



staff report

TO: Honorable Mayor and Members of the City Council

ATTENTION: Jeffrey L. Stewart, City Manager

FROM: Jim DellaLonga, Director of Economic Development

SUBJECT: Consideration and possible action to receive and file 1) Approval of Title I of the Housing and Community Development Act of 1974 Grant Agreement with the Department of Housing and Urban Development ("HUD") for funding of the City's Community Development Block Grant (CDBG) fiscal year 2016-2017 programs; and 2) Funding Approval of the HOME Investment Partnerships Grant Agreement with the Department of Housing and Urban Development ("HUD") for funding of the City's HOME Investment Partnerships Program (HOME) fiscal year 2016-2017 programs.

DATE: September 26, 2016

EXECUTIVE SUMMARY

On May 9, 2016, the City Council adopted Resolution No. 16-21 authorizing the submission of the 2016-2017 Annual Action Plan. The above referenced executed grant agreements formalize the City's commitments under those documents.

RECOMMENDATION TO CITY COUNCIL

- 1) Receive and file Approval of Title I of the Housing and Community Development Act of 1974 Grant Agreement with the Department of Housing and Urban Development for funding of the City's Community Development Block Grant fiscal year 2016-2017 programs;
- 2) Receive and file Funding Approval of HOME Investment Partnerships Grant Agreement with the Department of Housing and Urban Development for funding of the City's HOME Investment Partnerships Program fiscal year 2016-2017 programs;
or
- 3) Alternatively, discuss and take other action related to this item.

FISCAL IMPACT

Under the attached agreements, \$954,637 of CDBG Funding and \$294,169 of HOME Funding are received for the 2016-2017 Fiscal Year.

DISCUSSION

The CDBG program is designed to assist the City in providing decent housing and suitable living environments, addressing community service and facility needs, and expanding economic opportunities for primarily low- and moderate-income persons.

HOME funds may be used to expand affordable housing opportunities for low to moderate income persons through acquisition, rehabilitation, and construction of housing.

ATTACHMENTS

CDBG Grant Agreement	3
HOME Grant Agreement	6

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)
 HI-00515R of 20515R

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Community Development Block Grant Program

OMB Approval No.
 2506-0193 (exp 5/31/2018)

1. Name of Grantee (as shown in item 5 of Standard Form 424) City of Bellflower	3a. Grantee's 9-digit Tax ID Number 95-6005896	3b. Grantee's 9-digit DUNS Number 076209873
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) City of Bellflower 16600 Civic Center Drive Bellflower, CA 90706-5494	4. Date use of funds may begin (mm/dd/yyyy) 07/01/2016	
	5a. Project/Grant No. 1 B-16-MC-06-0512	6a. Amount Approved \$954,637
	5b. Project/Grant No. 2	6b. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) William Vasquez		Grantee Name City of Bellflower		
Title Director, Office of Community Planning and Development		Title City Manager		
Signature 	Date (mm/dd/yyyy) 2/17/16	Signature 	Date (mm/dd/yyyy) 2/13/2016	
7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 05/23/2016	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number	
				9b. Date Grantee Notified (mm/dd/yyyy) 08/22/2016
				9c. Date of Start of Program Year (mm/dd/yyyy) 07/01/2016
11. Amount of Community Development				
Block Grant		FY (2016)	FY ()	
a. Funds Reserved for this Grantee		\$954,637		
b. Funds now being Approved		\$954,637		
c. Reservation to be Cancelled (11a minus 11b)		\$0		

12a. Amount of Loan Guarantee Commitment now being Approved N/A	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting Use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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8. CDBG Special Conditions.

**City of Bellflower
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- (a) The period of performance for the funding assistance specified in the Funding Approval (“Funding Assistance”) shall begin on the date specified in item 4 and shall end on September 1, 2023. The Grantee shall not incur any obligations to be paid with such assistance after September 1, 2023.
- (b) If Funding Assistance will be used for payment of indirect costs pursuant to 2 CFR 200, Subpart E - Cost Principles, attach a schedule in the format set forth below to the executed Grant Agreement that is returned to HUD. The schedule shall identify each department/agency that will carry out activities with the Funding Assistance, the indirect cost rate applicable to each department/agency (including if the de minimis rate is charged per 2 CFR §200.414), and the direct cost base to which the rate will be applied. Do not include indirect cost rates for subrecipients.

<u>Administering Department/Agency</u>	<u>Indirect cost rate</u>	<u>Direct Cost Base*</u>
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____

*Specify the type of cost base utilized - e.g., Modified Total Direct Costs (MTDC). Do not include amounts.

