

CITY OF HUNTINGTON PARK

City Council Regular Meeting Agenda

Tuesday, December 20, 2022

6:00 p.m.
City Hall Council Chambers
6550 Miles Avenue, Huntington Park, CA 90255

Eduardo “Eddie” Martinez
Mayor

Marilyn Sanabria
Vice Mayor

Karina Macias
Council Member



Graciela Ortiz
Council Member

Arturo Flores
Council Member

All agenda items and reports are available for review in the City Clerk's Office and www.hpca.gov. Any writings or documents provided to a majority of the City Council regarding any item on this agenda (other than writings legally exempt from public disclosure) will be made available for public inspection in the Office of the City Clerk located at 6550 Miles Avenue, Huntington Park, California 90255 during regular business hours, 7:00 a.m. to 5:30 p.m., Monday – Thursday, and at the City Hall Council Chambers during the meeting.

Any person who requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may request such modification, accommodation, aid or service by contacting the City Clerk's Office either in person at 6550 Miles Avenue, Huntington Park, California or by telephone at (323) 584-6230. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**PLEASE SILENCE ALL CELL PHONES AND OTHER ELECTRONIC EQUIPMENT
WHILE COUNCIL IS IN SESSION. Thank you.**

PLEASE NOTE--The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Members of the City Council. Members of the City Council and the public are reminded that they must preserve order and decorum throughout the Meeting. In that regard, Members of the City Council and the public are advised that any delay or disruption in the proceedings or a refusal to obey the orders of the City Council or the presiding officer constitutes a violation of these rules.

- The conduct of City Council meetings is governed by the portion of the California Government Code commonly known as the "Brown Act" and by the Huntington Park City Council Meeting Rules of Procedure.
- The City Council meeting is for conducting the City's business, and members of the audience must obey the rules of decorum set forth by law. This means that each speaker will be permitted to speak for three minutes to address items that are listed on the City Council agenda or topics which are within the jurisdictional authority of the City.
- No profanity, personal attacks, booing, cheering, applauding or other conduct disruptive to the meeting will be permitted. Any person not adhering to the Rules of Procedure or conduct authorized by the Brown Act may be asked to leave the Council Chambers.
- All comments directed to the City Council or to any member of the City Council must be directed to the Mayor (or Chairperson if Mayor is absent).

We ask that you please respect the business nature of this meeting and the order required for the proceedings conducted in the Council Chambers.

PUBLIC COMMENT

Hybrid virtual/in-person meetings are held pursuant to AB361 because state and local officials are recommending measures to promote social distancing. If you would like to comment on any listed Agenda Items or Non-Agenda Items, please email the City Clerk's office at publiccomment@hpcg.gov or Esarmiento@hpcg.gov or by telephone, by calling (323) 584-6297, up to one (1) hour, prior to the start of the meeting. Public Comments will then be read during public comment and made part of the record. Below is the virtual link and toll free phone number to participate in the meeting.

JOIN VIRTUALLY AT:

<https://zoom.us/j/97897123169?pwd=NkhsNEFacUZCMmJyVFRkOFBsQXZMdz09>

OR PARTICIPATE BY PHONE AT:

- Toll Free: 669-900-9128,
- Meeting ID: 978 9712 3169, then #
- Password: 632516

*ATTENDEES WILL BE MUTED UNTIL THE PUBLIC PARTICIPATION PERIOD IS OPENED. If you are joining by phone, press *9 to be placed in the queue to speak and *6 to unmute your line. Comments from the public are limited to 3 minutes per speaker.*

In the interest of Public Health and Safety in order to minimize the spread of the COVID 19 virus, you are strongly encouraged to observe the City Council meetings on the City of Huntington Park's website at www.hpca.gov or virtually via the Zoom link provided above.

The City of Huntington Park thanks you in advance for your cooperation.

For both open and closed session, each speaker will be limited to three minutes per Huntington Park Municipal Code Section 2-1.207. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another. **This is the only opportunity for public input except for scheduled public hearing items.**

All comments or queries shall be addressed to the Council as a body and not to any specific member thereof. Pursuant to Government Code Section 54954.2(a)(2), the Ralph M. Brown Act, no action or discussion by the City Council shall be undertaken on any item not appearing on the posted agenda, except to briefly provide information, ask for clarification, provide direction to staff, or schedule a matter for a future meeting.

Additions/Deletions to Agenda

Items of business may be added to the agenda upon a motion adopted by a minimum two-thirds vote finding that there is a need to take immediate action and that the need for action came to the attention of the City or Agency subsequent to the agenda being posted. Items may be deleted from the agenda upon the request of staff or Council.

Important Notice

The City of Huntington Park shows replays of City Council Meetings on Local Access Channel 3 and over the Internet at www.hpca.gov. NOTE: Your attendance at this public meeting may result in the recording and broadcast of your image and/or voice.

CALL TO ORDER

ROLL CALL

Mayor Eduardo "Eddie" Martinez
Vice Mayor Marilyn Sanabria
Council Member Arturo Flores
Council Member Karina Macias
Council Member Graciela Ortiz

INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATION(S)

1. **RECOGNITION OF PACIFIC BLVD. EDUCATOR FOR THIRTY YEARS OF SERVICE**
2. **MAYORS HOLIDAY AWARD DECORATION WINNERS**

PUBLIC COMMENT

Hybrid virtual/in-person meetings are held pursuant to AB361 because state and local officials are recommending measures to promote social distancing, any emailed public comment will be read into the record at this time.

Pursuant to Government Code Section 54954.3(a) Members of the public will have an opportunity to address the City Council on items listed on this agenda. For items on this agenda each speaker will be limited to three minutes per Huntington Park Municipal Code Section 2-1.207. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another.

STAFF RESPONSE

RECESS TO CLOSED SESSION

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Construction Industry Force Account Council v. City of Huntington Park
Los Angeles Superior Court Case No. 20STCPO3947
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(4)
Consideration of initiation in one potential case
3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)

CLOSED SESSION ANNOUNCEMENT

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered routine and will be enacted by one motion. There will be no separate discussion of these items prior to the time the Council votes on the motion unless members of the Council, staff, or the public request specific items to be discussed and/or removed from the Consent Calendar for separate action.

OFFICE OF THE CITY CLERK

1. CITY COUNCIL MEETING MINUTES

RECOMMENDED THAT CITY COUNCIL:

Approve Minute(s) of the following City Council Meeting(s):

1-1.Regular City Council Meeting held December 06, 2022

2. CONSIDERATION AND APPROVAL OF A RESOLUTION AUTHORIZING THE CITY TO CONTINUE ITS TELECONFERENCED OPEN MEETINGS PURSUANT TO ASSEMBLY BILL 361

RECOMMENDED THAT CITY COUNCIL:

1. Adopt Resolution authorizing the City of Huntington Park to Conduct Teleconferenced Open Meetings in Accordance with Assembly Bill 361.

FINANCE

3. CHECK REGISTERS

RECOMMENDED THAT CITY COUNCIL:

1. Approve Accounts Payable and Payroll Warrant(s) dated December 20, 2022;

END OF CONSENT CALENDAR

REGULAR AGENDA

CITY MANAGER

4. RESOLUTION TO APPROVE COST OF LIVING ADJUSTMENT FOR NON-REPRESENTED EMPLOYEES

RECOMMENDED THAT CITY COUNCIL:

1. Adopt Resolution approving cost of living adjustment for Non-Represented employees.

POLICE DEPARTMENT

5. CONSIDERATION TO RENEW AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR SCHOOL CROSSING GUARD SERVICES AND ACCEPT INCREASE IN COST FOR FY 22-23 AND FY 23-24

RECOMMENDED THAT CITY COUNCIL:

1. Consider renewal of the crossing guard services agreement; and
2. Authorize the City Manager to finalize and execute the agreement.

6. APPROVAL OF RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS ASSOCIATED WITH THE Cal OES GRANT

RECOMMENDED THAT CITY COUNCIL:

1. Adopt a Resolution authorizing the City Manager as the signatory for the submittal, acceptance and execution of the FY 2022 Cal OES grant program application for the emergency; and

2. Authorize the City Manager to execute all documents relative to the Cal EOS Grant.

COMMUNITY DEVELOPMENT

7. CONSIDERATION AND APPROVAL TO PROVIDE A ONE (1) YEAR CONTRACT EXTENSION TO INFRASTRUCTURE ENGINEERS INC. FOR PROFESSIONAL ENGINEERING AND BUILDING AND SAFETY SERVICES

RECOMMENDED THAT CITY COUNCIL:

1. Authorize a one (1) year extension for professional engineering and building and safety services with Infrastructure Engineers Inc.;
2. Authorize the City Manager to execute the extension agreement.

8. CONSIDERATION AND APPROVAL OF GUIDELINES FOR THE EMERGENCY RENTAL ASSISTANCE PROGRAM FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT COVID (CDBG-CV) PROGRAM.

RECOMMENDED THAT CITY COUNCIL:

1. Approve the Emergency Rental Assistance Program (ERAP) Guidelines from the Community Development Block Grant COVID (CDBG-CV) funds.

9. CONSIDERATION AND ADOPTION OF THE CITY OF HUNTINGTON PARK'S CDBG AND HOME PROGRAM POLICIES AND PROCEDURES

RECOMMENDED THAT CITY COUNCIL:

1. Approve the Community Development Block Grant (CDBG) and Home Investment Partnership ACT (HOME Program) Policies and Procedures for the administration of the programs.

10. CONSIDERATION AND APPROVAL OF RESOLUTION APPROVING THE CALIFORNIA STATEWIDE COMMUNITIES' DEVELOPMENT AUTHORITY (CSCDA) OPEN PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM.

RECOMMENDED THAT CITY COUNCIL:

1. Adopt Resolution approving the following PACE programs and the associated Joint Powers Authority Agreements: California Statewide Communities Development Authority (CSCDA) Open PACE Program

11. CONSIDERATION AND AUTHORIZATION OF ASSIGNMENT OF CONTRACT FROM CR&R TO VALLEY VISTA SERVICES

RECOMMENDED THAT CITY COUNCIL:

1. Authorize the contract assignment from CR&R Inc. to Valley Vista Services for solid waste handling services; and
2. Authorize the City Manager to prepare and execute the assignment.

PUBLIC WORKS

12. CONSIDERATION AND APPROVAL TO ADOPT THE AS-BUILT STRIPING PLAN FOR THE EASTBOUND AND WESTBOUND SEGMENTS OF RANDOLPH STREET BETWEEN ALAMEDA STREET AND SANTA FE AVENUE

RECOMMENDED THAT CITY COUNCIL:

1. Approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act (CEQA); and
2. Approve the adoption of the As-built striping plan for the eastbound and westbound segments of Randolph Street between Alameda Street and Santa Fe Avenue.

13. CONSIDERATION AND APPROVAL OF AWARD OF A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF PLANS, SPECIFICATIONS, AND ESTIMATE OF CIP 2019-14 ATP CYCLE V PROJECT NO. ATPSB1L-5150(017)

RECOMMENDED THAT CITY COUNCIL:

1. Award the preparation of Plans, Specifications, and Estimate of CIP 2019-14 ATP Cycle V Project No. ATPSB1L-5150(017) to Infrastructure Engineers for a not-to-exceed amount of \$191,420; and
2. Allocate \$191,420 from the California Transportation Commission (CTC) into Account No. 202-8080-431.76-23 as City staff seeks reimbursement of state funds as work progresses; and
3. Authorize the City Manager to execute the professional services agreement.

END OF REGULAR AGENDA

PUBLIC HEARING

POLICE DEPARTMENT

14. CONSIDERATION AND APPROVAL OF A RESOLUTION APPROVING AMENDMENT TO THE CITY OF HUNTINGTON PARK MASTER FEE SCHEDULE ADOPTING FEES ASSOCIATED WITH PROCESSING CARRY CONCEALED WEAPON (CCW) PERMITS

RECOMMENDED THAT CITY COUNCIL:

1. Conduct a public hearing and receive testimony from the public.
2. Adopt a Resolution adopting fee amounts associated with processing Carry Concealed Weapon (CCW) Permits, as required by State law.

END OF PUBLIC HEARING

DEPARTMENTAL REPORTS (Information only)

WRITTEN COMMUNICATIONS

COUNCIL COMMUNICATIONS

Council Member Graciela Ortiz

Council Member Karina Macias

Council Member Arturo Flores

Vice Mayor Marilyn Sanabria

Mayor Eduardo “Eddie” Martinez

ADJOURNMENT

The City of Huntington Park City Council will adjourn to a Regular Meeting on Tuesday, January 3, 2023 at 6:00 P.M.

I, Eduardo Sarmiento, hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted at City of Huntington Park City Hall and made available at www.hpca.gov not less than 72 hours prior to the meeting. Dated this 15th day of December 2022.



Eduardo Sarmiento, City Clerk

ITEM NO. 1

MINUTES

Meeting of the
City of Huntington Park City Council
Tuesday, December 06, 2022

The City Council hybrid virtual/in-person meetings are held pursuant to AB361 because state and local officials are recommending measures to promote social distancing conducted this meeting in accordance with

The regular meeting of the City Council of the City of Huntington Park, California was called to order at 6:02 p.m. on Tuesday, December 06, 2022, in the Council Chambers at City Hall, 6550 Miles Avenue, Huntington Park, California; Mayor Eduardo "Eddie" Martinez presiding.

PRESENT: Councilmember(s): Graciela Ortiz, Karina Macias, Arturo Flores, Vice Mayor Sanabria, and Mayor Eduardo "Eddie" Martinez.

ABSENT: None

CITY OFFICIALS/STAFF: City Manager Ricardo Reyes; Cesar Roldan Director of Public Works; Raul Alvarez Assistant City Manager; Eduardo Sarmiento, City Clerk; Cosme Lozano Police Chief, John Balderas, Finance Manager; Steve Foster Director of Community Development; Sergio Infanzon Director of Communications; Araceli Almazan City Attorney, Cynthia Norzagaray Director of Parks & Recreation.

INVOCATION

Invocation was led by Mayor Martinez.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilmember Flores

PRESENTATION(S)

1. **PROCLAMATION PROCLAIMING NOVEMBER FAMILY COURT AWARENESS MONTH**
2. **INTRODUCTION OF HUNTINGTON PARK K9 ORI**
3. **CERTIFICATE OF RECOGNITION TO LOCAL BUSINESSES AND VOLUNTEERS FOR HALLOWEEN EVENT SPONSORSHIP**
4. **CERTIFICATE OF RECOGNITION TO LOS ANGELITOS BAKERY FOR THIRTY YEARS OF BUSINESS IN HUNTINGTON PARK**

PUBLIC COMMENTS

The following people provided public comment:

1. Mr. Baldomero
2. Ulises Alvarez
3. Jacqueline Lacayo
4. Felix (CW Displays Inc.)

STAFF RESPONSE

City Manager Ricardo Reyes directed Steve Forster, Director of Community Development, to assist the gentlemen in relation to rental increase questions. He also shared that the city has a Historic Preservation Commission and encouraged anyone interested to apply. He then stated that the city is working closely with the Police Department to address the parking issues in the city. In closing the City Manager requested that item eleven (11) be pulled from the agenda if Council has no objection.

Police Chief Lozano added to the City Managers comments related to the public comment regarding parking, indicating that the location in question had a temporary no parking due to the food distribution that takes place once a month on Saturday at Gage Middle School. The Chief stated that he will work with the resident to mitigate the financial impact of that incident. He then addressed the patrolling and community safety public comment. He stated that the Police Department is always looking for innovative and thoughtful ways to improve services. Currently the Police Department is discussing options with the City Manager and Council on the possibility of expanding the Public Safety Officers program to assist with community patrolling needs. He closed by addressing the public comment related to customer service at the front counter of the Police Department. He stated that the camera footage would be reviewed to ensure community members get the help they need.

Councilmember Ortiz added to Chief Lozano's comments, explaining how the defunding of School Police has directly affected the Huntington Park Police Department. She emphasized that the Huntington Park has 32 schools within its boundaries and Huntington Park Police has had to bear the brunt of providing support to those schools who no longer have school police due to defunding. She then asked Chief Lozano to expand on how the defunding of school police has not only Huntington Park Police, but also affected other local police departments.

Chief Lozano concurred with Councilmember Ortiz and shared how the police department is assisting with local school matters at a higher rate due to the removal of school police.

Community Development Director Steve Forster added to the comments made regarding the fire at Miles and Soto. He shared that code enforcement has an active case regarding that business and has met with the property manager. A meeting has been requested with the property owner. He added that an arson investigation was conducted and on December 15th a remediation and clean up is due to address concerns. If a plan is not submitted the city will proceed with securing an abatement warrant to proceed with next steps.

CLOSED SESSION

City Attorney Araceli Almazan stated that it is appropriate to recess to closed session. Mayor Martinez recessed into closed session at 7:00 p.m.

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Construction Industry Force Account Council v. City of Huntington Park

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(4)
Consideration of initiation in one potential case
3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)

Mayor Martinez reconvened the Council meeting from Closed Session at 7:41 p.m.

CLOSED SESSION ANNOUNCEMENT

City Attorney Almazan reported that the record should reflect that with all five Councilmembers present the three (3) items listed on the closed session agenda were discussed. Council was briefed and no final action was taken. This concluded the closed session report.

