

STAFF REPORT



ITEM NO. **14**

CITY OF OCEANSIDE

DATE: August 2, 2006

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department and Public Works Department

SUBJECT: ACCEPTANCE OF \$248,000 IN GRANT FUNDS FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AWARDED TO THE CITY OF OCEANSIDE FOR THE EL CORAZON SENIOR CENTER

SYNOPSIS

Staff recommends that the City Council accept \$248,000 in grant funds from the U.S. Department of Housing and Urban Development (HUD) awarded to the City of Oceanside for the El Corazon Senior Center, previously known as the Second Senior Center Project; authorize the transfer of these funds to the project account; and authorize the City Manager to execute the grant documents.

BACKGROUND

The planning process for the development of the El Corazon Senior Center has taken place throughout the years 2001-present with the award of a construction contract approaching in Winter 2007. Lobbying efforts through the City Manager's office and The Ferguson Group proved successful with the approval of an EDI-Special Project grant funded by Congress in the VA-HUD-Independent Agencies Appropriations Act for FY 2005 in the amount of \$248,000.

The EDI-Special Project Grant is for use toward costs associated with the development of the El Corazon Senior Center. On December 15, 2005, staff submitted the appropriate application documents to begin the process of encumbering the funds. In May 2006, staff received notification that all application materials were accepted and documents needed to activate the FY05 EDI-Special Project Grant had been received.

ANALYSIS

The City of Oceanside is currently completing the final design plans with Roesling, Nakamura and Terrada Architects, Inc., with the anticipation of City Council approval of the plans and authorization to bid for a construction contract in September 2006. With City Council's approval of the EDI-Special Project Grant Agreement and the Assistance Award (attachments) as well as the completion of the National Environmental Policies Act (NEPA) compliance review, the City may begin drawing down funds from this funding source to assist in construction costs. The balance of the project, through completion, is scheduled as follows:

City Council approve final design and advertise to bid	September	06
City Council award construction contract	January	07
Begin construction	March	07
Complete construction	May	08

FISCAL IMPACT

The \$248,000 in Grant monies received from HUD will be deposited into the EDI-Grant Senior Center account (274.556332.4457.06332). When funds are ready to be expended, a transfer will be made from (274.556332.6990.00501) placing the revenue in the General Capital Projects fund (5010.4990.00274). The expenditures will be charged to the El Corazon Senior Center account (501.874048.5701). Bi-annual financial status reporting will occur until all funds are expended, at which time the grant will be closed out with HUD.

The total estimated cost for the El Corazon Senior Center project is \$8 million and is planned to be funded additionally from \$1.3 million in developer fees, \$735,000 in Proposition 40 revenues and revenues from an additional \$347,000 EDI-Special Project grant funds and up to \$6 million in General Fund Capital Reserves.

COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

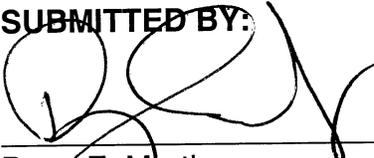
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PREPARED BY:



Megan Crooks
Administrative Analyst

SUBMITTED BY:



Barry E. Martin
Interim City Manager

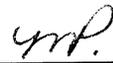
REVIEWED BY:

Michelle Skaggs Lawrence, Assistant to City Manager

Margery Pierce, Neighborhood Services Director

Peter Weiss, Public Works Director

Nita McKay, Financial Services Director







Attachments:

Grant Agreement and Assistance Award

FY 2005 EDI-SPECIAL PROJECT NO. B-05-SP-CA-0378

GRANT AGREEMENT

This Grant Agreement between the Department of Housing and Urban Development (HUD) and City of Oceanside (the Grantee) is made pursuant to the authority of Public Law 108-447 (the FY 2005 Appropriations Act for HUD and other agencies) and House Report 108-792 (the Conference Report on the Appropriations Act). The Amount shown below is 99.20% of the amount specified in the Conference Report because of a .80% rescission mandated in the Act. The Grantee's application package, as may be amended by the provisions of this Grant Agreement, is hereby incorporated into this Agreement.

In reliance upon and in consideration of the mutual representations and obligations hereunder, HUD and the Grantee agree as follows:

Subject to the provisions of the Grant Agreement, HUD will make grant funds in the amount of \$248,000 available to the Grantee.

The Grantee agrees to abide by the following:

ARTICLE I. HUD Requirements.

The Grantee agrees to comply with the following requirements for which HUD has enforcement responsibility.

- A. The grant funds will only be used for activities described in the application, which is incorporated by reference and made part of this Agreement as may be modified by Article VII (A) of this Grant Agreement.
- B. **EQUAL OPPORTUNITY REQUIREMENTS**
The grant funds must be made available in accordance with the following:
 - 1. For projects involving housing, the requirements of the Fair Housing Act (42 U.S.C. 3601-20) and implementing regulations at 24 CFR Part 100; Executive Order 11063 (Equal Opportunity in Housing) and implementing regulations at 24 CFR Part 107.
 - 2. The requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR Part 1.
 - 3. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR Part 146, and the prohibitions against discrimination against handicapped individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8.

