



Legislation Text

File #: 19-418, **Version:** 1

Report Prepared by: Mark Hamilton, Housing Program Supervisor, Housing Division, Development Services Department

SUBJECT: Approval of a Professional Service Agreement Between the City of Merced and RSG Inc. for Housing Successor Agency Services in an Amount not to Exceed \$59,760.00

REPORT IN BRIEF

Considers approving the terms and scope of services for a professional services agreement with RSG Inc. to provide consulting services to the City of Merced and the City's Housing Successor Agency.

RECOMMENDATION

City Council - Adopt a motion approving the professional services agreement between the City of Merced and RSG Inc. for consulting services related to the Housing Successor Agency in the amount not to exceed \$59,760.00 and authorizing the City Manager or the Assistant City Manager to execute all the necessary documents.

ALTERNATIVES

1. Approve as recommended by staff; or,
2. Approve, subject to conditions as specified by the City Council; or,
3. Deny the request; or,
4. Refer back to staff for reconsideration of specific items as requested by the Council, or,
5. Defer action until a specified date.

AUTHORITY

Charter of the City of Merced, Section 200

CITY COUNCIL PRIORITIES

City of Merced Adopted Budget Fiscal Year 2019-2020.

DISCUSSION

Staff has negotiated a professional services agreement with RSG Inc. for provision of Affordable Housing Consulting Services to the City (Attachment 1). The total cost for RSG Inc. services is not to exceed \$59,760.00.

RSG Inc. provides services to the City and the City's Housing Successor Agency 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.

For the past year, RSG Inc. has assisted the City and the City's Housing Successor with reporting requirements, project reimbursement negotiations, and the development of a strategy for disposition and development of various Housing Successor Assets.

There are some tasks RSG Inc. was unable to complete under their previous agreement that are identified within this year's agreement. These task include the following:

1. Reconciliation of Residual Receipt Payments;
2. Housing Successor Annual Report for 2017-18;
3. Childs Avenue and B Street Development Proposal Compliance; and,
4. Housing Successor Real Property Development Request for Proposals.

The agreement being considered is a new scope of services and budget for Fiscal Year 2019/20 aimed at assisting the City and Housing Successor to resolve some of the issues described above. It also includes additional services to assist with negotiations and agreements related to the Childs and B Street project and the RFP to dispose of Housing Successor properties, and to provide general as-needed services for unanticipated issues as the need arises.

The tasks include:

1. Transfer of Former Redevelopment Agency Assets to the Housing Successor;
2. Merced Pacific Associates Loan Research and Advisory Services;
3. Reconciliation of Residual Receipt Payments;
4. Childs Avenue and B Street Development Negotiations and Agreements;
5. Fiscal Year 2018 -19 Housing Successor Annual Report;
6. Housing Successor Real Property Development Request for Proposals; and,
7. General As-Needed Services.

RSG Inc. will assist staff with packaging and presenting projects to the City Council. When called upon, RSG Inc. will provide one-on-one project advice and assistance when addressing legal requirements of the Housing Successor.

RSG Inc. has supported staff with addressing previous Housing Successor efforts, responding to programmatic expenditure requirements, assisting staff with valuable industry knowledge related to affordable housing questions, and providing the City with general knowledge related to development of Housing Successor assets.

IMPACT ON CITY RESOURCES

Funding is available within the FY2019-20 Adopted Budget under the Professional Services account 071-1363-552-17-00.

ATTACHMENTS

1. Professional Services Agreement for FY 19-20