CONSENT CALENDAR

OFFICE OF THE CITY CLERK

Prior to a motion Councilmember Flores stepped away from the dais.

MOTION: Vice Mayor Sanabria moved to approve the consent calendar, seconded by Councilmember Macias. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Macias, Flores, Vice Mayor Sanabria, and Mayor Martinez

NOES: None

1. CITY COUNCIL MEETING MINUTES

Approve Minute(s) of the following City Council Meeting(s):
1-1 Regular City Council Meeting held November 15, 2022

FINANCE

2. CHECK REGISTERS

Approve Accounts Payable and Payroll Warrant(s) dated December 06, 2022

PUBLIC WORKS

3. **SECOND READING OF ORDINANCE NO. 2022-03 AMENDING ARTICLE 4 “MANDATORY WATER CONSERVATION” IN CHAPTER 5 “WATER SYSTEM” AT TITLE 6 “SANITATION AND HEALTH” OF THE HUNTINGTON PARK MUNICIPAL CODE**

RECOMMENDED THAT CITY COUNCIL:

1. Waive the full second reading and adopt by title Ordinance No. 2022-03

4. SECOND READING OF THE CITY OF HUNTINGTON ORDINANCE 2022-02 AMENDING ORDINANCE 2016-952 AND ESTABLISHING A RESOLUTION FOR FEES ASSOCIATED WITH RECREATIONAL MARIJUANA LICENSES

1. Waive full second reading and adopt by title Ordinance 2022-02 amending Ordinance 2016-952.

END OF CONSENT CALENDAR

REGULAR AGENDA

POLIC DEPARTMENT

5. CONSIDERATION AND APPROVAL TO PURCHASE AN AUTOMATED LICENSE PLATE READER (ALPR) CAMERA SYSTEM WITH YEAR 2020 STATE HOMELAND SECURITY PROGRAM (SHSP) GRANT FUNDS

Prior to item five (5) beginning, Councilmember Macias and Mayor Martinez recused themselves from the item. Vice Mayor Marilyn Sanabria chaired the meeting while item five was discussed and deliberated on by the remaining Councilmembers.

MOTION: Vice Mayor Sanabria moved to authorize the requisition of State Homeland Security Program (SHSP) grant funds from account number 230-7134-421.74-10, for the purchase of an Automated License Plate Recognition (ALPR) camera system in the amount of \$157,319.34; and approve the purchase of eleven (11) ALPR cameras, associated hardware, warranty, and hosted software service from the most responsible bidder; Motorola Solutions, LLC (formerly Vigilant Solutions), to be installed at nine (9) intersections throughout the City; and authorize the City Manager to enter into an agreement with Motorola Solutions to purchase the hardware, software and service necessary to install, operate and maintain the ALPR system; and authorize the Chief of Police to oversee the installation of the ALPR system, complete the project, and operate the system; and provide an opportunity for public comment pursuant to California Civil Code 1798.90.55, seconded by Councilmember Macias. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Flores, and Vice Mayor Sanabria

NOES: None

RECUSED: Councilmembers Macias and Mayor Martinez.

At the conclusion of item five (5) Councilmember Macias and Mayor Martinez rejoined the meeting.

PARKS AND RECREATION

6. CONSIDERATION AND APPROVAL OF BUDGET APPROPRIATION AND EXPENDITURES IN 2022-2023 FISCAL YEAR BUDGET FOR THE CITY OF HUNTINGTON PARK'S COMMUNITY TOY DISTRIBUTION

MOTION: Vice Mayor Sanabria moved to approve a budget appropriation to provide community toys & services for the City of Huntington Park's Toy Distribution in 2022-2023 Fiscal Year Budget; and authorize the City Manager to budget \$25,000 in the 2022-2023 Fiscal Year budget, seconded by Councilmember Flores. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Macias, Flores Vice Mayor Sanabria, and Mayor Martinez

NOES: None

PUBLIC WORKS

7. CONSIDERATION AND APPROVAL TO ADVERTISE AND SOLICIT BIDS FOR CIP 2022-01 SB1 SLURRY SEAL PROJECT FY 2022-23

MOTION: Vice Mayor Sanabria moved to approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act (CEQA); and approve CIP 2022-01 SB1 Slurry Seal Project FY 2022-23 contract specifications for bidding purposes; and authorize staff to proceed with bid advertisement for construction, seconded by Councilmember Ortiz. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Macias, Flores, Vice Mayor Sanabria, and Mayor Martinez

NOES: None

8. RESOLUTION AUTHORIZING THE CITY MANAGER AS THE CITY'S DESIGNEE TO EXECUTE THE SAFE CLEAN WATER PROGRAM FUNDING TRANSFER AGREEMENT

MOTION: Councilmember Flores moved to adopt Resolution designating the City Manager as the designee to sign and execute the Safe Clean Water Program Funding Transfer Agreement, seconded by Vice Mayor Sanabria.

AYES: Council Member(s): Ortiz, Macias, Flores, Vice Mayor Sanabria, and Mayor Martinez

NOES: None

9. RESOLUTION AUTHORIZING THE CITY MANAGER AS THE CITY'S DESIGNEE TO EXECUTE ALL DOCUMENTS ASSOCIATED WITH THE SUBMITTAL OF THE 2022 URBAN COMMUNITY DROUGHT RELIEF GRANT PROGRAM APPLICATION

MOTION: Vice Mayor Sanabria moved to adopt Resolution designating the City Manager to sign and execute all documents associated with the submittal of

the 2022 Urban Community Drought Relief Grant Program application, seconded by Councilmember Macias. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Macias, Flores, Vice Mayor Sanabria, and Mayor Martinez

NOES: None

CITY CLERK

10. REAPPOINTMENT OR APPOINTMENT OF CITY COUNCIL MEMBER TO THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT BOARD OF TRUSTEES

MOTION: Councilmember Ortiz moved to reappoint Vice Mayor Sanabria to the Los Angeles County Vector Control District Board of Trustees for a four (4) year term, seconded by Councilmember Macias. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Macias, Flores, Vice Mayor Sanabria, and Mayor Martinez

NOES: None

CITY MANAGER

11. CONSIDERATION AND POSSIBLE APPROVAL OF COMPENSATION PLAN AND PERSONNEL RULES FOR NON-REPRESENTED EMPLOYEES

Item eleven (11) was pulled by the City Manager.

PUBLIC WORKS

12. CONSIDERATION AND APPROVAL OF INTERIM FINANCE DIRECTOR AGREEMENT

MOTION: Vice Mayor Sanabria moved to approve the Resolution authorizing an agreement with MuniTemps to provide temporary Interim Finance Director staffing services; and approve and appropriation in the amount of \$135,000 from account # 111-0220-411.32-70 for temporary Interim Finance Director staffing services; and authorize the Mayor to execute the Resolution for temporary Interim Finance Director staffing services, seconded by Councilmember Flores. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Macias, Flores, Vice Mayor Sanabria, and Mayor Martinez

NOES: None

COMMUNITY DEVELOPMENT

13. CONSIDERATION AND APPROVAL OF PROFESSIONAL SERVICE

AGREEMENT (PSA) TO PROVIDE ENVIRONMENTAL AND GEOTECHNICAL SERVICES IN SUPPORT OF THE EQUITABLE COMMUNITY REVITALIZATION GRANT (ECRG) PROGRAM FOR THE COMMUNITY WIDE ASSESMENT (CWA) COMPONENT.

MOTION: Vice Mayor Sanabria moved to approve a Professional Service Agreement (PSA) with Geosyntec Consultants, Inc. (Geosyntec) to provide environmental and geotechnical services in support of the Equitable Community Revitalization Grant (ECRG) Program for the Community Wide Assessment (CWA) component; and appropriate the amount of \$290,000 from the ECRG-CWA Grant approved by the California Environmental Protection Agency's Department of Substance Control's Office of Brownfields (DTSC), and up to \$290,000 is to be reimbursed to the City by the DTSC; and authorize the City Manager to execute the Professional Service Agreement, seconded by Councilmember Macias. Motion carried by unanimous consent.

AYES: Council Member(s): Ortiz, Macias, Flores, Vice Mayor Sanabria, and Mayor Martinez

NOES: None

END OF REGULAR AGENDA

DEPARTMENTAL REPORTS

Ms. Norzagaray, Director of Parks and Recreation thanked City Council, staff, and volunteers who participated in the tree lighting event at Keller Park. She then provided information on upcoming city events like the toy distribution at Salt Lake Park and encouraged everyone to participate.

Mr. Infanzon, Director of Communications provided an update on upcoming city events and giveaways for the Holidays and encouraged everyone to visit the city website and read the Huntington Park newsletter for additional information.

WRITTEN COMMUNICATIONS

None

COUNCIL COMMUNICATIONS

Councilmember Ortiz began by thanking the Parks and Recreation department for the great tree lighting event at Keller Park. She then mentioned Huntington Parks toy giveaway on Saturday December 10th and 17th, 2022 at Salt Lake Park. She also encouraged everyone to come out this weekend to enjoy the holiday parade on Pacific Blvd.

Councilmember Macias thanked staff for all their hard work. She echoed Councilmember Ortiz comments regarding the tree lighting event and how well it was attended. She then shared information about the holiday lane at Salt Lake Park on December 18th, 19th, and 20th from 5:30pm to 9:00pm. She also encouraged everyone to come out and enjoy the holiday parade.

Councilmember Flores began by sharing his excitement about the holiday parade. He also thanked staff for the tree lighting event that was very well attended. He also suggested Parks and Recreation investigate adding more musical performances to the event in the future. He then welcomed the new Public Works manager Ricardo Ramirez.

Vice Mayor Sanabria began by echoing her colleague's comments related to the tree lighting event at Keller Park. She then requested staff add the holiday lane information to the city's social media to get the word out. She closed by thanking her fellow councilmembers for her re-appointment to the Vector Control Board.

Mayor Martinez began by thanking staff for keeping everyone safe. He also thanked staff for the excellent tree lighting event and shared his excitement for the upcoming holiday parade. He closed by emphasizing the need to address the vacancies on the commissions and reviewing participation of current commissioners to ensure active members.

Vice Mayor suggested another social media post advising residents of the vacancies on the commissions to encourage interested individuals to apply.

ADJOURNMENT

Mayor Martinez adjourned the meeting at 8:10 p.m. The next City of Huntington Park City Council meeting will be held on Tuesday December 20, 2022 at 6:00 pm

Respectfully submitted



Eduardo Sarmiento, City Clerk

ITEM NO. 2



CITY OF HUNTINGTON PARK

City Clerk's Office
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL OF A RESOLUTION AUTHORIZING THE CITY TO CONTINUE ITS TELECONFERENCED OPEN MEETINGS PURSUANT TO ASSEMBLY BILL 361

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Adopt a Resolution to Authorize the City of Huntington Park to Conduct Teleconferenced Open Meetings in Accordance with Assembly Bill 361.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this resolution is to clarify that cities may continue to meet remotely in accordance with the procedures outlined by previous executive orders issued. Assembly Bill (AB) 361 allows cities to continue to meet remotely during gubernatorial states of emergency under modified Brown Act provisions. The provisions enacted in AB 361 providing flexibility to meet remotely during a proclaimed emergency ***will sunset on January 1, 2024.***

AB 361 amends Government Code § 54953 to provide more clarity on the Brown Act's rules and restrictions surrounding the use of teleconferencing to conduct meetings. AB 361 provides relief from teleconferencing requirements, including the obligation to post meeting agendas at all teleconference locations for local agencies. However, the meeting must still be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Meaning, although local agencies are relieved from this obligation, local agencies should endeavor to post meeting agendas at all usual locations where it remains feasible to do so.

Additionally, AB 361 clarifies on the following:

(A) State of Emergency: Teleconferencing will be Allowed as long as There is an Active Gubernatorial State of Emergency

ADOPT RESOLUTION AUTHORIZING THE CITY TO IMPLEMENT TELECONFERENCED OPEN MEETINGS PURSUANT TO ASSEMBLY BILL 361

December 20, 2022

Page 2 of 2

The bill amends the Brown Act to allow local agencies to continue using teleconferencing and virtual meeting technology ***as long as there is a gubernatorial “proclaimed state of emergency.”*** It is not sufficient that county and/or city officials have issued a local emergency declaration – the emergency declaration must be one that is made pursuant to the California Emergency Services Act (Gov’t Code § 8625).

(B) Public Participation and Public Comment

(1) Local agencies must ensure that the opportunity for the public to participate in a meeting remains as accessible as possible

This means that local agencies cannot discriminate against members of the public participating either remotely or in-person. For instance, local agencies must clearly advertise how members of the public can observe a public meeting or offer comment during a meeting remotely, via either a call-in or internet-based option. Additionally, local agencies are required to provide the remote access information which includes the URL, email addresses, phone numbers, etc. Any of the information related to participation must be included in the relevant meeting notice(s) and meeting agenda(s).

(2) Legislative Bodies must offer the public a chance to comment in real time and until comment period is closed

Additionally, AB 361 requires a public comment period where the public can address the legislative body directly. It expressly prohibits the board from limiting public comments to only comments submitted in advance. Additionally, the legislative body must allow for public comment (written and/or remote) up until the public comment period is closed at the meetings. Until such time during a meeting that the chairperson (or other authorized person) calls for a close to the public comment period, members of the public are allowed to submit their public comments directly or indirectly, orally, written, or otherwise. An individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body that requires registration to log in to a teleconference, may be required to register as required by the third-party internet website or online platform to participate.

(C) Technical Issues

As discussed above, the agenda must include information on the way the public may access the meeting and provide comments remotely. ***If technical problems arise that result in the public’s access being disrupted, the local agency may not take any vote or other official action until the technical disruption is corrected and public access is restored.*** (Gov’t Code § 54953(e)(2)(D).)

(D) Local agency must make findings every 30 days by majority vote to continue exemptions to teleconferencing rules

A local agency acting under the teleconference exemptions ***must make findings about whether the circumstances explained above still apply.*** Specifically, when there is a

**ADOPT RESOLUTION AUTHORIZING THE CITY TO IMPLEMENT
TELECONFERENCED OPEN MEETINGS PURSUANT TO ASSEMBLY BILL 361**

December 20, 2022

Page 2 of 2

continuing state of emergency, or when state or local officials have imposed or recommended measures to promote social distancing, AB 361 requires a legislative body to make ***specified findings*** not later than 30 days after the first teleconferenced meeting pursuant to these provisions, and ***to make those findings every 30 days thereafter***, in order to continue to meet under these abbreviated teleconferencing procedures pursuant to AB 361.

As a result, it is recommended that a resolution be considered by City Council to make said findings (i.e., The legislative body has reconsidered the circumstances of the state of emergency; AND, Any of the following circumstances exist: (i) The state of emergency continues to directly impact the ability of the members to meet safely in person; and/or (ii) State or local officials continue to impose or recommend measures to promote social distancing), consistent with AB 361, and reconsider said resolution every 30 days thereafter by a majority vote, should the City desire to move in that direction.

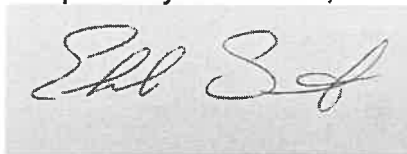
FISCAL IMPACT/FINANCING

There is no fiscal impact with this action.

CONCLUSION

The goal of AB 361 is "to improve and enhance public access to local agency meetings during the Covid-19 pandemic and future applicable state of emergencies, by allowing wider access through conducting teleconferencing meetings consistent with Executive Order N-29-20. In accordance, the City Attorney's Office has prepared a Resolution for City Council's consideration that would authorize the City to conduct teleconferenced public meetings in accordance to AB 361. Upon Council approval, we will proceed with the recommended actions.