4. The requirements of 24 CFR 5.105(a) regarding equal opportunity as well as the requirements of Executive Order 11246 (Equal Employment Opportunity) and the implementing regulations issued at 41 CFR Chapter 60.
5. For those grants funding construction covered by 24 CFR 135, the requirements of section 3 of the Housing and Urban Development Act of 1968, (12 U.S.C. 1701u) which requires that economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, be given to low- and very low-income persons and to businesses that provide economic opportunities for these persons.
6. The requirements of Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise). Consistent with HUD's responsibilities under these Orders, the Grantee must make efforts to encourage the use of minority and women's business enterprises in connection with grant funded activities. See 24 CFR Part 85.36(e) , which describes actions to be taken by the Grantee to assure that minority business enterprises and women business enterprises are used when possible in the procurement of property and services.
7. Where applicable, Grantee shall maintain records of its efforts to comply with the requirements cited in Paragraphs 5 and 6 above.

C. ENVIRONMENTAL REVIEW REQUIREMENTS.

1. If the Grantee is a unit of general local government, a State, an Indian Tribe, or an Alaskan Native Village, the Grantee agrees to assume all of the responsibilities for environmental review and decision- making and actions, as specified and required in regulations issued by the Secretary pursuant to the Multifamily Housing Property Disposition Reform Act of 1994 and published in 24 CFR Part 58.
2. If the Grantee is a housing authority, redevelopment agency, academic institution, hospital, or other non-profit organization, the Grantee shall request the unit of general local government, Indian Tribe, or Alaskan Native Village, within which the project is located and which exercises land use responsibility, to assume all of the responsibilities for environmental review and decision-making as specified in paragraph C.1 above, and the Grantee shall carry out all of the responsibilities of a recipient under 24 CFR Part 58.

- D. Administrative requirements of OMB Circular A-133 “Audits of States, Local governments and Non-Profit Organizations.”
- E. For State and Local Governments, the Administrative requirements of 24 CFR Part 85, including the procurement requirements of 24 CFR Part 85.36, and the requirements of OMB Circular A-87 regarding Cost Principles for State and Local Governments. For Non-Profits, the Administrative requirements of 24 CFR Part 84, including the procurement requirements of 24 CFR Part 84.40, and OMB Circular A-122 regarding Cost Principles for Non-Profit Institutions. For Institutions of Higher Education the applicable OMB Circular regarding Cost Principles is A-21.
- F. The regulations at 24 CFR Part 87, related to lobbying, including the requirement that the Grantee obtain certifications and disclosures from all covered persons.
- G. Restrictions on participation by ineligible, debarred or suspended persons or entities as described in Executive Order 12549 and at CFR 24 Part 5.105(c).
- H. The Uniform Relocation Act as implemented by regulations at 49 CFR Part 24.
- I. The Grantee will comply with all accessibility requirements under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8, where applicable.

ARTICLE II. Conditions Precedent to Draw Down.

The Grantee may not draw down grant funds until the following actions have taken place:

- A. The Grantee has received and approved any certifications and disclosures required by 24 CFR 87.100 concerning lobbying and by 24 CFR 24.510(b) regarding ineligibility, suspension and debarment.
- B. Any other conditions listed in Article VII (C) of this Grant Agreement.

ARTICLE III. Draw Downs.

- A. A request by the Grantee to draw down grant funds under the Voice Response Access system or any other payment system constitutes a representation by the Grantee that it and all participating parties are complying with the terms of this Grant Agreement.
- B. The Grantee will be paid on an advance basis provided that the Grantee minimizes the time elapsing between transfer of the grant funds and disbursement for project purposes and otherwise follows the requirements of 24 CFR Part 85 or Part 84 and Treasury Circular 1075 (31 CFR Part 205).

- C. Before the Grant Agreement is signed, the Grantee may incur cost for activities which are exempt from environmental review under 24 CFR Part 58 and may charge the costs to the grant. Funds provided by this grant however, may not be used for reimbursement of expenses incurred prior to the enactment of The Act authorizing these funds on **December 08,2004**.

ARTICLE IV. Progress Reports.

- A. The Grantee shall submit to the Grant Officer a progress report every six months after the effective date of the Grant Agreement. Progress reports shall consist of (1) a narrative of work accomplished during the reporting period and (2) a completed Financial Status Report - Form 269 A.

HUD may require additional information or increased frequency of reporting as described in Article VII (C).

- B. The performance reports must contain the information required under 24 CFR Part 85.40(b) (2) or 24 CFR Part 84.51(a), as applicable including a comparison of actual accomplishment to the objectives indicated in the approved application, the reasons for slippage if established objectives were not met, and additional pertinent information including explanation of significant cost overruns.
- C. No grant drawdowns will be approved for projects with overdue progress reports.

ARTICLE V. Project Close-out.

- A. The grantee shall submit to the Grant Officer a written request to close-out the grant 30 days after the grantee has drawn down all funds and completed the activities described in the application, as may be amended. The final report shall consist of (1) a narrative of all work accomplished during the project period and (2) a completed Financial Status Report - Form 269 A covering the entire project period.