- (c) In addition to the conditions contained on form HUD 7082, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS), the System for Award Management (SAM.gov), and the Federal Funding Accountability and Transparency Act as provided in 2 CFR part 25, Universal Identifier and System for Award Management, and 2 CFR part 170, Reporting Subaward and Executive Compensation Information.
- (d) The grantee shall ensure that no CDBG funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfields as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107-118) shall be considered a public use for purposes of eminent domain.

8. CDBG Special Conditions (cont.)

**City of Bellflower
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- (e) The Grantee or unit of general local government that that indirectly receives CDBG funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act.

- (f) E.O. 12372-Special Contract Condition - Notwithstanding any other provision of this agreement, no funds provided under this agreement may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds provided under this agreement for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.

Funding Approval and HOME Investment Partnerships Agreement
 Title II of the National Affordable Housing Act

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development

1. Participant Name and Address City of Bellflower 16600 Civic Center Drive Bellflower, CA 90706-5494			2. Grant Number: M-16-MC-06-0547		
			3a. Tax Identification Number: 95-6005896	3b. Unique Entity Identifier (formerly DUNS): 076209873	
			4. Appropriation Number 866/90205	5. FY (yyyy) 2016	
6. Previous Obligation (Enter "0" for initial FY allocation)				\$0	
a. Formula Funds			\$		
b. Community Housing Development Org. (CHDO) Competitive			\$		
7. Current Transaction (+ or -)				\$294,169	
a. Formula Funds			\$294,169		
1. CHDO (For deobligations only)			\$		
2. Non- CHDO (For deobligations only)			\$		
b. CHDO Competitive Reallocation or Deobligation			\$		
8. Revised Obligation				\$	
a. Formula Funds			\$		
b. CHDO Competitive Reallocation			\$		
9. Special Conditions (check applicable box) <input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Attached			10. Date of Obligation (Congressional Release Date) (mm/dd/yyyy): 08/22/2016		
11. Indirect Cost Rate*			12. Period of Performance: 08/22/2016 - 09/01/2024		
<u>Administering Agency/Dept.</u>	<u>Indirect Cost Rate</u>	<u>Direct Cost Base</u>	* If funding assistance will be used for payment of indirect costs pursuant to 2 CFR 200, Subpart E-Cost Principles, provide the name of the department/agency, its indirect cost rate (including if the de minimis rate is charged per 2 § CFR 200.414), and the direct cost base to which the rate will be applied. Do not include cost rates for subrecipients.		
—	—%	—			
—	—%	—			
—	—%	—			
—	—%	—			

This Agreement between the Department of Housing and Urban Development (HUD) and the Participating Jurisdiction/Entity is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.). The Participating Jurisdiction's /Entity's approved Consolidated Plan submission/Application and the HUD regulations at 24 CFR Part 92 (as is now in effect and as may be amended from time to time) and this HOME Investment Partnership Agreement, form HUD-40093, including any special conditions, constitute part of this Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Participating Jurisdiction/Entity upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Participating Jurisdiction's execution of the amendment or other consent. HUD's payment of funds under this Agreement is subject to the Participating Jurisdiction's/Entity's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502. To the extent authorized by HUD regulations at 24 CFR Part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Participating Jurisdiction/Entity without the Participating Jurisdiction's/Entity's execution of the amendment or other consent. The Participating Jurisdiction/Entity agrees that funds invested in affordable housing under 24 CFR Part 92 are repayable when the housing no longer qualifies as affordable housing. Repayment shall be made as specified in 24 CFR Part 92. The Participating Jurisdiction agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58.

The Grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Universal Numbering System and System for Award Management (SAM) requirements in Appendix A to 2 CFR part 25, and the Federal Funding Accountability and Transparency Act (FFATA) in Appendix A to 2 CFR part 170.

The Period of Performance for the funding assistance shall begin on the date specified in item 12 and shall end on September 1st of the 5th fiscal year after the expiration of the period of availability for obligation. Funds remaining in the account will be cancelled and thereafter not available for obligation or expenditure for any purpose. Per 31 U.S.C. 1552. The grantee shall not incur any obligations to be paid with such assistance after the end of the Period of Performance.

13. For the U.S. Department of HUD (Name and Title of Authorized Official) William Vasquez, Director, Office of Community Planning and Development		14. Signature 	15. Date 08/22/2016
16. For the Participating Jurisdiction/Entity (Name and Title of Authorized Official) Jeffrey L. Stewart, City Manager		17. Signature 	18. Date 9/13/16

19. Check one:
 Initial Agreement Amendment #

20. Funding Information:

Source of Funds	Appropriation Code	PAS Code	Amount
FY 2016 (B)	866/90205	HMF	\$294,169