Respectfully submitted,



EDUARDO SARMIENTO
City Clerk

ARNOLD M. ALVAREZ-GLASMAN
City Attorney

ATTACHMENT(S)

- A. Resolution Authorizing the City to Implement Teleconferenced Open Meetings Pursuant to Assembly Bill 361
- B. Full Text of Assembly Bill 361

**ADOPT RESOLUTION AUTHORIZING THE CITY TO IMPLEMENT
TELECONFERENCED OPEN MEETINGS PURSUANT TO ASSEMBLY BILL 361**

December 20, 2022

Page 2 of 2

ATTACHMENT "A"

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WHEREAS, City of Huntington Park values and places the highest priority on public safety and protecting its community; and

WHEREAS, the City Council of the City of Huntington Park continues to respond to the spread of coronavirus disease, and now hereby finds that international, national, state, and local health and governmental authorities are continuing to respond to an outbreak of said respiratory disease caused by a novel coronavirus, also known and abbreviated as COVID-19, ("COVID-19"); and

WHEREAS, the City of Huntington Park remains vigilant with federal, state, and county official updates related to COVID-19 because information, orders, and directives continue to change; and

WHEREAS, Chapter 4-4.06, et seq. of the Huntington Park Municipal Code authorizes the City Council to proclaim the existence or threatened existence of a local emergency, and further authorizes the Director of Emergency Services with enumerated powers when the Governor or County has declared a state of emergency, which has been the case as discussed hereinabove as it relates to COVID-19; and

WHEREAS, the City of Huntington Park is committed to preserving and nurturing public access and participation in meetings of City Council; and

WHEREAS, all meetings of the City of Huntington Park's City Council are open and public, as required by the Ralph M. Brown Act (Gov't Code § 54950 – 54963), so that any member of the public may attend, participate, and watch the City's Council conduct their business; and

WHEREAS, the Brown Act, Government Code § 54953(e), makes provisions for remote teleconferencing participation in meetings by members of local agencies, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which suspended and modified the teleconferencing requirements under the Brown Act (Gov't. Code § 54950 et seq.) so that local agencies can hold public meetings via teleconferences (with audio or video communications, without a physical meeting location), as long as the meeting agenda identifies the teleconferencing procedures to be used; and

WHEREAS, on June 11, 2021, the Governor issued Executive Order N-08-21, which extended the provision of N-29-20 concerning the conduct of public meetings through September 30, 2021; and

1 **WHEREAS**, California Assembly Bill 361 was signed into law on September 16,
2 2021 and amended Government Code Section 54953; and

3 **WHEREAS**, Assembly Bill 361 has several requirements to ensure the public can
4 view and make public comments during the teleconferenced open meetings, including:

- 5 • To provide notice of how members of the public may access the meeting
6 and offer public comments, including the chance for all persons to attend
7 the meeting via a call-in or internet-based service option;
- 8 • The City Council cannot take further action on agenda items when there is
9 a disruption which prevents the public agency from broadcasting the
10 meeting, or in the event of a disruption within the City Council's control
11 which prevents members of the public from offering public comments, until
12 public access is restored;
- 13 • Prohibiting City Council from requiring public comments to be submitted in
14 advance of the meeting and would specify that the City Council must
15 provide an opportunity for the public to address the City Council and offer
16 comments in real time;
- 17 • Prohibiting City Council from closing the public comment period until the
18 public comment period has elapsed or until a reasonable amount of time
19 has elapsed; and

20 **WHEREAS**, Government Code Section 54953(e)(3)(A-B) permits public
21 meetings by teleconference but requires agendas be posted at all teleconference
22 locations, each teleconference location shall be identified in the notice and agenda of
23 the meeting or proceeding, and each teleconference location shall be accessible to
24 the public; and

25 **WHEREAS**, Government Code Section 54953(b)(3) provides an alternative to
26 having public meetings in accordance with Government Code Section 54953(b)(3) when
27 City Council has reconsidered the circumstances of the COVID-19 state of emergency
28 and that the following circumstances exists;

- 1 1. The state of emergency as a result of COVID-19 continues to directly impact
2 the ability of the members of City Council and the members of the City's
3 subordinate Committees, Commissions, and Boards to meet safely in
4 person; and
- 5 2. The State of California and the City of Huntington Park continue to impose or
6 recommend measures to promote social distancing

7 **WHEREAS**, the City of Huntington Park continues to impose or recommend
8 measures to promote social distancing, which includes, but is not limited to:

- 9 1. For the safety of everyone and due to COVID-19, not allowing the public to
10 attend City Council meetings in person.
- 11 2. Posting COVID-19 safety measures.

12 **WHEREAS**, the proposed action is exempt from the requirements of the California
13 Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section

1 15378(b)(5), in that adopting a Resolution authorizing the City Manager to conduct
2 teleconferenced public meetings for all City's Committees, Commissions, and Boards,
3 does not meet CEQA's definition of a "project", because the action does not have the
4 potential for resulting in either a direct physical change in the environment or a reasonably
5 foreseeable indirect physical change in the environment, and because the action
6 constitutes organizational or administrative activities of governments that will not result in
direct or indirect physical changes in the environment and is exempt pursuant to Section
15269(c) of the CEQA Guidelines, as specific actions necessary to prevent or mitigate an
emergency; and

7 **WHEREAS**, the City Council has considered all information related to this
8 matter, as presented at the public meetings of the City Council identified herein;

9 **WHEREAS**, the City Council finds it is in the best interest of the City to
10 implement teleconferenced open meetings pursuant to Assembly Bill 361; and

11 **WHEREAS**, the Huntington Park City Council have determined that the provisions
12 contained herein are necessary for the preservation of the public health and safety;

13 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HUNTINGTON
14 PARK DOES HEREBY RESOLVE AS FOLLOWS:**

15 **SECTION 1.** The City of Huntington Park shall charge the fee amount specified
16 in Exhibit A – Proposed Fee Changes to the Master Fee Schedule for Fiscal Year
2018-19, attached hereto and incorporated herein by this reference, for each itemized
service listed herein.

17 **SECTION 2.** That based on the City's powers, City Council may at its sole and
18 absolute discretion, establish by resolution to authorize the City to conduct
teleconferenced open meetings pursuant to Assembly Bill 361; and

19 **SECTION 3.** That the City Council of the City of Huntington Park has reconsidered
20 the circumstances of COVID-19 state of emergency and that the following circumstances
continue to exist:

- 21 • The state of emergency as a result of COVID-19 continues to directly impact
22 the ability of the members of City Council and the City's subordinate
Committees, Commissions, and Boards to meet safely in person; and
- 23 • The State of California and the City of Huntington Park continue to impose
24 or recommend measures to promote social distancing.

25 **SECTION 4.** Adoption of this Resolution declares and affirms that the City Council
26 of the City of Huntington Park authorizes that public meetings be teleconferenced in
accordance to the provisions within AB 361.

27 **SECTION 5.** It is hereby proclaimed and ordered that during the existence of said
28 local emergency, the powers, functions, and duties of the emergency organization of the
City shall be as prescribed by federal, state, and county law, as well as the laws,
ordinances and resolutions of the City of Huntington Park.

SECTION 6. If any section, subsection, paragraph, sentence, clause, phrase, or portion thereof, of this Resolution is declared by a court of competent jurisdiction to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council declares that it would have adopted this Resolution, and each section, subsection, paragraph, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, paragraphs, sentences, clauses, phrases, or portions thereof, be declared invalid or unconstitutional. To this end, the provisions of this Resolution are declared to be severable.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions and is directed to transmit a certified copy of this Resolution to the Board of Supervisors and the County Clerk of the County of Los Angeles.

PASSED, APPROVED AND ADOPTED this 20th day of December 2022.

Eduardo Martinez,
Mayor

ATTEST:

Eduardo Sarmiento,
City Clerk

ATTACHMENT "B"

Assembly Bill No. 361

CHAPTER 165

An act to add and repeal Section 89305.6 of the Education Code, and to amend, repeal, and add Section 54953 of, and to add and repeal Section 11133 of, the Government Code, relating to open meetings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 16, 2021. Filed with
Secretary of State September 16, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 361, Robert Rivas. Open meetings: state and local agencies: teleconferences.

(1) Existing law, the Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding the timelines for posting an agenda and providing for the ability of the public to directly address the legislative body on any item of interest to the public. The act generally requires all regular and special meetings of the legislative body be held within the boundaries of the territory over which the local agency exercises jurisdiction, subject to certain exceptions. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. The act authorizes the district attorney or any interested person, subject to certain provisions, to commence an action by mandamus or injunction for the purpose of obtaining a judicial determination that specified actions taken by a legislative body are null and void.

Existing law, the California Emergency Services Act, authorizes the Governor, or the Director of Emergency Services when the governor is inaccessible, to proclaim a state of emergency under specified circumstances.

Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that notice and accessibility requirements are met, the public members are allowed to observe and address the legislative body at the meeting, and that a legislative body of a local agency has a procedure for receiving and swiftly

resolving requests for reasonable accommodation for individuals with disabilities, as specified.

This bill, until January 1, 2024, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.

This bill would require legislative bodies that hold teleconferenced meetings under these abbreviated teleconferencing procedures to give notice of the meeting and post agendas, as described, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment, including an opportunity for all persons to attend via a call-in option or an internet-based service option, and to conduct the meeting in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body. The bill would require the legislative body to take no further action on agenda items when there is a disruption which prevents the public agency from broadcasting the meeting, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments, until public access is restored. The bill would specify that actions taken during the disruption are subject to challenge proceedings, as specified.

This bill would prohibit the legislative body from requiring public comments to be submitted in advance of the meeting and would specify that the legislative body must provide an opportunity for the public to address the legislative body and offer comment in real time. The bill would prohibit the legislative body from closing the public comment period and the opportunity to register to provide public comment, until the public comment period has elapsed or until a reasonable amount of time has elapsed, as specified. When there is a continuing state of emergency, or when state or local officials have imposed or recommended measures to promote social distancing, the bill would require a legislative body to make specified findings not later than 30 days after the first teleconferenced meeting pursuant to these provisions, and to make those findings every 30 days thereafter, in order to continue to meet under these abbreviated teleconferencing procedures.

Existing law prohibits a legislative body from requiring, as a condition to attend a meeting, a person to register the person's name, or to provide other information, or to fulfill any condition precedent to the person's attendance.

This bill would exclude from that prohibition, a registration requirement imposed by a third-party internet website or other online platform not under the control of the legislative body.

(2) Existing law, the Bagley-Keene Open Meeting Act, requires, with specified exceptions, that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body. The act requires at least one member of the state body to be physically present at the location specified in the notice of the meeting.

The Governor's Executive Order No. N-29-20 suspends the requirements of the Bagley-Keene Open Meeting Act for teleconferencing during the COVID-19 pandemic, provided that notice and accessibility requirements are met, the public members are allowed to observe and address the state body at the meeting, and that a state body has a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified.

This bill, until January 31, 2022, would authorize, subject to specified notice and accessibility requirements, a state body to hold public meetings through teleconferencing and to make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the state body. With respect to a state body holding a public meeting pursuant to these provisions, the bill would suspend certain requirements of existing law, including the requirements that each teleconference location be accessible to the public and that members of the public be able to address the state body at each teleconference location. Under the bill, a state body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically would satisfy any requirement that the state body allow members of the public to attend the meeting and offer public comment. The bill would require that each state body that holds a meeting through teleconferencing provide notice of the meeting, and post the agenda, as provided. The bill would urge state bodies utilizing these teleconferencing procedures in the bill to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to existing law, as provided.

(3) Existing law establishes the various campuses of the California State University under the administration of the Trustees of the California State University, and authorizes the establishment of student body organizations in connection with the operations of California State University campuses.

The Gloria Romero Open Meetings Act of 2000 generally requires a legislative body, as defined, of a student body organization to conduct its business in a meeting that is open and public. The act authorizes the legislative body to use teleconferencing, as defined, for the benefit of the public and the legislative body in connection with any meeting or proceeding authorized by law.

This bill, until January 31, 2022, would authorize, subject to specified notice and accessibility requirements, a legislative body, as defined for purposes of the act, to hold public meetings through teleconferencing and

to make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the legislative body. With respect to a legislative body holding a public meeting pursuant to these provisions, the bill would suspend certain requirements of existing law, including the requirements that each teleconference location be accessible to the public and that members of the public be able to address the legislative body at each teleconference location. Under the bill, a legislative body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically would satisfy any requirement that the legislative body allow members of the public to attend the meeting and offer public comment. The bill would require that each legislative body that holds a meeting through teleconferencing provide notice of the meeting, and post the agenda, as provided. The bill would urge legislative bodies utilizing these teleconferencing procedures in the bill to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to existing law, as provided.

(4) This bill would declare the Legislature's intent, consistent with the Governor's Executive Order No. N-29-20, to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future emergencies by allowing broader access through teleconferencing options.

(5) This bill would incorporate additional changes to Section 54953 of the Government Code proposed by AB 339 to be operative only if this bill and AB 339 are enacted and this bill is enacted last.

(6) The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

(7) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 89305.6 is added to the Education Code, to read:
89305.6. (a) Notwithstanding any other provision of this article, and subject to the notice and accessibility requirements in subdivisions (d) and (e), a legislative body may hold public meetings through teleconferencing

and make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the legislative body.

(b) (1) For a legislative body holding a public meeting through teleconferencing pursuant to this section, all requirements in this article requiring the physical presence of members, the clerk or other personnel of the legislative body, or the public, as a condition of participation in or quorum for a public meeting, are hereby suspended.

(2) For a legislative body holding a public meeting through teleconferencing pursuant to this section, all of the following requirements in this article are suspended:

(A) Each teleconference location from which a member will be participating in a public meeting or proceeding be identified in the notice and agenda of the public meeting or proceeding.

(B) Each teleconference location be accessible to the public.

(C) Members of the public may address the legislative body at each teleconference conference location.

(D) Post agendas at all teleconference locations.

(E) At least one member of the legislative body be physically present at the location specified in the notice of the meeting.

(c) A legislative body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements in subdivisions (d) and (e), shall have satisfied any requirement that the legislative body allow members of the public to attend the meeting and offer public comment. A legislative body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

(d) If a legislative body holds a meeting through teleconferencing pursuant to this section and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the legislative body shall also do both of the following:

(1) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and resolving any doubt whatsoever in favor of accessibility.

(2) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to paragraph (2) of subdivision (e).

(e) Except to the extent this section provides otherwise, each legislative body that holds a meeting through teleconferencing pursuant to this section shall do both of the following:

(1) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by this article, and using the means otherwise prescribed by this article, as applicable.

(2) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in the means of public observation and comment, or any instance prior to the effective date of this section in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of the means of public observation and comment, a legislative body may satisfy this requirement by advertising the means of public observation and comment using the most rapid means of communication available at the time. Advertising the means of public observation and comment using the most rapid means of communication available at the time shall include, but need not be limited to, posting such means on the legislative body's internet website.

(f) All legislative bodies utilizing the teleconferencing procedures in this section are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the otherwise applicable provisions of this article, in order to maximize transparency and provide the public access to legislative body meetings.

(g) This section shall remain in effect only until January 31, 2022, and as of that date is repealed.

SEC. 2. Section 11133 is added to the Government Code, to read:

11133. (a) Notwithstanding any other provision of this article, and subject to the notice and accessibility requirements in subdivisions (d) and (e), a state body may hold public meetings through teleconferencing and make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the state body.

(b) (1) For a state body holding a public meeting through teleconferencing pursuant to this section, all requirements in this article requiring the physical presence of members, the clerk or other personnel of the state body, or the public, as a condition of participation in or quorum for a public meeting, are hereby suspended.

(2) For a state body holding a public meeting through teleconferencing pursuant to this section, all of the following requirements in this article are suspended:

(A) Each teleconference location from which a member will be participating in a public meeting or proceeding be identified in the notice and agenda of the public meeting or proceeding.

(B) Each teleconference location be accessible to the public.

(C) Members of the public may address the state body at each teleconference conference location.

(D) Post agendas at all teleconference locations.

(E) At least one member of the state body be physically present at the location specified in the notice of the meeting.

(c) A state body that holds a meeting through teleconferencing and allows members of the public to observe and address the meeting telephonically

or otherwise electronically, consistent with the notice and accessibility requirements in subdivisions (d) and (e), shall have satisfied any requirement that the state body allow members of the public to attend the meeting and offer public comment. A state body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

(d) If a state body holds a meeting through teleconferencing pursuant to this section and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the state body shall also do both of the following:

(1) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and resolving any doubt whatsoever in favor of accessibility.

(2) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to paragraph (2) of subdivision (e).

(e) Except to the extent this section provides otherwise, each state body that holds a meeting through teleconferencing pursuant to this section shall do both of the following:

(1) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by this article, and using the means otherwise prescribed by this article, as applicable.

(2) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in the means of public observation and comment, or any instance prior to the effective date of this section in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of the means of public observation and comment, a state body may satisfy this requirement by advertising the means of public observation and comment using the most rapid means of communication available at the time. Advertising the means of public observation and comment using the most rapid means of communication available at the time shall include, but need not be limited to, posting such means on the state body's internet website.

(f) All state bodies utilizing the teleconferencing procedures in this section are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the otherwise applicable provisions of this article, in order to maximize transparency and provide the public access to state body meetings.

(g) This section shall remain in effect only until January 31, 2022, and as of that date is repealed.

SEC. 3. Section 54953 of the Government Code is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 3.1. Section 54953 of the Government Code is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency in person, except as otherwise provided in this chapter. Local agencies shall conduct meetings subject to this chapter consistent with applicable state and federal civil rights laws, including, but not limited to, any applicable language access and other nondiscrimination obligations.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body

shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter

2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3. In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for

the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, “state of emergency” means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(f) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 4. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting

of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting,

members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2024.

SEC. 4.1. Section 54953 is added to the Government Code, to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, in person except as otherwise provided in this chapter. Local agencies shall conduct meetings subject to this chapter consistent with applicable state and federal civil rights laws, including, but not limited to, any applicable language access and other nondiscrimination obligations.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the

legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint

powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2024.

SEC. 5. Sections 3.1 and 4.1 of this bill incorporate amendments to Section 54953 of the Government Code proposed by both this bill and Assembly Bill 339. Those sections of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2022, but this bill becomes operative first, (2) each bill amends Section 54953 of the Government Code, and (3) this bill is enacted after Assembly Bill 339, in which case Section 54953 of the Government Code, as amended by Sections 3 and 4 of this bill, shall remain operative only until the operative date of Assembly Bill 339, at which time Sections 3.1 and 4.1 of this bill shall become operative.

SEC. 6. It is the intent of the Legislature in enacting this act to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future applicable emergencies, by allowing broader access through teleconferencing options consistent with the Governor's Executive Order No. N-29-20 dated March 17, 2020, permitting expanded use of teleconferencing during the COVID-19 pandemic.