HUD will then send the Close-out Agreement and Close-out Certification to the Grantee. At HUD's option, the Grantee may delay initiation of project close-out until the resolution of any HUD monitoring findings. If HUD exercises this option the Grantee must promptly resolve the findings.

- B. The Grantee recognizes that the close-out process may entail a review by HUD to determine compliance with the Grant Agreement by the Grantee and all participating parties. The Grantee agrees to cooperate with any review in any way possible, including making available records requested by HUD and the project for on-site HUD inspection.

- C. The Grantee shall provide to HUD the following documentation:
1. A Certification of Project Completion.
 2. A Grant Close-out Agreement.
 3. A final financial report giving the amount and types of project costs charged to the grant (that meet the allowability and allocability requirements of OMB Circular A-122, A-87 or A-21 as applicable, including the “necessary and reasonable” standard); a certification of the costs; and the amounts and sources of other project funds.
 4. A final performance report providing a comparison of actual accomplishments with each of the project commitments and objectives in the approved application, the reasons for slippage if established objectives were not met and additional pertinent information including explanation of significant cost overruns.
- D. The Grantee agrees that the grant funds are allowable only to the extent that the project costs, meeting the standard of OMB Circular A-122, A-87 or A-21 as applicable, equal the grant amount plus other sources of project funds provided.
- E. When HUD has determined that the grant funds are allowable, the activities were completed as described by the Grant Agreement, and all Federal requirements were satisfied, HUD and the Grantee will sign the Close-out Agreement and Close-out Certificate.
- E. The Close-out Agreement will include the Grantee’s Agreement to abide by any continuing federal requirements.

ARTICLE VI. Default.

A default under this Grant Agreement shall consist of using grant funds for a purpose other than as authorized by this Agreement, any noncompliance with legislative, regulatory, or other requirements applicable to the Agreement, any other material breach of this Agreement, or any material misrepresentation in the application submissions.

ARTICLE VII. Additional Provisions.

- A. Project Description. The project is as described in the application with the following changes: NONE
- B. Changes or Clarification to the Application Related to Participating Parties:
The Administrative Agent if any:
- C. Special Conditions:
NONE

U.S. Department of Housing
and Urban Development

City of Oceanside
Mr. Steven Jepsen

Authorized Signature

Authorized Signature

Donald P. Mains
Deputy Assistant Secretary
for Economic Development

Title

Date

Date

Assistance Award/Amendment

**U.S. Department of Housing
and Urban Development**

Office of Administration

1. Assistance Instrument <input type="checkbox"/> Cooperative Agreement <input checked="" type="checkbox"/> Grant		2. Type of Action <input checked="" type="checkbox"/> Award <input type="checkbox"/> Amendment	
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3. Instrument Number B-05-SP-CA-0378	4. Amendment Number	5. Effective Date of this Action	6. Control Number
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7. Name and Address of Recipient City of Oceanside 300 North Coast Highway Oceanside, CA 92054 EIN: 95-1688570		8. HUD Administering Office CPD, EDI Special Project Division 451 7th Street, SW, Rm 7146 Washington, DC 20410-7000	
		8a. Name of Administrator	8b. Telephone Number

10. Recipient Project Manager Steven Jepsen	9. HUD Government Technical Representative Joanne Omega 202-708-3773, Extensi 4661
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11. Assistance Arrangement <input type="checkbox"/> Cost Reimbursement <input type="checkbox"/> Cost Sharing <input checked="" type="checkbox"/> Fixed Price	12. Payment Method <input type="checkbox"/> Treasury Check Reimburseme <input type="checkbox"/> Advance Check <input checked="" type="checkbox"/> Automated Clearinghouse	13. HUD Payment Office Chief Financial Officer
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14. Assistance Amount		15. HUD Accounting and Apropriation Data											
<table border="1"> <tr><td>Previous HUD Amount</td><td></td></tr> <tr><td>HUD Amount this Action</td><td>\$248,000.00</td></tr> <tr><td>Total HUD Amount</td><td>\$248,000.00</td></tr> <tr><td>Recipient Amount</td><td></td></tr> <tr><td>Total Instrument Amount</td><td>\$248,000.00</td></tr> </table>		Previous HUD Amount		HUD Amount this Action	\$248,000.00	Total HUD Amount	\$248,000.00	Recipient Amount		Total Instrument Amount	\$248,000.00	15a. Appropriation Number	15b. Reservation Number EID 05
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16. Description
by the City of Oceanside, California for construction of a new Senior Center

This Award consists of the following items which are appended to and hereby made part of this Award:

- (A) Cover Page - HUD 1044
- (B) Grant Agreement

Special Condition

Please contact Ernest Molins - HUD Area Environmental Officer at 415-489-6731, concerning environmental review. NO FUNDS may be committed to the project or drawn down prior to environmental release of funds approval.

17. <input checked="" type="checkbox"/> Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office.	18. <input type="checkbox"/> Recipient is not required to sign this document.
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19. Recipient (By Name): Mr. Steven Jepsen	20. HUD (By Name): Donald P. Mains
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Signature & Title: City Manager	Date:	Signature and Title: DAS for Economic Development	Date:
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