimony and evidence presented at the hearing. After conducting the public hearing, the Council shall affirm, modify or deny the project. The supporting document has been reviewed and approved as to form.

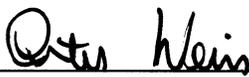
**RECOMMENDATION**

Staff recommends that the City Council approve a one-year professional services agreement with Community HousingWorks in the amount of \$50,000 to complete a Neighborhood Revitalization Strategy Area plan for the Crown Heights neighborhood and a portion of the Eastside neighborhood, with possible extension of the agreement for three additional years; approve an allocation of \$50,000 from HOME Investment Partnership Program funds to Community HousingWorks for the project; authorize the City Manager to sign the agreement; and amend the FY 2007-08 Action Plan to add this activity.

PREPARED BY:

  
\_\_\_\_\_  
John A. Lundblad  
Management Analyst

SUBMITTED BY:

  
\_\_\_\_\_  
Peter A. Weiss,  
Interim City Manager

**REVIEWED BY:**

Michelle Skaggs Lawrence, Deputy City Manager

  
\_\_\_\_\_

Margery M. Pierce, Director, Neighborhood Services

  
\_\_\_\_\_

Paul Bussey, Interim Director, Financial Services

  
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**ATTACHMENT**

- Exhibit A Housing Commission report
- Exhibit B Professional Services Agreement with Community HousingWorks

## CITY OF OCEANSIDE

### PROFESSIONAL SERVICES AGREEMENT

#### PROJECT: CROWN HEIGHTS – EASTSIDE NEIGHBORHOOD REVITALIZATION

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2007, by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and COMMUNITY HOUSINGWORKS, a Community Housing Development Organization (CHDO), hereinafter designated as "CONSULTANT."

#### NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The project is more particularly described as follows: Community HousingWorks will provide professional housing and community development services in support of the City's work to update and finalize the Neighborhood Revitalization Strategy Area (NRSA) Work Plan for the Crown Heights neighborhood, southern portion of the Eastside neighborhood and the business corridor that is common to the two neighborhoods. More specifically, Community Housing Works will
  - a. Update the NRSA Workplan through community meetings, interviews with key neighborhood and City leaders, and meetings of agencies and organizations involved in the Partners for Healthy Neighborhoods collaborative.
  - b. Prepare the final NRSA Workplan for submittal to the City Council for review and, upon approval, for subsequent submittal to the U.S. Department of Housing and Urban Development (HUD) – Los Angeles Field Office
  - c. Conditional upon the availability of funds and approval of the Work Plan by HUD, provide support and assistance for implementation of the NRSA Work Plan.

Work to be completed by Consultant under this agreement is described in the Proposed Consultant Scope of Work (Attachment 1) attached hereto and incorporated herein by reference.

2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the Director of the Neighborhood Services Department of the City. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the Director of Neighborhood Services. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.

## Crown Heights – Eastside NRSA Planning

3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and the CONSULTANT will comply with such provisions, and provide certification of such compliance as a part of this Agreement.

4. **LIABILITY INSURANCE.**

4.1. CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

4.2. CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance  
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance  
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific aggregate	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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\*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

4.3. If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.

4.4. All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained

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by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

- 4.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-VI or higher by A.M. Best.
- 4.6 All insurance companies affording coverage shall provide thirty (30) days written notice to the CITY should the policy be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.
- 4.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.
- 4.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 4.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
6. **CONSULTANT'S INDEMNIFICATION OF CITY.** CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors, omissions or wrongful acts or conduct of the CONSULTANT, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONSULTANT at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees resulting or arising from the conduct, tortious acts or omissions of the CONSULTANT.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT.

## Crown Heights – Eastside NRSA Planning

7. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of Fifty Thousand Dollars (\$50,000). No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the Director of Neighborhood Services. CONSULTANT shall obtain approval by the Director of Neighborhood Services prior to performing any work, which results in incidental expenses to CITY. Payment by CITY to CONSULTANT shall be as described in the Scope of Work.

This contract may be extended for up to three additional years based upon availability of funds to CITY and satisfactory performance of CONSULTANT. Payment for work in subsequent years shall be as described in the Scope of Work except as otherwise agreed to by CITY and CONSULTANT.

8. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the Director of Neighborhood Services within six months of contract signing. CONSULTANT must submit any request for an extension of time for the project in writing at least thirty days prior to the end of the contract period.

9. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.

10. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

11. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

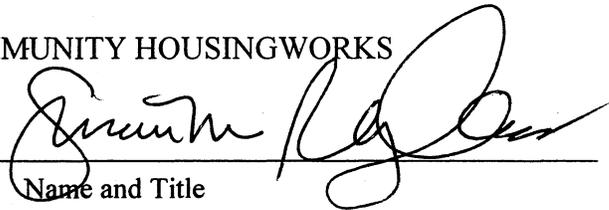
Crown Heights – Eastside NRSA Planning

12. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures this \_\_\_\_\_ day of \_\_\_\_\_, 2007,

COMMUNITY HOUSINGWORKS

CITY OF OCEANSIDE

By:   
Name and Title

By: \_\_\_\_\_  
Peter A. Weiss, Interim City Manager

By: \_\_\_\_\_  
Name and Title

APPROVED AS TO FORM:

Employer ID Number: 33-0317950

  
City Attorney

**NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.**

State of California

County of San Diego } ss.