SEC. 7. The Legislature finds and declares that Sections 3 and 4 of this act, which amend, repeal, and add Section 54953 of the Government Code, further, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

This act is necessary to ensure minimum standards for public participation and notice requirements allowing for greater public participation in teleconference meetings during applicable emergencies.

SEC. 8. (a) The Legislature finds and declares that during the COVID-19 public health emergency, certain requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) were suspended by Executive Order N-29-20. Audio and video teleconference were widely used to conduct public meetings in lieu of physical location meetings, and public meetings conducted by teleconference during the COVID-19 public health emergency have been productive, have increased public participation by all members of the public regardless of their location in the state and ability to travel to physical meeting locations, have protected the health and safety of civil servants and the public, and have reduced travel costs incurred by members of state bodies and reduced work hours spent traveling to and from meetings.

(b) The Legislature finds and declares that Section 1 of this act, which adds and repeals Section 89305.6 of the Education Code, Section 2 of this act, which adds and repeals Section 11133 of the Government Code, and Sections 3 and 4 of this act, which amend, repeal, and add Section 54953 of the Government Code, all increase and potentially limit the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

(1) By removing the requirement that public meetings be conducted at a primary physical location with a quorum of members present, this act protects the health and safety of civil servants and the public and does not preference the experience of members of the public who might be able to attend a meeting in a physical location over members of the public who cannot travel or attend that meeting in a physical location.

(2) By removing the requirement for agendas to be placed at the location of each public official participating in a public meeting remotely, including from the member's private home or hotel room, this act protects the personal, private information of public officials and their families while preserving the public's right to access information concerning the conduct of the people's business.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that state and local agencies can continue holding public meetings while providing essential services like water, power, and fire protection to their constituents during public health, wildfire, or other states of emergencies, it is necessary that this act take effect immediately.

ITEM NO. 3

**City of Huntington Park
List of Funds**

Fund	Description
111	General Fund
121	Special Revenue Welfare Inmate
122	Prevention Intervention
152	Greenway Linear Park Project
210	Measure M
216	Employees Retirement Fund
217	OPEB
219	Sales Tax - Transit Proposition A
220	Sales Tax - Transit Proposition C
221	State Gasoline Tax Fund
222	Measure R
224	Office of Traffic & Safety
225	Cal Cops Fund
226	Air Quality Improvement Trust
227	Office of Criminal Justice
228	Bureau of Justice Fund
229	Police Forfeiture Fund
231	Parking System Fund
232	Art in Public Places Fund
233	Bullet Proof Vest Grant
239	Federal Community Development Block Grant
242	HUD Home Program
275	Successor Agency
283	Sewer Maintenance Fund
285	Solid Waste Management Fund
287	Solid Waste Recycle Grant
334	Ped/Bike Path Fund
475	Public Financing Authority
535	Street Lighting and Landscape
681	Water Department Fund
741	Fleet Maintenance
745	Self-Insurance Fund

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
AARON CRUZ	5138	111-6060-466.33-20	DANCING CLASSES	544.00
	5139	111-6060-466.33-20	DANCING CLASSES	352.00
	5140	111-6060-466.33-20	DANCING CLASSES	352.00
				\$1,248.00
ADLERHORST INTERNATIONAL LLC	109187	111-7010-421.59-15	K9 RELATED EXPENSES	300.00
	109174	111-7010-421.61-20	K9 RELATED EXPENSES	240.00
	109177	111-7010-421.61-20	K9 RELATED EXPENSES	34.48
				\$574.48
ALADDIN LOCK & KEY SERVICE	32525	111-8020-431.43-10	MASTER LOCKS FOR PW YARD	952.78
	32623	111-8020-431.43-10	KEY COPIES FOR JANITORS	224.74
				\$1,177.52
ALAN'S LAWN AND GARDEN CENTER, INC.	1123232	741-8060-431.43-20	PARTS TO REPAIR BLOWERS	42.62
				\$42.62
ALTEC INDUSTRIES INC	12147328	741-8060-431.43-20	CAR PARTS FOR PW UNITS	251.57
				\$251.57
ALVAREZ-GLASMAN & COLVIN	202206070820388	745-9031-413.32-70	CONTRACTUAL SVCS	16,816.50
				\$16,816.50
AMAZON.COM SERVICES, INC.	1FRG-HCMV-W6R7	111-6020-451.61-35	VETERANS DAY SUPPLIES	77.89
	1NWH-DV6Y-17XK	111-6020-451.61-35	TREE LIGHTING SUPPLIES	170.19
	1J7V-JLDJ-RHG7	111-8020-431.61-20	ACCESSORIES FOR PW CELLPHONE	103.45
				\$351.53
ANIMAL FRIENDS PET HOTEL	480114	111-7010-421.61-20	K9 FOOD & SVCS	451.00
				\$451.00
ARBOPRO INC	16884	111-8091-434.56-41	GPS TREE INVENTORY SVCS	16,020.00
				\$16,020.00
AT&T MOBILITY	287304738513X11	111-7010-421.53-10	PD WIRELESS PHONES	4,432.15
				\$4,432.15
AUTO ZONE	4075410431	219-8085-431.43-21	CAR PARTS FOR PW SHUTTLE	214.98
	4075412022	219-8085-431.43-21	CAR PARTS FOR PW TROLLEY	36.88
	4075402929	741-8060-431.43-20	CAR PARTS FOR PD UNITS	396.88
	4075408916	741-8060-431.43-20	CAR PARTS FOR PD UNITS	157.44
	4075410453	741-8060-431.43-20	CAR PARTS FOR PD UNITS	16.14
	4075417541	741-8060-431.43-20	CAR PARTS FOR PD UNITS	196.27
	4075417601	741-8060-431.43-20	CAR PARTS FOR PD UNITS	187.79
	4075417742	741-8060-431.43-20	CAR PARTS FOR PD UNITS	-196.27
	4075418500	741-8060-431.43-20	CAR PARTS FOR PD UNITS	294.54
	4075418866	741-8060-431.43-20	CAR PARTS FOR PD UNITS	33.85
				\$1,338.50
BC TRAFFIC SPECIALIST	004755	221-8012-429.61-20	CONES FOR EVENTS	2,484.32
	004755	535-8090-452.61-20	CONES FOR EVENTS	2,460.70
				\$4,945.02
BDG LAW GROUP	31867	745-9031-413.32-70	LEGAL SVCS OCT 1-31,2022	6,422.86
				\$6,422.86
BOB BARKER COMPANY INC.	INV1845452	121-7040-421.56-14	JAIL INMATE SUPPLIES	562.29

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
BOB BARKER COMPANY INC.	INV1845465	121-7040-421.56-14	JAIL INMATE SUPPLIES	374.85
	INV1845499	121-7040-421.56-14	JAIL INMATE SUPPLIES	562.29
				\$1,499.43
BRIGHTLIFE DESIGNS LLC	1388	232-6010-419.56-41	CITY HALL HOLIDAY DECOR	15,960.00
	1388	232-6010-419.56-41	TREE LIGHTING EVENT	200.00
				\$16,160.00
BRINK'S INCORPORATED	5299319	111-9010-419.33-10	BANK SVCS TRANSPORTATION	279.81
				\$279.81
BRIZUELA'S IRON WORK	0110	535-8090-452.43-20	REPAIR & WELDING WORK	1,423.50
	0119	681-8030-461.43-30	REPLACEMENT DOORS	1,752.00
				\$3,175.50
CALPERS	100000017000804	111-0000-217.50-10	MEDICAL BENEFITS DEC 2022	169,940.82
	100000017000804	111-9013-413.56-41	MEDICAL BENEFITS DEC 2022	560.80
	100000017000804	217-9010-413.28-00	MEDICAL BENEFITS DEC 2022	158,230.03
	100000017000804	217-9010-413.56-41	MEDICAL BENEFITS DEC 2022	560.11
				\$329,291.76
CAMPAIGNREP INC	CRHPMRI1122	111-0210-413.56-41	SOFTWARE SERVICES	6,650.00
	CRHPPUI1122	111-0210-413.56-41	SOFTWARE SERVICES	2,569.04
				\$9,219.04
CANNON CORPORATION	82558	111-8010-431.76-12	CONSTRUCTION MGMT	33,017.07
				\$33,017.07
CARD INTEGRATORS	13021	111-7010-421.61-20	DEPT PHOTO ID SUPPLIES	1,022.26
				\$1,022.26
CENTRAL FORD	17328	219-8085-431.43-21	CAR PARTS FOR PW SHUTTLE	271.25
	15898	741-8060-431.43-20	CAR PARTS FOR PD UNITS	38.49
	17152(17155)	741-8060-431.43-20	CAR PARTS FOR POLICE UNIT	174.48
	17153	741-8060-431.43-20	CAR PARTS FOR POLICE UNIT	534.82
	17322	741-8060-431.43-20	CAR PARTS FOR POLICE UNIT	51.53
	17339	741-8060-431.43-20	CAR PARTS FOR POLICE UNIT	39.22
	17348	741-8060-431.43-20	CAR PARTS FOR PD UNITS	18.80
	17375	741-8060-431.43-20	CAR PARTS FOR POLICE UNIT	258.17
	17381	741-8060-431.43-20	CAR PARTS FOR POLICE UNIT	206.83
	17384	741-8060-431.43-20	CAR PARTS FOR POLICE UNIT	46.70
	17733	741-8060-431.43-20	CAR PARTS FOR PD UNITS	96.68
	17826	741-8060-431.43-20	CAR PARTS FOR PD UNITS	308.70
	18092	741-8060-431.43-20	CAR PARTS FOR PD UNITS	147.25
				\$2,192.92
CHARTER COMMUNICATIONS	11/19-12/18	111-9010-419.53-10	CITY HALL INTERNET	399.94
				\$399.94
CINDI CAYAX	2127	111-6065-451.57-46	ZUMBA CLASSES COMM CENTER	560.00
				\$560.00
CINTAS CORPORATION NO 3	4136580136	741-8060-431.56-41	UNIFORM DRY CLEANING	414.26
	4137303504	741-8060-431.56-41	UNIFORM DRY CLEANING	414.26
	4138092384	741-8060-431.56-41	UNIFORM DRY CLEANING	414.26

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
CINTAS CORPORATION NO 3	4138695390	741-8060-431.56-41	UNIFORM DRY CLEANING	414.26
				\$1,657.04
CITY OF BELL GARDENS	12072022	111-7010-421.59-15	MEMBERS OF SERT TEAM	300.00
				\$300.00
CLEARs	NOV 2022	111-7040-421.61-31	MEMBERSHIP DUES-RECORDS	50.00
				\$50.00
CLINICAL LAB OF SAN BERNARDINO, INC	2201551	681-8030-461.56-41	WATER QUALITY TESTING	934.50
	2201759	681-8030-461.56-41	WATER QUALITY TESTING	349.50
				\$1,284.00
COLLINS COMPANY	618979	535-8090-452.61-20	BATTING CAGES SUPPLIES	3,243.28
				\$3,243.28
CONCENTRA MEDICAL CENTERS	77265917	111-2030-413.56-41	DOT PHYSICAL PRE PLACEMEN	100.00
				\$100.00
COUNTY OF LOS ANGELES PUBLIC HEALTH	AR0244798	681-8030-461.56-41	BACKFLOW ASSEMBLY	37.00
	AR0266513	681-8030-461.56-41	BACKFLOW ASSEMBLY	74.00
	AR0266514	681-8030-461.56-41	BACKFLOW ASSEMBLY	555.00
	AR0266516	681-8030-461.56-41	BACKFLOW ASSEMBLY	37.00
	AR0266518	681-8030-461.56-41	BACKFLOW ASSEMBLY	37.00
	AR0266519	681-8030-461.56-41	BACKFLOW ASSEMBLY	74.00
	AR0266520	681-8030-461.56-41	BACKFLOW ASSEMBLY	185.00
	AR0325661	681-8030-461.56-41	BACKFLOW ASSEMBLY	37.00
				\$1,036.00
CR&R INCORPORATED	144829	111-8027-431.56-59	WASTE 7 RECYCLING SVCS	16,680.00
				\$16,680.00
DAPEER, ROSENBLIT & LITVAK	20839	111-0220-411.32-70	LEGAL SVCS	8,865.00
	20840	111-0220-411.32-70	LEGAL SVCS	12,362.31
	20842	111-0220-411.32-70	LEGAL SVCS	2,542.50
				\$23,769.81
DATAPROSE, INC.	DP2205283	681-3022-415.53-20	WATER BILLS & POSTAGE	1,731.65
	DP2205283	681-3022-415.56-41	WATER BILLS & POSTAGE	1,178.03
				\$2,909.68
DAY WIRELESS SYSTEMS	INV753652	111-7010-421.56-41	RADIO EQUIPMENT MAINT	1,696.90
				\$1,696.90
DELTA DENTAL	BE005244038	111-0000-217.50-20	MONTHLY BENEFITS & COBRA	7,535.00
				\$7,535.00
DELTA DENTAL INSURANCE COMPANY	BE005241644	111-0000-217.50-20	PMI MONTHLY BENEFITS	2,239.19
				\$2,239.19
DEPARTMENT OF ANIMAL CARE & CONTROL	11252022	111-7065-441.56-41	ANIMAL CARE & CONTROL	14,523.85
				\$14,523.85
DEPARTMENT OF INDUSTRIAL RELATIONS	OSIP70184	745-9030-413.52-30	PUBLIC ANNUAL REPORT	37,194.94
				\$37,194.94
DOOLEY ENTERPRISES, INC.	64414	225-7120-421.74-10	DEPARTMENT AMMUNITION	1,719.69
	64415	225-7120-421.74-10	DEPARTMENT AMMUNITION	1,803.74
				\$3,523.43

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
DUNN EDWARDS CORPORATION	2009A04077	111-8095-431.61-50	PAINT FOR GRAFFITI REMOVAL	945.22
				\$945.22
ELITE TENTS AND EVENT SERVICES	1407	111-0240-466.55-42	HOLIDAY PARADE SUPPLIES	4,799.70
				\$4,799.70
EPIC SPORTS, INC.	6631886	239-6060-466.61-20	CDBG AFTERSCHOOL SUPPLIES	884.23
				\$884.23
ESTELA RAMIREZ	5143	111-6060-466.33-20	AEROBIC BODY TONING	336.00
				\$336.00
FEDEX	7-957-77643	111-7010-421.61-20	EXPRESS SHIPMENT CHARGES	39.12
				\$39.12
FM THOMAS AIR CONDITIONING INC	44500	111-7024-421.56-41	AIR CONDITIONER MAINT.	581.90
	44500	111-8020-431.56-41	AIR CONDITIONER MAINT.	158.70
	44500	111-8022-419.56-41	AIR CONDITIONER MAINT.	2,697.90
	44500	111-8023-451.56-41	AIR CONDITIONER MAINT.	1,851.50
				\$5,290.00
GA TECHNICAL SERVICES, INC	21797	111-5055-419.56-41	PAYSTATION REPAIRS	10,467.11
				\$10,467.11
GEOSYNTEC CONSULTANTS, INC.	490651	111-5010-419.56-49	SLP AQUATIC CENTER SVCS	30,104.29
	493070	111-5010-419.56-49	PROFESSIONAL SVCS	481.53
				\$30,585.82
GOLD COAST K9	HPPD-17	111-7010-421.59-15	K9 MAINTENANCE TRAINING	250.00
				\$250.00
GOLDEN WEST COLLEGE	12012022	111-7010-421.59-20	SWAT ACADEMY REGISTER FEE	351.00
				\$351.00
GORM INC	313489	285-8050-432.61-20	TRASH BAG LINERS	1,902.65
				\$1,902.65
HAJOCA CORPORATION	S166021744.001	111-8022-419.43-10	PLUMBING SUPPLIES PD	780.24
	S166021744.001	111-8024-421.43-10	PLUMBING SUPPLIES PD	780.24
				\$1,560.48
HASA, INC.	860245	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 14	181.85
	860246	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 18	349.61
	860247	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 12	259.78
	861141	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 12	303.94
	861142	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 18	358.25
	861143	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 14	129.89
	861812	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 12	207.83
	861813	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 18	261.50
	862848	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 12	389.67
	862849	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 14	389.67
	862852	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 18	522.99
	863500	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 12	382.17
	863503	681-8030-461.41-00	SODIUM HYPOCHLORITE WELL 18	384.74
				\$4,121.89
HECTOR G. MORENO	5144	111-6060-466.33-20	DANCE CLASSES	1,200.00

