



Legislation Text

File #: 24-182, **Version:** 1

Report Prepared by: Kimberly Nutt, Housing Program Supervisor, Housing Division/Development Services Department

SUBJECT: Approval of Allocation of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program Resources and Approval of Associated Subrecipient Agreements with Harvest Time (\$61,660) and Project Sentinel (\$51,385) for the Respective Programs Approved with the Adopted 2023 Annual Action Plan

REPORT IN BRIEF

Considers approving and authorization of Program Year 2023-24 Community Development Block Grant (CDBG) Subrecipient Agreements with Harvest Time in the amount of \$61,660; and Project Sentinel in the amount of \$51,385.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a Subrecipient Agreement for the program identified in the 2023 Annual Action Plan using Fiscal Year 2023-24 CDBG funds with Harvest Time in the amount of \$61,660 for the “Food 4 You” Program; and,
- B. Approving a Subrecipient Agreement for the program identified in the 2023 Annual Action Plan using Fiscal Year 2023-24 CDBG funds with Project Sentinel in the amount of \$51,385 for the “Tenant/Landlord Counseling Services” Program; and,
- C. Authorizing the City Manager to execute, and if necessary, direct staff to make non-material modifications to the agreements described above and as attached, and all associated documents and exhibits; and,
- D. Authorizing the Finance Officer to make necessary budget adjustments.

ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Approve, subject to conditions other than recommended by staff; or,
- 3. Deny; or,
- 4. Refer to City staff for reconsideration of specific items (specific items to be addressed in the motion); or,
- 5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Section 200 of the City of Merced Charter, adopted City of Merced 2023 HUD Annual Action Plan, and Title 24 of the U.S Code of Federal Regulations, Part 570 (the HUD regulations concerning the governance and use of CDBG funds).

CITY COUNCIL PRIORITIES

2023-24 Council Goals and Priorities in support of Housing and Homelessness programs that help prevent homelessness and support low- to moderate-income families.

DISCUSSION

Housing Division staff requests the approval and City Manager signing authorization of two subrecipient agreements for programs that were awarded HUD CDBG funding by the City Council with approval of the 2023 Annual Action Plan (PY2023 AAP).

It should be noted that the PY2023 AAP was substantially amended and approved by Council on January 2, 2024, and a second amendment to the PY2023 AAP is pending - however, these amendments do and will not affect the previously approved public service program funding awards held by these programs.

The programs have already been implemented by the subrecipient organizations, Harvest Time and Project Sentinel, in order to provide City residents with seamless and necessary services. Approval and final execution of the agreements will enable eligible costs that have been incurred thus far to be reimbursed back to the organizations.

Harvest Time - Food 4 You Program

Harvest Time is a 501(c)(3) non-profit organization that operates as a food bank/food distribution program out of a local church, Calvary Assembly of God, located at 1021 R Street in Merced, and whose mission is that people should have access to food that nourishes the mind, body, and spirit. The program benefits homeless and food insecure low- to moderate-income individuals and households within the City of Merced.

CDBG funds in the amount of \$61,660 will be used to reimburse the organization for eligible costs for hourly staff hours spent on the program, supplies necessary for food distribution, electric and gas utilities for refrigeration, mileage costs for food pickup and delivery within the city limits, and liability insurance.

Project Sentinel - Tenant/Landlord Counseling Services

Project Sentinel is a 501(c)(3) non-profit organization that was founded in 1971 and is now the largest agency of its type - corporate, educational, labor, and community fair housing advocacy - in Northern California, serving approximately 3.5 million people in total, including Merced residents with its fair housing discrimination protection services (separate from the proposed agreement).

The floods in January 2023 brought to light a gap in community services that cover the need for tenant/landlord education and mediation services that *do not* involve Fair Housing Act-related discrimination. Many tenants and landlords came forward during the crisis needing advice, guidance, and advocacy about complicated issues such as temporary displacement, habitability/notice of

repairs, termination notices, and eviction protections.

As a result of public input received at Town Hall meetings and from direct communications with tenants and landlords to help resolve issues, Project Sentinel submitted an additional project proposal to provide these services during the 2023-24 program year. The City Council awarded \$51,385 of CDBG funding to Project Sentinel with approval of the 2023 Annual Action Plan.

Execution of the agreement will enable reimbursement of eligible costs that have been incurred during delivery of tenant/landlord conciliation and mediation services and education materials to City residents, including staff hours spent on the program and certain fringe benefits, supplies, publications/printing/postage, mileage, and other allowable costs incurred during delivery of the program to City residents.

Environmental Clearance

As required, Housing staff has completed all National Environmental Policy Act (NEPA) clearances necessary to allow Federal funds to be committed and spent on each of the projects.

IMPACT ON CITY RESOURCES

Both agreements do not involve General Funds. They are CDBG fund subgrants allocated in the current year budget (Fiscal Year 2023-24), and funds are available within Account 25015500-511038 (Community Support).

HUD distributed the allocated funds to the City in August 2023 after their approval of the 2023 Annual Action Plan and the signing of necessary agreements and certifications with HUD.

ATTACHMENTS

1. Draft PY2023 Subrecipient Agreement - Harvest Time
2. Draft PY2023 Subrecipient Agreement - Project Sentinel