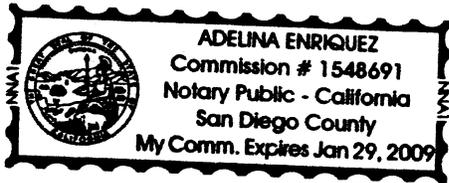
# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

On July 3, 2007, before me, Adelina Enriquez, Notary Public,  
Date Printed Name of Notary Public

personally appeared Susan M Reynolds,  
Printed Name(s) of Signer(s)

- personally known to me - or -
- proved to me on the basis of satisfactory evidence:
  - form(s) of identification CDL
  - credible witness(es) \_\_\_\_\_

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Adelina Enriquez  
Signature of Notary Public

(Seal)

## OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of City of Oceanside  
Crown Heights,  
containing \_\_\_\_\_ pages, and dated \_\_\_\_\_.

The signer(s) capacity or authority is/are as:

- Individual(s)
- Attorney-in-Fact
- Corporate Officer(s) \_\_\_\_\_ Title(s)
- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: \_\_\_\_\_

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

### Additional Information

- Additional Signer(s)
- Signer(s) Thumbprint(s)
- Other



Community  
HousingWorks

Building Communities. Changing Lives.

## **Professional Services Proposal**

Date: May 30, 2007

To: City of Oceanside  
Housing and Neighborhood Services Department  
Margery Pierce, Director

From: Community HousingWorks  
Patti Hamic-Christensen, Vice President, Community Building Department  
Carmen Amigon, Director, Community Building Department

Community HousingWorks is pleased to submit this proposal to provide professional community development services to the City of Oceanside's Housing and Neighborhood Services Department in support of its work to update and finalize its Neighborhood Revitalization Strategy Area Work Plan that encompasses the neighborhoods of Crown Heights and East Side.

### **SCOPE OF WORK.**

Community HousingWorks proposes to work with the city and Ben Martinez of Marza Consulting to produce a three year Community Revitalizations Strategies Work Plan in accordance with HUD's CDBG guidelines for the area designated by the City of Oceanside that incorporates the Neighborhoods of Crown Heights and East Side and the business corridor that is common to these two neighborhoods.

#### **Phase 1: Update Community Revitalization Strategies Area (NRSA) Work Plan**

- A. Facilitate city and community process to prepare an updated NRSA Work Plan. For Marza Consulting, includes up to two meetings with city and community agencies and partners including two open community meetings; for CHW, includes two or more meetings with neighborhood representatives, meetings with community organizations and agencies formally involved with Partners for Healthy Neighborhoods, city agencies and other related partners.
  
- B. Provide support to the leaders of the Crown Heights and East Side Neighborhood Associations to review, participate, and contribute to the finalization of the NRSA Work Plan.

C. Work with local business owners/operators and city staff to develop economic development strategies and activities to identify opportunities and unmet demand for services and facilities incorporating input into NRSA Work Plan.

D. Reconvene the former Partners for a Healthy Neighborhood group and work to integrate interested partners in the development and outcome of the NRSA Work Plan.

Includes subcontract with Marza Consulting, CHW staff time and overhead in plan oversight and review, photocopying and miscellaneous meeting expenses and related project activities.

### **Phase 2: Final Draft Neighborhood Revitalization Strategies Area Work Plan**

A. Preparation of final NRSA Work Plan incorporating comments by city agencies, community partners, local businesses, and community meetings. For Marza Consulting, includes up to two meeting with city agencies and other partners, one open meeting with community: for CHW includes two or more meetings with Crown Heights and East Side neighborhood representatives, two or meetings with community members and one open community meeting.

B. Presentation of final NRSA Work Plan to City Council or other designated city committee or review panel.

Includes subcontract with Marza Consulting, as well as CHW staff time and overhead in plan oversight and review, photocopying and miscellaneous meeting expenses and related project activities.

### **Phase 3: Implementation of the Neighborhood Revitalization Strategies Area Work Plan**

Support the City of Oceanside's implementation of the Crown Heights and East Side NRSA including:

A. Provide support to the leaders and residents of the Crown Heights and East Side neighborhoods to generate participation and commitment in the implementation of the NRSA.

B. Provide support to the Partners for a Healthy Neighborhood group to generate participation and commitment in the implementation of the NRSA.

C. Offer CHW's core Leadership Academy Training to neighborhood participants.

D. Identify and implement economic development activities to promote the area's economic progress to increase public benefit to residents including improvement in job creation/retention

Includes CHW staff time and overhead in implementation and support of Crown Heights and East Side NRSA and miscellaneous meeting expenses and related project activities.

## **TIMELINE**

Phase 1 and phase 2 work will be completed during the period of July 1, 2007 through November 30, 2007.

Phase 3 work will be completed during January 1, 2008 to December 31, 2010

## **COMPENSATION:**

Community HousingWorks is requesting \$50,000 in compensation for all work performed in accordance with the scope of work specified in this proposal.

1. \$25,000 Initial Payment at the acceptance of the Professional Services Agreement Proposal by the Housing and Neighborhood Services Department.
2. \$25,000 Final Payment due 30 days upon presentation and acceptance of the final plan to Housing and Neighborhood Services Department
3. \$25,000 per year for each activity year of the NRSA to be paid in two annual installments for 2008, 2009, and 2010.

TO: OCEANSIDE CITY COUNCIL  
FROM: HOUSING COMMISSION  
RE: NEIGHBORHOOD REVITALIZATION  
DATE: JUNE 26, 2007

THE HOUSING COMMISSION RECOMMENDS THAT THE CITY COUNCIL APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH COMMUNITY HOUSING WORKS IN THE AMOUNT OF \$50,000 FOR A NEIGHBORHOOD REVITALIZATION PLAN FOR CROWN HEIGHTS/EAST SIDE.

CAMP	ABSENT
COOPER	YES
FARMER	YES
HUSKEY	ABSENT
MEYER	ABSENT
OLINSKI	YES
PARKER	YES
SORENSEN	YES

ALTERNATES

SAIZ	ABSENT
DAVIS	ABSENT