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
HECTOR G. MORENO	5145	111-6060-466.33-20	DANCE CLASSES	1,056.00
	5146	111-6060-466.33-20	DANCE CLASSES	432.00
				\$2,688.00
HG GRAPHIC AND PRINTING	1928	111-5010-419.61-20	SUPPLIES FOR COMM DEVELOP	698.06
				\$698.06
HOME DEPOT - PUBLIC WORKS	2230980	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	-154.35
	2361725	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	154.35
	3512575	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	80.22
	3512576	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	46.64
	361754	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	166.44
	4271423	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	198.04
	5512818	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	40.75
	6531023	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	58.08
	8193353	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	-438.88
	8193354	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	535.28
	8200170	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	-75.28
	8361764	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	75.28
	8513241	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	134.05
	8513334	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	32.91
	8970635	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	553.28
	9545286	111-6010-466.55-50	HALLOWEEN EVENT SUPPLIES	329.78
	522196	111-8010-431.61-20	HALLOWEEN EVENT SUPPLIES	504.94
	8970683	111-8010-431.61-20	PAINT FOR GRAFFITI REMOVAL	3,872.50
	9011393	111-8020-431.43-10	PW SUPPLIES	364.17
	4523862	111-8022-419.43-10	SUPPLIES FOR CH	120.32
	6270442	111-8022-419.43-10	SUPPLIES FOR CH	166.10
	9271067	111-8022-419.43-10	SUPPLIES FOR CH	288.49
	270933	111-8024-421.43-10	POLICE DEPT SUPPLIES	311.41
	7271187	111-8024-421.43-10	POLICE DEPT SUPPLIES	238.06
	7271728	111-8024-421.43-10	POLICE DEPT SUPPLIES	572.41
	7271736	111-8024-421.43-10	POLICE DEPT SUPPLIES	24.81
	7272459	111-8024-421.43-10	POLICE DEPT SUPPLIES	44.03
	8513240	111-8024-421.43-10	POLICE DEPT SUPPLIES	674.37
	6034703	111-8095-431.61-50	GRAFFITI REMOVAL SUPPLIES	223.91
	8970683	111-8095-431.61-50	GRAFFITI REMOVAL SUPPLIES	3,872.63
	8970683	221-8012-429.61-20	PAINT FOR GRAFFITI REMOVAL	3,872.50
	270947	535-8090-452.61-20	LANDSCAPE SUPPLIES	128.36
	270949	535-8090-452.61-20	LANDSCAPE SUPPLIES	38.57
	3371578	535-8090-452.61-20	LANDSCAPE SUPPLIES	219.15
	6391060	535-8090-452.61-20	LANDSCAPE SUPPLIES	928.88
	8970683	535-8090-452.61-20	PAINT FOR GRAFFITI REMOVAL	3,872.50
				\$22,074.70
IBE DIGITAL	449076	111-9010-419.44-10	BLACK TONER	18.07
				\$18.07

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
INFRAMARK LLC	86364	283-8040-432.56-41	WATER & SEWER SYSTEM SVCS	13,880.62
	86364	681-8030-461.56-41	WATER & SEWER SYSTEM SVCS	107,001.69
				\$120,882.31
INFRASTRUCTURE ENGINEERS	28033	111-5010-419.56-49	PLANNING SVCS	13,600.00
	28047	111-5010-419.56-49	PLANNING SVCS	39,416.91
	28050	111-5010-419.56-49	PLANNING SVCS	41,085.69
				\$94,102.60
JDS TANK TESTING & REPAIR INC	18066	741-8060-431.43-20	DESIGNATED OPERATOR NOV	150.00
				\$150.00
JTB SUPPLY COMPANY INC	111216	535-8016-431.74-10	CAMERA PURCHASE	12,921.30
	111228	535-8016-431.74-10	POWER SUPPLIES-PW	3,761.02
				\$16,682.32
KIMBALL MIDWEST	100499946	111-8020-431.43-10	SNAKE CLEANER FOR TOILET	486.20
	100500388	535-8016-431.61-45	ST LIGHT CONNECTORS	389.68
				\$875.88
KUSTOM SIGNALS, INC	598717	111-7010-421.74-10	LIDAR DEVICES-POLICE DEPT	5,000.00
	598717	111-7010-421.74-10	LIDAT DEVICES-PD	118.62
				\$5,118.62
LAN WAN ENTERPRISE, INC	73690	111-7010-419.43-15	IT SVCS MONTHLY MAINT FEE	25,106.00
	73712	111-7010-421.56-41	DEC. RECURRING ADD ONS	4,369.00
	73690	111-9010-419.43-15	IT SVCS MONTHLY MAINT FEE	25,106.00
	73725	111-9010-419.43-15	MONTHLY BILLING RECURRING	3,084.00
	73740	111-9050-462.56-41	IMPLEMENTATION LABOR	78,000.00
	73623	111-9050-462.74-10	IMPLEMENTATION LABOR	58,000.00
	73726	111-9050-462.74-10	IMPLEMENTATION LABOR	64,000.00
	73739	111-9050-462.74-10	IMPLEMENTATION LABOR	72,000.00
	73681	741-8060-431.74-10	PATROL DEVICES	8,176.05
				\$337,841.05
LAURIE KAJIWARA	HP0022	111-9010-419.56-41	ADMIN CONSULTING SVCS	12,738.75
				\$12,738.75
LB JOHNSON HARDWARE CO.	124026	111-8022-419.43-10	ELECTRICAL SUPPLIES	35.34
				\$35.34
LEFTA SYSTEMS	INV-001391	111-7010-421.74-10	ANNUAL SUPPORT-SOFTWARE	2,300.00
				\$2,300.00
LEGAL SHIELD	0143713	111-0000-217.60-50	IDENTITY THEFT PROTECTION	28.90
				\$28.90
LENTZ LOCK AND KEY LLC	1350	111-7010-421.61-20	LOCKSMITH SERVICES	200.66
				\$200.66
LIEBERT CASSIDY WHITMORE	229111	111-0220-411.32-70	PROFESSIONAL SVCS OCT	21,520.00
				\$21,520.00
MANAGED HEALTH NETWORK	PRM-076951	111-0000-217.50-60	MONTHLY MANAGEMENT NETWORK	340.80
				\$340.80
MARISELA ZEPEDA	00023	111-0240-466.55-42	PASTRIES FOR LUNCHEON	177.87
				\$177.87

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
MEDIA CONTROL SYSTEMS	3748	111-1010-411.56-41	FAIRWAY REPAIR	185.00
				\$185.00
MERRIMAC ENERGY GROUP	2221845	741-8060-431.62-30	FUEL PURCHASE	29,555.18
				\$29,555.18
MICHAEL BAKER INTERNATIOAL INC.	1163038	111-5010-419.56-41	PROFESSIONAL SVCS-COM DEV	21,925.00
				\$21,925.00
NATIONAL EMBLEM, INC.	399752	111-7022-421.61-24	HPPD UNIFORM PATCHES	700.44
	399844	111-7022-421.61-24	HPPD UNIFORM PATCHES	254.68
	399845	111-7022-421.61-24	HPPD UNIFORM PATCHES	267.13
				\$1,222.25
NATIONWIDE ENVIRONMENTAL SERVICES	32778	111-8031-433.56-41	STREET SWEEPING SVCS	5,904.17
	32779	220-8070-431.56-41	BUS STOP MAINT.	20,411.91
	32778	221-8010-431.56-41	STREET SWEEPING SVCS	51,282.37
				\$77,598.45
NEOGOV	INV-31666	111-2030-413.56-41	GOV ANNUAL SUBSCRIPTIONS	9,287.68
				\$9,287.68
NORM REEVES FORD SUPERSTORE	978768	741-8060-431.43-20	CAR PARTS FOR PW UNITS	726.65
				\$726.65
NORTH STAR LAND CARE	1601-448	535-8090-452.56-60	PARK LANDSCAPING	37,617.75
	1601-455	535-8090-452.56-60	TREE MAINTENANCE	21,600.00
	1601-457	535-8090-452.56-60	TREE MAINTENANCE	20,880.00
	1601-459	535-8090-452.56-60	PARK LANDSCAPING	37,617.75
				\$117,715.50
O'REILLY AUTO PARTS	2959-238790	535-8016-431.61-45	WIRE STRIPPER MACHINE	992.25
	2959-232122	741-8060-431.43-20	CAR PARTS FOR PD UNIT	164.10
	2959-232268	741-8060-431.43-20	CAR PARTS FOR PD UNIT	258.60
	2959-235401	741-8060-431.43-20	CAR PARTS FOR PD UNIT	375.62
				\$1,790.57
OEM AUTO PAINT SUPPLIES	149978	221-8012-429.61-20	PAINT FOR STRIPING	614.86
				\$614.86
PACIFICA SERVICES INC.	346-05	221-8010-431.76-12	CDBG STREET RECONSTRUCT.	390.00
				\$390.00
PARKHOUSE TIRE, INC.	1010896972	741-8060-431.43-20	CAR PARTS FOR PW UNITS	328.45
				\$328.45
PARS	51827	111-9010-419.56-41	PARS ARS	698.23
	51894	216-3010-415.56-41	PARS REP	2,609.54
				\$3,307.77
PRADO FAMILY SHOOTING RANGE	12012022	111-7010-421.59-20	SWAT ACADEMY SHOOTING FEE	75.00
				\$75.00
PSYCHOLOGICAL CONSULTING ASSOC, INC	525924	111-7010-421.56-41	EMPLOYMENT EVALUATION	385.00
				\$385.00
RAMCAST ORNAMENTAL SUPPLY CO, INC.	1041937-IN	111-8020-431.43-10	CAR PARTS FOR PW UNIT	328.50
				\$328.50

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
RINCON CONSULTANTS, INC.	21-11410	111-5010-419.56-49	PROFESSIONAL SVCS	37,105.00
				\$37,105.00
RIO HONDO COLLEGE	F22-179-ZHPK	111-7010-421.59-20	COURSE ENROLLMENT	25.00
	F22-194-ZHPK	111-7010-421.59-20	COURSE ENROLLMENT	228.00
	F22-210-ZHPK	111-7010-421.59-20	COURSE ENROLLMENT	50.00
	F22-226-ZHPK	111-7010-421.59-20	COURSE ENROLLMENT	50.00
				\$353.00
RIVERSIDE COUNTY SHERIFF'S DEPT	12012022	111-7010-421.59-20	SWAT ACADEMY REGISTER FEE	341.00
	BCTC0055083	111-7010-421.59-20	REGISTRATION PAYMENT	134.00
				\$475.00
RWC GROUP	XA301097197	741-8060-431.43-20	CAR PARTS FOR PW UNITS	178.32
				\$178.32
SAFETY KLEEN	90340169	741-8060-431.43-20	BRAKE CLEANER &WASHER SVC	809.18
				\$809.18
SALVADOR ORTEGA	11072022	111-8022-419.15-25	BOOT REIMBURSEMENT	190.00
	11072022	681-8030-461.15-25	BOOT REIMBURSEMENT	10.00
				\$200.00
SMART & FINAL	4790010001303	111-6020-451.61-35	VETERANS DAY SUPPLIES	184.11
	3192200021003	111-7010-421.61-20	MEETING& CONFERENCE ROOM	201.55
				\$385.66
SOUTHERN CALIFORNIA EDISON	11/3-12/5	111-8010-415.62-10	ELECTRICAL SVCS- VARIOUS LOCATIONS	317.53
	10/5-11/3	221-8014-429.62-10	ELECTRICAL SVCS- VARIOUS LOCATIONS	4,596.68
	11/4-12/6	221-8014-429.62-10	ELECTRICAL SVCS- 55 ST/PACAFIC	76.84
	10/18-11/16	535-8016-431.62-10	ELECTRICAL SVCS- VARIOUS LOCATIONS	27,811.72
	10/26-11/27	535-8016-431.62-10	ELECTRICAL SVCS- 3220 OLIVE ST	65.97
	11/3-12/5	535-8016-431.62-10	ELECTRICAL SVCS- 6621 WILSON AVE	78.23
	10/18-11/16	681-8030-461.62-20	ELECTRICAL SVCS- BEAR/FLORENCE	5,724.30
				\$38,671.27
SOUTHSTAR ENGINEERING & CONSULTING	COHP-0	222-8080-431.76-20	CONSTRUCTION MGMT	19,520.00
				\$19,520.00
SPEED STACKS INC	634942	239-6060-466.61-20	CDBG AFTERSCHOOL SUPPLIES	705.25
				\$705.25
STANDARD INSURANCE COMPANY	003789170002	111-0000-217.50-70	DECEMBER 2022 MONTHLY PRM	6,368.20
	378917-0001	111-0000-217.50-70	DEC 2022 MONTHLY PREMIUM	7,012.04
				\$13,380.24
STATE WATER RESOURCES CONTROL	SW-0243182	681-8030-461.42-05	ANNUAL PERMIT FEE	26,498.00
				\$26,498.00
SUPERION, LLC	367835	111-9010-419.43-15	FINANCIAL SYSTEMS MONTHLY	13,532.61
				\$13,532.61
T-MOBILE USA	11212022	111-6010-451.56-41	MOBILE SVCS-PARKS	359.74
	10242022	111-8010-431.53-10	MOBILE SVCS-PW	837.90
	10242022	111-8095-431.53-10	MOBILE SVCS-PW	233.54
	10242022	681-8030-461.53-10	MOBILE SVCS-PW	156.32
				\$1,587.50

**City of Huntington Park
Demand Register
WR 12/20/2022**

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
THE FORMS DESK, INC.	28139	111-3010-415.61-20	REGULAR LICENSE ENVELOPES	301.88
	28140	111-3010-415.61-20	REGULAR ENVELOPES FINANCE	301.88
	28141	111-3010-415.61-20	WINDOW ENVELOPES	919.87
				\$1,523.63
THE GAS COMPANY	10/10-11/08	111-7024-421.62-10	GAS SVCS- VARIOUS GOVT BUILDINGS	309.21
	10/10-11/08	111-8020-431.62-10	GAS SVCS- VARIOUS GOVT BUILDINGS	82.05
	10/10-11/08	111-8022-419.62-10	GAS SVCS- VARIOUS GOVT BUILDINGS	1,690.08
	10/10-11/08	111-8023-451.62-10	GAS SVCS- VARIOUS GOVT BUILDINGS	117.44
				\$2,198.78
THE HITT COMPANIES, INC	OE-113771	111-7030-421.61-20	ENGRAVED NAME POLICE DEPT	23.77
				\$23.77
THORSON MOTOR CENTER	459198BUR	741-8060-431.43-20	CAR PARTS FOR PW UNIT	67.23
				\$67.23
TIREHUB, LLC	31092058	741-8060-431.43-20	TIRES FOR PD UNITS	508.08
	31092063	741-8060-431.43-20	TIRES FOR PD UNITS	508.08
				\$1,016.16
TOWN HALL STREAMS	14490	111-1010-411.56-41	FACEBOOK LIVE	300.00
				\$300.00
U.S. ARMOR CORPORATION	39844	111-7022-421.61-24	PD BULLET PROOF VEST	449.74
				\$449.74
ULINE	156420781	111-8023-451.43-10	SUPPLIES FOR PUBLIC WORKS	302.35
	156420862	535-8016-431.61-45	SUPPLIES FOR PUBLIC WORKS	937.14
	156493034	535-8016-431.61-45	SUPPLIES FOR PUBLIC WORKS	422.36
				\$1,661.85
UNDERGROUND SERVICE ALERT OF SO CAL	1120220131	221-8014-429.56-41	NEW TICKET CHARGES NOV	360.00
	22-2301724	221-8014-429.56-41	CA STATE FEE REGULAR COST	110.64
				\$470.64
UPWARD SOLUTIONS	22-1110	111-0210-413.56-41	PUBLIC AFFAIR SVCS	5,000.00
				\$5,000.00
VELADA CONSULTING LLC	45	111-0310-413.56-41	CONSULTING SVCS	7,500.00
				\$7,500.00
VICTORIA TIRE CENTER DRIVE	143510	741-8060-431.43-20	WHEEL ALIGNMENT PD UNIT	65.00
				\$65.00
VISION SERVICE PLAN-CA	816558945	111-0000-217.50-30	MONTHLY VISION SVC DEC	7,366.04
				\$7,366.04
WATER REPLENISHMENT DISTRICT OF	10312022	681-8030-461.41-00	GROUNDWATER PRODUCTION	100,962.15
				\$100,962.15
WEST GOVERNMENT SERVICES	847454287	111-7010-421.56-41	LEGAL RESEARCH SOFTWARE	810.98
	847539689	111-7010-421.56-41	ONLINE LEGAL RESEARCH SVC	77.31
				\$888.29
WEX BANK	85648342	741-8060-431.62-30	FUEL PURCHASE FOR DEPT	985.31
				\$985.31
WHITTIER FERTILIZER CO.	393401	535-8090-452.61-20	MULCH FOR SALT LAKE PARK	752.24
				\$752.24

City of Huntington Park
Demand Register
WR 12/20/2022

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
XPRESS WASH INC	15312	741-8060-431.43-20	CAR WASH SVCS JULY	869.00
	15590	741-8060-431.43-20	FULL DETAIL POLICE UNIT	350.00
	15641	741-8060-431.43-20	CAR WASH SVCS	275.00
				\$1,494.00
				\$1,820,201.47

ITEM NO. 4



CITY OF HUNTINGTON PARK

City Manager
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

RESOLUTION TO APPROVE COST OF LIVING ADJUSTMENT FOR NON-REPRESENTED EMPLOYEES

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Adopt Resolution approving cost of living adjustment for Non-Represented employees.

**Additional supplemental documents to be added Monday December 19, 2022
to ensure most up to date information.**

Respectfully submitted,

Ricardo Reyes
Interim Finance Director

ITEM NO. 5



CITY OF HUNTINGTON PARK

Police Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION TO RENEW AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR SCHOOL CROSSING GUARD SERVICES AND ACCEPT INCREASE IN COST FOR FY 22-23 AND FY 23-24

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Consider renewal of the crossing guard services agreement; and
2. Authorize the City Manager to finalize and execute the agreement.

