



Legislation Text

File #: 23-1121, Version: 1

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SUBJECT: Approval of Second Amendment to the Agreement for Professional Services with RSG Inc. for Affordable Housing Consulting Services in the Amount of \$45,000, totaling \$237,060

REPORT IN BRIEF

Considers approving the Second Amendment to the Agreement for Professional Services with RSG Inc. for Affordable Housing Consulting Services in the amount of \$45,000, totaling \$237,060.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the Second Amendment to the Agreement with RSG Inc. for Affordable Housing Consulting Services by increasing the budget by \$45,000; and,
- B. Authorizing the Finance Officer to make the necessary budget adjustments; and,
- C. Authorizing the City Manager to execute the agreements.

ALTERNATIVES

- 1. Approve the agreement, as recommended by staff; or
- 2. Deny; or
- 3. Refer to staff for reconsideration of specific items.

AUTHORITY

Charter of the City of Merced, Section 200, et seq.

CITY COUNCIL PRIORITIES

As provided for in the 2023-2024 Adopted Budget and the City Council's Prohousing Policies.

DISCUSSION

In August 2021, City Council approved an Agreement for Professional Services, with RSG Inc. for \$192,060. The term of that agreement was for the Fiscal Years 2021-22 and 2022-23, ending on June 30, 2023.

RSG Inc. provides services to the City and the City's Housing Successor Agency (HSA) through the evaluation of existing resources, development strategies, disposition of Housing Successor assets, and technical knowledge regarding the State of California's complex Housing Successor Agency Regulations. Additionally, they assist City staff with coordinating and preparation of the Annual

Housing Successor Report to ensure the City remains in compliance with State of California regulations for Housing Successor Agencies.

The two-year period of the current agreement allows for flexibility especially given the complex nature and timeliness of the potential projects and transactions over the contract period. The overall goal is to continue to provide ongoing support and technical assistance to the City and Housing Successor to provide support on projects and issues. It also includes additional specific services and tasks, such as: project proforma review, Subsidy Layering Analysis for HUD, compliance monitoring, preparation of regulatory agreements and affordability covenants.

In July 2023, the First Amendment to the Agreement for Professional Services was issued extending the contract until the end of the 2023/2024 Fiscal Year, June 30, 2024. At that time, no additional funds were needed. Since that time, RSG has completed extensive work to assist with various complex affordable housing, loan and grant agreements. Staff expects that in order to complete the scope of work through June 30, 2024, an additional \$45,000 would be needed. This will bring the contract total to \$237,060.

IMPACT ON CITY RESOURCES

There are funds available within the approved Fiscal Year 2023-24 budget in Fund 2513-Low-Moderate Income Housing. No supplemental appropriation is needed.

ATTACHMENTS

1. Original Agreement for Professional Services with RSG Inc.
2. 1st Amendment to the Agreement for Professional Services with RSG Inc.
3. 2nd Amendment to the Agreement for Professional Services with RSG inc.