BACKGROUND

All City Management Services, Inc. has been the City's school crossing guard services provider for many years and is the industry leader in providing crossing guard services. A Request for Proposals (RFP) for crossing guard services was published by the City in 2017; however, it did not render any other competent or cost saving crossing guard service providers. School crossing guard is a specialty service for which staff has not identified any other crossing guard service provider with equal or potentially better service capability. Staff learned during the 2017 RFP process that other companies providing crossing guard services are essentially security guard companies, which do not specialize in school crossing guard service. Staff recommends approval of the proposed Agreement with All City Management Services, Inc.

The locations and primary schools to be serviced by All City Management Services, Inc. are as follows;

- | | |
|-----------------------------------|-----------------------------|
| 1. State Street & Hope Street | Hope Street Elementary |
| 2. Gage Avenue & Middleton Street | Middleton Street Elementary |
| 3. Santa Fe Avenue & Zoe Avenue | Middleton Street Elementary |
| 4. Gage Avenue & Marconi Avenue | Miles Avenue Elementary |

CONSIDERATION TO RENEW AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR SCHOOL CROSSING GUARD SERVICES AND ACCEPT INCREASE IN COST FOR FY 22-23 AND FY 23-24

December 20, 2022

Page 2 of 3

5. Mountain View Avenue & Saturn Avenue	Miles Avenue Elementary
6. State Street & Zoe Avenue	Miles Avenue Elementary
7. 61 st Street & Carmelita Avenue (<i>new</i>)	Nimitz Middle School
8. Pacific Boulevard & 58 th Street	Pacific Blvd. Elementary
9. Randolph Street & State Street	San Antonio Elementary
10. Randolph Street & State Street (<i>new</i>)	San Antonio Elementary
11. Florence Avenue & Mission Place	St. Mathias Elementary
12. State Street & Broadway Street	State Street Elementary

FISCAL IMPACT/FINANCING

Per the latest crossing guard services Agreement, funding was last approved and budgeted in FY 21-22 at an amount not to exceed \$158,039. The proposed new agreement is for a term of approximately 18 months commencing on, or about, December 20, 2022 and ending June 30, 2024. The agreement includes two additional locations from previous years and includes a services cost increase in FY 22-23 and again in FY 23-24, as outlined below;

Fiscal Year	Number of Sites	Projected Total Service Hours	Cost Per Hour	FY Total (not to exceed)	Increase Percent
22-23	12	8,229	27.68	227,775.00	44.13%
23-24	12	8,229	29.98	246,702.00	8.31%

It is recommended funds for this Agreement be drawn from General Fund account 111-7022-421.56-41.

FY 22-23 budget will only require an amount balance not to exceed \$115,000 (approximately ½ of the proposed FY amount), given that half of the FY has already passed.

FY 23-24 budget will require the full amount of \$246,702.

CONCLUSION

Upon Council approval, staff will proceed with recommended actions.

Respectfully submitted,

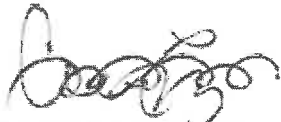


RICARDO REYES
City Manager

CONSIDERATION TO RENEW AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR SCHOOL CROSSING GUARD SERVICES AND ACCEPT INCREASE IN COST FOR FY 22-23 AND FY 23-24

December 20, 2022

Page 3 of 3

A handwritten signature in black ink, appearing to read 'Cosme Lozano', is written over a faint, circular official stamp.

COSME LOZANO
Chief of Police

ATTACHMENTS

- A. All City Management Services, Inc. proposed agreement

ATTACHMENT "A"



AGREEMENT FOR CROSSING GUARD SERVICES

This AGREEMENT FOR CROSSING GUARD SERVICES (the "Agreement") is dated December ___, 2022 and is between the CITY OF HUNTINGTON PARK (hereinafter called the "City"), and ALL CITY MANAGEMENT SERVICES, INC., a California corporation (hereinafter called the "Contractor").

WITNESSETH

The parties hereto have mutually covenanted and agreed as follows:

1. This Agreement is for a period which commences on or around December 20, 2022 and is in full-force and effect once City and Contractor have agreed upon and finalized the terms and conditions of the Agreement. The Agreement shall sunset on June 30, 2024 and for such term thereafter as the parties may agree upon by written amendment to this contract. Service shall begin on a best availability basis until such a time as Contractor has hired, trained and deployed Crossing Guards to all sites requested by the City. City agrees to provide site locations for Contractor to then assign and deploy Crossing Guards. Contractor shall assume liability for only those sites agreed to by both Contractor and the City by written amendment stating effective date of assignment.
2. The Contractor will provide personnel equipped and trained in appropriate procedures for crossing pedestrians in marked crosswalks. Such personnel shall be herein referred to as a "Crossing Guard". Contractor will perform criminal background checks confirm employment eligibility through and E-Verify on all prospective personnel. The Contractor is an independent contractor and the Crossing Guards to be furnished by it shall at all times be its employees and not those of the City.
3. The City's representative in dealing with the Contractor shall be designated by City of Huntington Park.
4. The City shall determine the locations where Crossing Guards shall be furnished by the Contractor. The Contractor shall provide at each designated location personnel properly trained as herein specified for the performance of duties as a Crossing Guard. The Contractor shall provide supervisory personnel to see that Crossing Guard activities are taking place at the required places and times, and in accordance with the terms of this Agreement.
5. The Contractor shall maintain adequate reserve personnel to be able to furnish alternate Crossing Guards in the event that any person fails to report for work at the assigned time and location and agrees to provide immediate replacement.
6. In the performance of its duties the Contractor and all employees of the Contractor shall conduct themselves in accordance with the conditions of this Agreement and all applicable laws of the state in which the Services are to be performed.
7. Persons provided by the Contractor as Crossing Guards shall be trained in all applicable laws of the

state in which the Services are to be performed pertaining to general pedestrian safety in school crossing areas.

8. Crossing Guard Services (the "Services") shall be provided by the Contractor at the designated locations on all days in which school is in session in the area under City's jurisdiction. The Contractor also agrees to maintain communication with the designated schools to maintain proper scheduling.
9. The Contractor shall provide all Crossing Guards with apparel by which they are readily visible and easily recognized as Crossing Guards. Such apparel shall be uniform for all persons performing the duties of Crossing Guards and shall be worn at all times while performing said duties. This apparel must be appropriate for weather conditions. The Contractor shall also provide all Crossing Guards with hand held Stop signs and any other safety equipment which may be necessary.
10. The Contractor shall at all times provide workers' compensation insurance covering its employees and shall provide and maintain liability insurance for Crossing Guard activities. The Contractor will provide to the City a Certificate of Insurance naming the City and its officials, officers and employees as additional insureds. Such insurance shall include commercial general liability with a combined single limit of not less than \$1,000,000.00 per occurrence and in aggregate for property damage and bodily injury. Such insurance shall be primary with respect to any insurance maintained by the City and shall not call on the City's insurance contributions. Such insurance shall be endorsed for contractual liability and personal injury and shall include the City, its officers, agents and interest of the City. Such insurance shall not be canceled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the City.
11. Contractor agrees to defend, indemnify and hold harmless the City, its officers, employees, agents and representatives, from and against any and all actions, claims for damages to persons or property, penalties, obligations or liabilities (each a "Claim" and collectively, the "Claims") that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of the sole negligent acts or omissions, or willful misconduct, of Contractor, its agents, employees, subcontractors, representatives or invitees.
 - a) Contractor will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses including attorney's fees incurred in connection herewith.
 - b) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the sole negligence of Contractor hereunder, Contractor agrees to pay City, its officers, agents, or employees, any and all costs and expenses incurred by the City, its officers agents or employees in such action or proceeding, including, but not limited to, reasonable attorney's fees.
 - c) In the event that a court determines that liability for any Claim was caused or contributed to by the negligent act or omission or the willful misconduct of City, liability will be apportioned between Contractor and City based upon the parties' respective degrees of culpability, as determined by the court, and Contractor's duty to indemnify City will be limited accordingly.

- d) Notwithstanding anything to the contrary contained herein, Contractor's indemnification obligation to City for Claims under this Agreement will be limited to the maximum combined aggregate of Contractor's general liability and umbrella insurance policies in the amount of \$6,000,000 (Six Million Dollars).
12. Either party shall have the right to terminate this Agreement by giving sixty (60) days written notice to the other party.
13. The Contractor shall not have the right to assign this Agreement to any other person or entity except with the prior written consent of the City.
14. The City agrees to pay the Contractor for the Services rendered pursuant to this Agreement the sum of Twenty-seven Dollars and Sixty-eight Cents (**\$27.68**) per hour, per Crossing Guard during the term. Based on a minimum of twelve (12) sites and upon a projected (8,229) hours of service the cost shall not exceed Two Hundred Twenty-seven Thousand, Seven Hundred Seventy-five Dollars (\$227,775.00) for the 2022/2023 School Year, unless Contractor fails to perform service.
- The City agrees to pay the Contractor for the Services rendered pursuant to this Agreement the sum of Twenty-nine Dollars and Ninety-eight Cents (**\$29.98**) per hour, per Crossing Guard during the term. Based on a minimum of twelve (12) sites and upon a projected (8,229) hours of service the cost shall not exceed Two Hundred Forty-six Thousand, Seven Hundred Two Dollars (\$246,702.00) for the 2023/2024 School Year, unless Contractor fails to perform service
15. Payment is due within thirty (30) days of receipt of Contractor's properly prepared invoice.
16. Contractor may request a price increase during the term as a result of any legally-mandated increases in wages or benefits imposed in the state or municipality in which the Services are to be performed and to which Contractor's employees would be subject. Contractor shall provide City with 60 days-notice of its request to increase pricing. City agrees to review and respond to said notice within 30 days of receipt.
17. The City shall have an option to renew this Agreement. In the event this Agreement is extended beyond the end of the term set forth above, the compensation and terms for the Services shall be established by mutual consent of both parties.
18. This Agreement constitutes the complete and exclusive statement of the agreement among the parties with respect to the subject matter hereof and supersedes all prior written or oral statements among the parties, including any prior statements, warranties, or representations. This Agreement is binding upon and will inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors, and assigns. Each party hereto agrees that this Agreement will be governed by the law of the state in which the Services are to be performed, without regard to its conflicts of law provisions. Any amendments, modifications, or alterations to this Agreement must be in writing and signed by all parties. There will be no presumption against any party on the ground that such party was responsible for preparing this Agreement or any part of it. Each provision of this Agreement is severable from the other provisions. If any provision of this Agreement is declared invalid or contrary to existing law, the inoperability of that provision will have no effect on the remaining provisions of the Agreement which will continue in full force and effect.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year written below.

CITY

CONTRACTOR

City of Huntington Park

All City Management Services, Inc.

By _____
Signature

By _____
D. Farwell, Corporate Secretary

Print Name and Title

Date _____

Date _____

ITEM NO. 6



CITY OF HUNTINGTON PARK

Police Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Honorable Mayor and Members of the City Council:

APPROVAL OF RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS ASSOCIATED WITH THE Cal OES GRANT

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Adopt a Resolution authorizing the City Manager as the signatory for the submittal, acceptance and execution of the FY 2022 Cal OES grant program application for the emergency; and
2. Authorize the City Manager to execute all documents relative to the Cal EOS Grant.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Huntington Park Police Department applied for and has been granted preliminary approval for a grant of \$1,000,000 for the rehabilitation of the City's Emergency Operations Center (EOC). The current condition of the EOC is not conducive to a modern incident command center that would house the various functions of emergency response in the event of a community or regional disaster. The EOC is currently housed in the building adjacent to the Police Department in what is known as the "Annex Building". To accommodate an EOC, various infrastructure of the facility will need to be modified to bring it into compliance with ADA codes, building codes, health and safety codes, fire codes as well as conforming to a standardized EOC. Improvements would include restructuring the configuration of the down stairs area to include meeting areas, break out rooms, secured areas to house staff, security upgrades, communications equipment, electrical upgrades, HVAC improvements, emergency generator and furniture, fixtures and equipment.

FISCAL IMPACT/FINANCING

APPROVAL OF RESOLUTION 2022 XXX AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS ASSOCIATED WITH THE Cal EOS GRANT

December 20, 2022

Page 2 of 2

The City will budget \$333,333 in matching funds as a requirement of the grant through alternative funding sources.

CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,



RICARDO REYES
City Manager



COSME LOZANO
Chief of Police

ATTACHMENTS

- A. Resolution authorizing City Manager to execute documents associated with the Cal OES grant.
- B. Cal OES letter requiring Fiscal Year 2020 Governing Body Resolution

ATTACHMENT “A”

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WHEREAS, the City of Huntington Park proposes to make improvements to the existing facility; and

WHEREAS, the City of Huntington Park intends to apply for grant funding from the State of California Governor's Office of Emergency Services for FY 2022; and

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK AS FOLLOWS:

SECTION 2. The Huntignton Park City Council designates the City Manager or designee and hereby authorizes and directs to execute the funding agreement with the State of California Governor's Office of Emergency Services and any amendments thereto.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution.

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AYES:
NOES:
ABSTAIN:
ABSENT:

PASSED, APPROVED, AND ADOPTED this 20th day of December 2022.

Eduardo Martinez, Mayor

ATTEST:

Eduardo Sarmiento, City Clerk

ATTACHMENT “B”



GRANT MANAGEMENT MEMORANDUM GMM 2020-18

Date: September 19, 2022

To: All California Governor's Office of Emergency Services (Cal OES) and Emergency Operations Center Grant (EOC) Program subrecipients

From: Cal OES Grants Management

Subject: Fiscal Year 2020 Governing Body Resolution (GBR)

Cal OES is providing this advance notice to EOC subrecipients regarding changes to the FY 2020 GBR requirements.

The GBR appoints Authorized Agents (AAs) which are identified by the individual's name or by a position title to act on behalf of the governing body and the Applicant by executing any actions necessary for each application and subaward.

All Applicants are required to submit a copy of an approved GBR with their grant application. Starting in FY 2020, Resolutions may be valid for up to three grant years for EOC subawards, given the following:

- The resolution identifies the applicable grant program (e.g., EOC)
- The resolution identifies the applicable grant years, (e.g., FY 2020, FY 2021, FY 2022); and
- Adheres to any necessary elements required by local protocols, rules, etc., if applicable.

Resolutions that only identify one grant program will only be valid for one program. Resolutions that do not identify applicable grant years will only be valid for one grant year.

Cal OES will not accept signatures of an AA's designee, unless authorized by the Governing Body's resolution. A change to an AA's designee must be submitted on agency letterhead and signed by the AA, announcing the change to their designee.

Please include your GBR with application package.

If you have any questions regarding this GMM, please contact your Cal OES Program Representative.

ITEM NO. 7



CITY OF HUNTINGTON PARK

Community Development Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Honorable Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL TO PROVIDE A ONE (1) YEAR CONTRACT EXTENSION TO INFRASTRUCTURE ENGINEERS INC. FOR PROFESSIONAL ENGINEERING AND BUILDING AND SAFETY SERVICES

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Authorize a one (1) year extension for professional engineering and building and safety services with Infrastructure Engineers Inc.;
2. Authorize the City Manager to execute the extension agreement.

BACKGROUND

In 2017, the City Council authorized a four (4) year agreement with Infrastructure Engineers Inc. (I.E.) to provide professional engineering services and building and safety services. The agreement was set to take place commencing on January 1, 2018 and concluding on December 31, 2021. The City Council authorized language in the contract to allow for three (3) one (1) year contract extension options at the discretion of the City Council. Infrastructure Engineers first extension was approved by the City Council on December 7, 2021 and is set to expire on December 31, 2022.

The City is in receipt of a letter by infrastructure Engineers Inc. requesting the second one (1) year extension as provided for in the contract. Infrastructure Engineers Inc. has performed competently over the course of the last five years. The I.E. staff is relied upon for technical engineering services that are a necessity of the City's daily operation including such key positions as the Building Official and City Engineer. The primary function of I.E. staff is as a staff augmentation service that can be expanded or contracted based on the needs of the City. In turn, this reduces the overall impact to staffing needs and thus keeps the cost of services lower for the City.

**CONSIDERATION AND APPROVAL TO PROVIDE A ONE (1) YEAR CONTRACT
EXTENSION TO INFRASTRUCTURE ENGINEERS INC. FOR PROFESSIONAL
ENGINEERING AND BUILDING AND SAFETY SERVICES**

December 20, 2022

Page 2 of 2

FISCAL IMPACT

This item is included in the FY 2022/23 budget that accounts for the services provided by Infrastructure Engineers Inc. No additional increases have been requested in the contract.

CONCLUSION

Upon Council's direction, staff will proceed with actions as directed.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ricardo Reyes', with a stylized flourish at the end.

RICARDO REYES
City Manager

A handwritten signature in black ink, appearing to read 'Steve Forster', with a stylized flourish at the end.

STEVE FORSTER
Community Development Director

ATTACHMENT(S):

- A. Letter requesting contract extension from Infrastructure Engineers Inc.

ATTACHMENT "A"

ATTACHMENT "A"



**INFRASTRUCTURE
ENGINEERS**

3060 Saturn Street, Suite 250

Brea, CA 92821

Tel.: (714) 940-0100

Fax: (714) 940-0100

www.infrastructure-engineers.com

October 17, 2022

Mr. Ricardo Reyes
City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

RE: Professional Services Agreement for Engineering and Building & Safety Services – Contract
Extension

Dear Mr. Reyes:

On behalf of Infrastructure Engineers, I would like to extend our appreciation for the opportunity to provide professional engineering and building & safety services (Professional Services) to the City of Huntington Park and the community. As a courtesy reminder, our Professional Services Agreement (Agreement) for Professional Services has been in place since January 1, 2023 (after the first extension).

With this letter, we are kindly requesting approval of a second, one-year extension of our Agreement in accordance with Section 4 (the Term) of the Agreement which, if granted would make the extension effective January 1, 2023 through December 31, 2023.

Infrastructure Engineers would be honored to continue providing Professional Services to the City of Huntington Park, and we look forward to receiving confirmation from the City that would allow us that opportunity. With respect and appreciation.

Sincerely,

Farzad Dorrani, MS
Chief Operations Officer

FD/om

ITEM NO. 8



CITY OF HUNTINGTON PARK

Community Development Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL OF GUIDELINES FOR THE EMERGENCY RENTAL ASSISTANCE PROGRAM FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT COVID (CDBG-CV) PROGRAM.

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Approve the Emergency Rental Assistance Program (ERAP) Guidelines from the Community Development Block Grant COVID (CDBG-CV) funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The COVID-19 Emergency Rental Assistance Program ("ERAP") has the objective of mitigating potential homelessness and displacement of existing Huntington Park residents who are experiencing a decrease in household income due to the COVID-19 pandemic, and thus, are unable to pay their rent. By providing a grant to assist eligible tenants to pay for delinquent rent, The City is providing a much-needed resource to ensure residents of Huntington Park stay in their homes and do not become homeless.

The program is funded through the Department of Housing and Urban Development's Community Development Block Grant program, including special one-time funding available through the CARES Act. The Program shall be operated in compliance with CDBG and CARES Act regulations, including 24 CFR 570.201(e) and 570.207(b)(2)(4).

In accordance with CDB-CV regulations, the City will provide a maximum of three (3) months of rental assistance.

Payments will be made directly to the applicant's landlord or property management firm. No direct payments will go to Emergency Rental Assistance Program applicants.

**CONSIDERATION AND ADOPTION OF THE CITY OF HUNTINGTON PARK'S
FISCAL YEAR 2022-2023 ANNUAL ACTION PLAN**

December 20, 2022

Page 2 of 2

CONCLUSION

Upon the Council's direction, staff will proceed with actions as directed.

Respectfully submitted,

Ricardo Reyes
City Manager

Steve Forster
Community Development Director

ATTACHMENTS:

A. Emergency Rental Assistance Program (ERAP) Guidelines

ATTACHMENT "A"



ATTACHMENT "A"

CITY OF HUNTINGTON PARK

Community Development Department

[Tel] 323-582-6161 [Fax] 323-584-6244 www.hpca.gov

EMERGENCY RENTAL ASSISTANCE PROGRAM

About the Program

The COVID-19 Emergency Rental Assistance Program ("ERAP") has the objective of mitigating potential homelessness and displacement of existing Huntington Park residents and workers who are experiencing a decrease in household income due to the COVID-19 pandemic, and thus, unable to pay their rent. By providing a grant to assist eligible tenants pay for delinquent rent, The City is providing a much-needed resource to ensure residents of Huntington Park stay in their homes and not become homeless.

The program is funded through the Department of Housing and Urban Development's Community Development Block Grant program, including special one-time funding available through the CARES Act. The Program shall be operated in compliance with CDBG and CARES Act regulations, including 24 CFR 570.201(e) and 570.207(b)(2)(4).

Applicant Eligibility

In order to be eligible for the City's Emergency Rental Assistance Program, applicants must meet the following requirements, as determined by CDBG and CARES Act regulations:

- Live in the City of Huntington Park
- Experiencing a loss of income due to COVID-19
- **Not** be eligible for or receiving other Federal financial assistance
- Be able to provide a lease agreement or letter confirming tenancy from your landlord
- Have been current on rent payments prior to COVID-19
- Make less than 80% of Area Median Income

2022 Maximum Income Limits (80% of Area Median Income)

Household	1 Person	2 People	3 People	4 People	5 People	6 People
80% AMI	\$66,750	\$76,250	\$85,800	\$95,300	\$102,950	\$110,550

Amount of Assistance

In accordance with CDBG regulations, the City will provide a maximum of three (3) months of rental assistance. The rent must be within fair market value.

Payments will be made directly to the applicant's landlord or property management firm. No direct payments will go to Emergency Rental Assistance Program applicants.

Funding Availability

The City of Huntington Park has dedicated \$500,000 for rental assistance for fiscal year 22-23. Eligible applicants are funded on a first-come, first-serve basis.



CITY OF HUNTINGTON PARK

Community Development Department

[Tel] 323-582-6161 [Fax] 323-584-6244 www.hpca.gov

Required Documentation

Applicants must provide the following documentation to the City of Huntington Park's Community Development Department:

- Cover Letter explaining your situation and why rental assistance is needed.
- Most recent Federal income tax returns
- Most recent bank statement for checking and savings accounts
- Lease Agreement or letter from landlord confirming tenancy
- Photo ID for each member of the household
- Most recent paystub (if still employed)
- Hour reduction notification from employer (if hours reduced)
- Unemployment Award Letter (if unemployed)
- Rent Due notices
- Landlord verification that applicant was current on rent prior to COVID-19
- Landlord's W9 and contact information for payment.

Application Process

Applicants must complete the City of Huntington Park's online Emergency Rental Assistance Program application at <https://hpca.gov/251/Housing-Program>. The online application will automatically screen your eligibility based on your income and if you live or work in Huntington Park.

Once you have successfully completed the online application, the system will send you an automatic email thanking you for your submission. City Staff will contact you within one (1) week of your application submission to discuss your application.

If you do not have access to the internet to complete the online application, please contact the City of Huntington Park Community Development Department to discuss an alternative application process.

Contact

The City of Huntington Park Community Development Department is available to answer questions about the Emergency Rental Assistance Program by phone at 562-753-2854 or by email at winnie.rebecca@mbakerintl.com

ITEM NO. 9



CITY OF HUNTINGTON PARK

Community Development Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Honorable Mayor and Members of the City Council:

CONSIDERATION AND ADOPTION OF THE CITY OF HUNTINGTON PARK'S CDBG AND HOME PROGRAM POLICIES AND PROCEDURES

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Approve the Community Development Block Grant (CDBG) and Home Investment Partnership ACT (HOME Program) Policies and Procedures for the administration of the programs.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The Department of Housing and Urban Development provides annual grants on a formula basis to States, Cities, and Counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The City of Huntington Park is a recipient of Community Development Block Grant (CDBG) and HOME Investment Partnership Act (HOME) funds.

The purpose of the CDBG Program is to fund activities that meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

CDBG funds may be used for activities that include, but are not limited to:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures


December 20, 2022
Page 2 of 2

Page 2 of 2

- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Public services, within certain limits
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

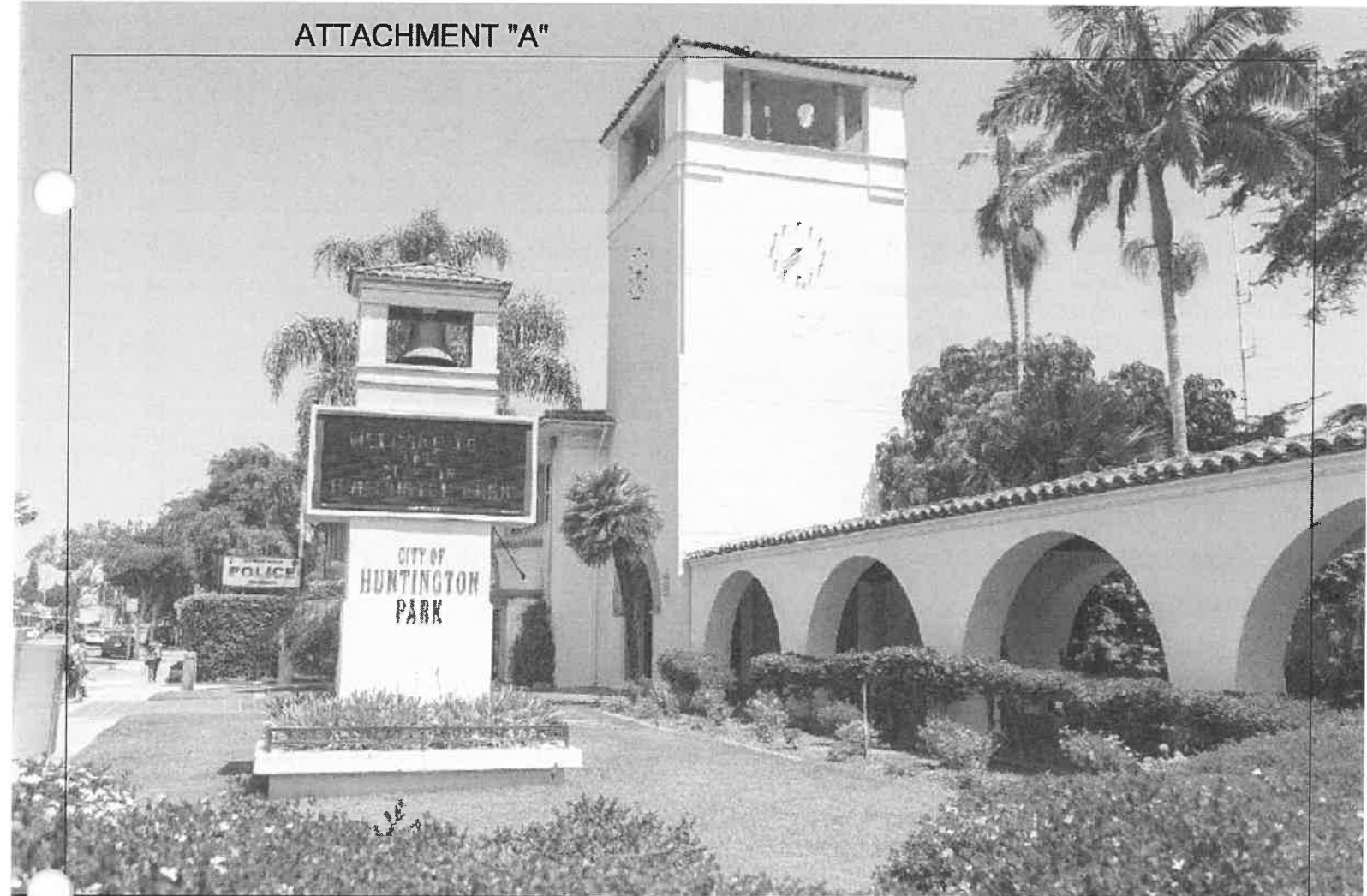
In order to administer these programs, the City is required to adopt Policies and Procedures that address all the programs for which the City is responsible. The Staff has updated the Policies and Procedures for both the CDBG and HOME Programs to reflect new programs and funding.

Upon Council approval, staff will submit the Policies and Procedures for review and acknowledgment.



Attachments: A: CDBG Policies and Procedures Manual
B: HOME Policies and Procedures Manual

ATTACHMENT "A"



CDBG MANUAL

November 2022



CITY OF HUNTINGTON PARK

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Michael Baker
INTERNATIONAL

Consultant to the city

TABLE OF CONTENTS

INTRODUCTION	7
PURPOSE OF THIS CDBG MANUAL	7
WHAT IS CDBG?	7
NATIONAL OBJECTIVES.....	8
WHO GETS CDBG AND HOW MUCH?	8
PROGRAM AREAS	9
A LITTLE ABOUT HUD	10
"THE REGS": THE CODE OF FEDERAL REGULATIONS (CFR)	10
CDBG GRANT ADMINISTRATION.....	11
FINANCIAL MANAGEMENT PROCEDURES	16
CONFLICT OF INTEREST	16
CDBG PROGRAM STAFFING PLAN	16
CONSOLIDATED PLANNING	19
OVERVIEW	19
PROGRAM YEAR	20
PLAN SUBMISSION AND REVIEW.....	20
CONSOLIDATED PLAN CONTENTS	21
BACKGROUND AND GENERAL INFORMATION	22
DESCRIPTION THE LEAD AGENCY	22
DESCRIBE THE PLANNING PROCESS	23
TELL HUD WHO WAS INVOLVED	23
TELL HUD WHO YOU "CONSULTED"	23
EXECUTIVE SUMMARY	24
PUBLIC PROCESS SUMMARY	24
COMMUNITY NEEDS.....	24
GENERAL COMMUNITY NEEDS.....	24
HOUSING AND HOMELESS NEEDS.....	25
DATA SOURCES	26
SUPPORTIVE HOUSING NEEDS	27
LEAD-BASED PAINT HAZARDS.....	27
HOUSING MARKET ANALYSIS.....	27
STRATEGIC PLAN	29
ANNUAL ACTION PLAN CONTENTS	32
CITIZEN PARTICIPATION PLAN CONTENTS	36
CONSOLIDATED PLAN DEVELOPMENT.....	39
IMPLEMENTATION.....	39
EVALUATION.....	40
PUBLIC HEARINGS AND MEETINGS	40
PUBLIC HEARING NOTICES	41
PROGRAM AMENDMENTS	41
CITIZEN SERVICE REQUESTS AND GRIEVANCE PROCEDURE.....	42
THE CONSOLIDATED PLANNING	42
ACTIVITY SELECTION	46

OVERVIEW	46
CATEGORICAL ANNUAL SPENDING LIMITS	46
PROPOSALS	48
THRESHOLD CRITERIA	48
RANKING CRITERIA	52
GENERAL POLICIES	54
CDBG PROGRAM GOALS	54
PUBLIC SERVICES "NON-SUPPLANTING" RULE.....	55
REQUEST FOR PROPOSALS (RFP) CONTENTS AND PROPOSAL REQUIREMENTS	55
RFP PROCESS.....	57
<u>CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)</u>	60
OVERVIEW	60
CAPER CONTENTS.....	61
CAPER OUTLINE.....	63
THE CAPER AND INFORMATION DISBURSEMENT AND INFORMATION SYSTEM (IDIS)	64
CAPER AND CITIZEN PARTICIPATION [24 CFR 91.105(D)]	65
A GUIDE TO HUD GUIDANCE ON THE CAPER	65
<u>SUB-RECIPIENT MANAGEMENT</u>	67
OVERVIEW	67
REPORTING REQUIREMENTS	67
MONITORING	67
TECHNICAL ASSISTANCE/CAPACITY DEVELOPMENT.....	69
MANAGING NON-PERFORMING SUB-RECIPIENTS.....	70
FORMS.....	71
<u>PERFORMANCE MEASURES</u>	72
OVERVIEW	72
OBJECTIVES	72
OUTCOMES.....	73
<u>ELIGIBLE ACTIVITIES</u>	75
OVERVIEW	75
PUBLIC FACILITIES AND IMPROVEMENTS [570.20L(C)]	76
PUBLIC SERVICES [570.20L(E)]	77
HOUSING	77
CODE ENFORCEMENT [570.202(C)]	80
FAIR HOUSING	81
HOMELESS.....	81
PROGRAM ADMINISTRATION [570.206]	82
PLANNING/CAPACITY BUILDING [570.205]	83
A NOTE ABOUT PRESUMPTION AND OVERALL LOW- AND MODERATE-INCOME (LMI) BENEFIT.	83
<u>MEETING A NATIONAL OBJECTIVE</u>	84
OVERVIEW	84
LOW-AND-MODERATE INCOME BENEFIT [570.209(A)].....	84

ELIMINATION OF SLUM AND BLIGHT.....	86
URGENT NEED.....	87
<u>FINANCIAL MANAGEMENT</u>	88
<u>INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS)</u>	102
OVERVIEW	102
WHAT IS IDIS?	102
IDIS STRUCTURE: PLAN, PROJECT, AND ACTIVITY	103
INTEGRATION INTO IDIS ONLINE.....	103
IDIS FACTS	104
IDIS ACCESS.....	104
PC AND SOFTWARE REQUIREMENTS.....	106
GOING INTO IDIS.....	106
<u>ENVIRONMENTAL</u>	110
OVERVIEW	110
LEVEL OF REVIEW DETERMINATION.....	110
LEVELS OF REVIEW	110
EXTRAORDINARY CIRCUMSTANCES	115
"58.6" REVIEW	115
STATUTORY REVIEW "58.5"	115
CONVERSION TO EXEMPT	116
MRER.....	117
<u>PROCUREMENT</u>	119
INTRODUCTION	119
GOVERNING REGULATIONS	119
CODE OF CONDUCT	120
COMPETITION.....	120
METHODS OF PROCUREMENT	121
TECHNICAL REQUIREMENTS.....	124
CONTRACT PRICING.....	124
DOCUMENTATION	125
CONTRACT ADMINISTRATION.....	125
SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES.....	125
DEBARMENT AND SUSPENSION	126
CONTRACT PROVISIONS.....	126
<u>REPORTING REQUIREMENTS</u>	129
CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)	129
QUARTERLY CASH TRANSACTION REPORTS	129
IDIS REPORT PR07: DRAWDOWN BY VOUCHER NUMBER	129
SEMI-ANNUAL LABOR COMPLIANCE (4710)	129
CONTRACT/SUBCONTRACT ACTIVITY REPORT (2516)	130
MBE ACTIVITY REPORTS.....	130
SUBMIT SINGLE AUDIT.....	130
SF-425: QUARTERLY FEDERAL FINANCIAL REPORT.....	130

IDIS REPORT PR56: CDBG TIMELINESS	130
IDIS REPORT PR02: IDIS ACTIVITIES BY PROGRAM YEAR AND PROJECT.....	130
OTHER FEDERAL REQUIREMENTS	131
LABOR STANDARDS (570.603)	131
FAIR HOUSING (570.601).....	131
NON-DISCRIMINATION (570.602—SECTION 109)	131
RELOCATION/DISPLACEMENT (570.606)	132
EQUAL OPPORTUNITY (570.607)	132
LEAD-BASED PAINT (570.608)	132
SECTION 504/REASONABLE ACCOMMODATION	132
LIMITED ENGLISH PROFICIENCY	133
OWNER-OCCUPIED HOUSING PROGRAMS	134
CITYWIDE REHABILITATION PROGRAM	134
CITYWIDE HOMEBUYER PROGRAM	139
CODE ENFORCEMENT PROGRAM	149
INTRODUCTION	149
PROGRAM SUMMARY	149
NATIONAL OBJECTIVES.....	149
DETERIORATING OR DETERIORATED DEFINITION	149
SERVICE AREA	151
COMMON VIOLATIONS.....	151
PROGRAM PROCESS	151
ELIGIBLE EXPENDITURES.....	152
RECORDKEEPING REQUIREMENTS	152
PROCUREMENT	153
ADDITIONAL ACTIVITIES	153
CITY OF HUNTINGTON PARK- EMERGENCY RENTAL ASSISTANCE PROGRAM	154
APPENDICES	156
THE LOS ANGELES HUD FIELD OFFICE.....	156
TRAINING	156
HUD EXCHANGE – CDBG: COMMUNITY DEVELOPMENT BLOCK GRANTS	156
THE CODE OF FEDERAL REGULATIONS (CFR)	156
PROGRAM RELATED DOCUMENTS	156
REQUEST FOR REIMBURSEMENT	157
PUBLIC SERVICE APPLICATION.....	158
TOTAL PRIOR YEAR'S BUDGET FOR PROGRAM COLUMN A.....	165
TOTAL ANNUAL BUDGET FOR PROPOSED PROGRAM	165
CDBG PORTION OF BUDGET FOR PROPOSED PROGRAM	165
FUNDING SOURCES TABLE	168
STANDARD FORM 425.....	171

SUBGRANTEE ON-SITE MONITORING CHECKLIST	172
ADMINISTRATION AND REPORTING TIMELINE	192
GLOSSARY	193
GLOSSARY OF ACRONYMS.....	193

DRAFT

INTRODUCTION

PURPOSE OF THIS CDBG MANUAL

The purpose of this manual is to assist Staff obtain a clear understanding of the federal requirements and to guide Staff to adhere to federal regulations for Community Development Block Grant ("CDBG") funds. This guide will provide direction on overall grant administration responsibilities of the City of Huntington Park ("City"), identify responsibilities of assigned Staff, and instructional policies and procedures for projects funded through CDBG.

The CDBG Manual is not intended to be the sole or authoritative source on the CDBG program. The Manual includes sections that guides Staff to where they can find answers to questions regarding federal regulations and further details about CDBG. This manual in no way is intended to act as a substitute for staff training sponsored by the U.S. Department of Housing and Urban Development ("HUD") Community Planning and Development Division ("CPD") field office.

WHAT IS CDBG?

The Community Development Block Grant ("CDBG") program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to approximately 1180 general units of local government and States (www.hud.gov).

The program is authorized under Title 42 US Code, Chapter 69, Section 5301, and the regulations that govern the CDBG program are at Title 24, Chapter 570 of the Code of Federal Regulations (CFR) (www.ecfr.federalregister.gov/).

The CDBG program was enacted in 1974 with the passage of the Housing and Community Development Act of the same year. The program originated out of the consolidation several previous federal grant programs that aimed at to address similar community issues targeted by CDBG.

NATIONAL OBJECTIVES

In its most broad and general definition, the intent of the program is to help local communities improve the quality of life for residents. To this end, the program has what are called three "National Objectives". In order to use CDBG funds, the proposed use must meet one of these three National Objectives. These are:

1. to benefit low- or moderate-income persons;
2. to aid in the prevention or elimination of slums or blight; or
3. to meet an urgent community development need.

The Code of Federal Regulations ("CFR" or "regulations" or "regs") and published HUD guidance go into detail about how one determines whether a jurisdiction is meeting a National Objective.

To accomplish these objectives, the City of Huntington Park established the following goals:

- Preserve the City's existing affordable housing stock for low to moderate-income households
- Provide safe and decent housing for renters with low- to moderate-income
- Provide transitional and permanent supportive services for homeless persons
- Provide supportive services for non-homeless persons
- Promote fair housing among all income persons

WHO GETS CDBG AND HOW MUCH?

The annual CDBG appropriation is allocated between States and local jurisdictions called "non-entitlement" and "entitlement" communities respectively. Entitlement communities are comprised of central cities of Metropolitan Statistical Areas ("MSAs"); metropolitan cities with populations of at least 50,000; and qualified urban counties with a population of 200,000 or more (excluding the populations of entitlement cities). States distribute funds to non-entitlement localities not qualified as entitlement communities.

HUD determines the amount of each grant by using a formula comprised of several measures of community need, including the extent of poverty, population, housing over-crowding, age of housing, and population growth lag in relationship to other metropolitan areas (www.hud.gov)

Each year, the U.S. Congress appropriates funds to the CDBG program as part of the budget for the Department of Housing and Urban Development, known as HUD. More specifically, the CDBG program is funded from the Community Development Fund (the "Fund"). Although there are several smaller programs funded from the Fund, the CDBG program is by far the largest.

PROGRAM AREAS

The funding allocated to the CDBG program is then further distributed among eight "program areas" according to a statutory formula. These programs are:

1. Entitlement Communities – annual grants to larger cities and urban counties
2. State Administered CDBG – the "Small Cities" program. States award grants to smaller units of general local government
3. Section 108 Loan Guarantee Program – for entitlement communities and non-entitlement. HUD provides financing for CDBG-funded activities using future CDBG awards to repay the loan
4. Neighborhood Stabilization Program – This program was established to stabilize communities that have suffered from foreclosures and abandonment. Through the purchase and redevelopment of foreclosed and abandoned homes and residential properties, the goal of the program is being realized
5. Insular Areas – grants to four designated insular areas: American Samoa; Guam; Northern Mariana Islands; and the Virgin Islands
6. Disaster Recovery Assistance – grants to help cities, counties, and States recover from disasters
7. Colonias – Texas, Arizona, California, and New Mexico set aside a portion of state CDBG funds to improve living conditions in under-developed settlements along the US-Mexico border
8. Non-Entitlement CDBG Grants in Hawaii – The Non-Entitlement CDBG Grants in Hawaii offer a source of financing allotted for the economic development, housing rehabilitation, public facilities rehab, construction, or installation for the benefit of low- to moderate- income persons, or to aid in the prevention of slums.

A LITTLE ABOUT HUD

HUD's mission is to create strong, sustainable, inclusive communities and quality, affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality, affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.

HUD is a large federal department with a broad range of responsibility. HUD has five main divisions or "program offices": Housing, Community Planning/Development, Fair Housing/Equal Opportunity, Public/Indian Housing and Ginnie Mae.

As a CDBG recipient, the City will be working with the Community Planning/Development office, which is referred to as CPD. The City will also have a field representative assigned to the jurisdiction from the local field office. This person can be viewed as a gateway to HUD. Any questions regarding the CDBG program that cannot be answered internally can be directed to the field representative. It is key to establish an open and effective line of communication with the field representative, so he/she are kept informed on the status of the jurisdiction's programs and entitlement.

HUD has 81 field offices distributed across the country with at least one in each state. Located at these field offices are representatives of the various HUD divisions or program offices. HUD has also divided up the nation into regions. Each region has a Regional Office and a Regional Office Director. The City will also have minor interactions with other HUD offices including Labor Relations and Policy Development and Research ("PDR").

"THE REGS": THE CODE OF FEDERAL REGULATIONS (CFR)

The Code of Federal Regulations ("CFR") is the codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the Federal Government. It is divided into 50 titles that represent broad areas subject to Federal regulation.

There are several federal laws, regulations and rules that guide and impact the CDBG program. The most important is the enabling regulation, which can be found in Part 570 of Title 24 of the Code of Federal Regulations or "24 CFR 570". This is where the "how to" and the "do's and don'ts" of the CDBG program are located.

Every April, the regulations affecting HUD, and therefore the CDBG program, are updated. Any changes to the regulations are published in the Federal Register as they are being considered and as they are implemented. The most current version of the regulations can be found on the website of the US Government Printing Office ("GPO") (gpo.gov/). In addition to accessing the GPO website for the most current Regulations, HUD will typically notify grantees when changes are being considered and when they are implemented.

HUD will also occasionally publish memoranda or notices that are collectively referred to as "guidance". These letters generally serve to clarify common misunderstandings or explain how to interpret program regulations considering new federal requirements or changing circumstances. HUD will also publish "handbooks" and "guides" that offer more comprehensive guidance for grant recipients.

Some of the other regulations that impact the CDBG program are:

- Lead Safe Housing;
- Environmental Review;
- General Administration; and
- The federal Office of Management and Budget ("OMB") Circulars.

It is often difficult to locate HUD guidance after it has been issued. A good resource that can be utilized are assembled links to all the relevant documents at CDBG Laws and Regulations (www.hudexchange.info/programs/cdbg/cdbg-laws-and-regulations/).

CDBG GRANT ADMINISTRATION

CDBG funds are received from HUD as grants to States and local communities, known as grantees, to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development and providing improved community facilities and services.

The City of Huntington Park, as an entitlement community, is responsible for developing its own programs and funding priorities. As a grantee, the City must ensure one of the three national objectives is met when funding activities including benefitting low- and moderate-income persons, aid in the prevention or elimination of slums or blight or meeting other community development needs having a particular urgency.

ANNUAL ACTION PLAN

The Annual Action Plan ("AAP") serves as the budget allocation for the upcoming year and is due forty-five (45) days before the start of the respective fiscal year.

CONSOLIDATED PLAN

Recipients of CDBG funds must engage in a planning process to identify priority needs in the community and then develop goals and objectives to address these needs. The Consolidated Plan process produces a 3- to 5-year Consolidated Plan which describes the jurisdiction's community development priorities and multi-year goals based on an assessment of housing and community development needs, an analysis of housing and economic market conditions and available resources. The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan.

CITIZEN PARTICIPATION

An essential part of the Consolidated Plan process is consultation and citizen participation. Through the Consolidated Plan grantee jurisdictions engage the community, both in the process of developing and reviewing the proposed plan, and as partners and stakeholders in the implementation of CPD programs. By consulting and collaborating with other public and private entities, grantees can align and coordinate community development programs with a range of other plans, programs, and resources to achieve greater impact.

CAPER

Grantees are required to submit a Consolidated Annual Performance and Evaluation Report (CAPER) at the end of each program year to report on the prior year program accomplishments. By providing detailed financial and beneficiary information, the CAPER explains how a jurisdiction is carrying out its housing and community development strategies, projects, and activities. In addition to writing general and program narratives, grantees must use IDIS to capture the information needed to meet CAPER requirements. As IDIS users set up activities, draw funds, and report accomplishments, they are creating a database that contains information required for the CAPER. Grantees can retrieve this data from IDIS at the end of their program year. By keeping information current in IDIS throughout the year, there is no need to collect and gather large amounts of data

required for the CAPER.

FISCAL YEAR CALENDAR FOR GRANT ADMINISTRATION

The following lists a month-by-month schedule of events to occur in each fiscal year. The City will begin the fiscal year on July 1 and end on June 30.

July
<ul style="list-style-type: none">• July 1: Fiscal Year begins• Set up new projects and activities in IDIS• Begin collecting data for previous fiscal year CAPER• End of July: subrecipient annual reports and final payment requests from previous fiscal year due
August
<ul style="list-style-type: none">• Final subrecipient payments for previous year• Prepare CAPER• Publish 15-day public notice of review/comment period for CAPER and City Council adoption of CAPER
September
<ul style="list-style-type: none">• 15-day public comment period occurs• City Council approves CAPER• September 30: CAPER submitted to HUD
October
<ul style="list-style-type: none">• End of month: subrecipient 1st quarter reports and payment requests due
November
<ul style="list-style-type: none">• Consider need to reallocate funds between any projects and activities• Prepare mid-year Action Plan amendment (if funds are reallocated)• Publish 30-day public notice of review/comment period for Action Plan amendment and City Council adoption (if applicable)• Public review period for Action Plan amendment occurs (if applicable)
December
<ul style="list-style-type: none">• Public review period for Action Plan amendment ends (if applicable)

<ul style="list-style-type: none"> • City Council approves Action Plan amendment (if applicable) • Action Plan amendment submitted to HUD (if applicable)
January
<ul style="list-style-type: none"> • Publish public notice on availability of funds for next fiscal year • Release subrecipient application for next fiscal year • End of month: subrecipient 2nd quarter reports and payment requests due
February
<ul style="list-style-type: none"> • Hold Action Plan public meeting to solicit public feedback on potential projects and activities • Subrecipient applications for next fiscal year due • Review subrecipient applications and ask follow-up questions • Begin preparing Action Plan for next fiscal year
March
<ul style="list-style-type: none"> • Continue preparing Action Plan • Publish public notice of Action Plan 30-day public review/comment period and City Council adoption
April
<ul style="list-style-type: none"> • Action Plan for next fiscal year is released for public review • End of month: subrecipient 3rd quarter reports and payment requests due • April 30: timely expenditure of funds tested
May
<ul style="list-style-type: none"> • City Council adoption of Action Plan • May 15: Action Plan submitted to HUD • Subrecipient award letters mailed
June
<ul style="list-style-type: none"> • Subrecipient agreements for next fiscal year mailed, returned, and executed • Project environmental reviews completed • Respond to HUD questions about Action Plan

SUB-RECIPIENTS

One way of implementing the local CDBG program is through the use of sub-recipients. The management and oversight of sub-recipients is a critical task of the entitlement jurisdiction. Using a sub-recipient to implement the local CDBG program does not relieve the original grantee of its responsibilities under CDBG and other federal rules and regulations. Another essential requirement necessary to administer a CDBG grant is to have policies and procedures in place for financial management of the grant. It is important for entitlement jurisdiction Staff to understand the process and regulations tied the CDBG program even after they are committed to a specific activity or project through a contract or agreement. Other program requirements which must be met in the administration of the CDBG program include meeting environmental regulations under the National Environmental Policies Act ("NEPA"), addressing federal requirements for procurement under 24 CFR 84, 24 CFR 85, and Office of Management and Budget ("OMB") Circular A-110, in addition to meeting other federal requirements [24 CFR 570.600].

PLANNING SUITE

HUD's Office of Community Planning and Development ("CPD") introduced the eCon Planning Suite, including the Consolidated Plan template in IDIS Online and the CPD Maps website. The eCon Planning Suite supports grantees and the public to assess their needs and make strategic investment decisions by creating a more cohesive planning and grants management framework and providing better data and a tool for analysis. The Consolidated Plan template in IDIS facilitates the planning process by making critical data on housing and community development needs readily accessible to grantees in the format required by HUD. By providing detailed and timely demographic, housing affordability and economic data, the template frees up time formerly spent searching out and compiling data to allow grantees to focus on understanding the data, further boosting the process beyond simple compliance with reporting and budgeting requirements. Moreover, by providing a standard format for all the required Consolidated Plan elements, HUD is providing clear guidance on when requirements will be met.

FINANCIAL MANAGEMENT PROCEDURES

CONFLICT OF INTEREST

The City of Huntington Park will comply with the following conflict of-interest provisions:

1. 24 CFR Parts 84 and 85, and CFR 85.36 and 24 CFR 84.42.
2. Provisions not covered by 24 CFR Parts 84 and 85, set forth in the CDBG regulations. Additionally, the CDBG regulations include conflict of interest provisions for nonprofit, for-profit owners/developers/sponsors and CHDOs.
3. No employee, officer, or agent of the city shall participate in the selection, award, or administration of a contract supported by CDBG if a conflict-of-interest, either real or apparent, would be involved;
4. City employees, officers, and agents shall not accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements; and
5. Enforce provisions for penalties, sanctions, or other disciplinary actions for violations of standards.
6. No person who exercises or has exercised any functions or responsibilities with respect to CDBG activities or who is in a position to participate in decisions or gain inside information:
 - a. May obtain a financial interest or benefit from a CDBG activity; or the City of Huntington Park CDBG Program Operations;
 - b. Have an interest in any contract, subcontract, or agreement for themselves or for persons with business or family ties.
7. NOTE: This requirement applies to covered persons during their tenure and for one year after leaving the Recipient entity.
8. Include the conflict-of-interest provision in written agreements and other documents with owners, developers, and sponsors.
9. Monitoring of projects will include necessary actions to ensure that the conflict-of-interest provision is adhered to.

CDBG PROGRAM STAFFING PLAN

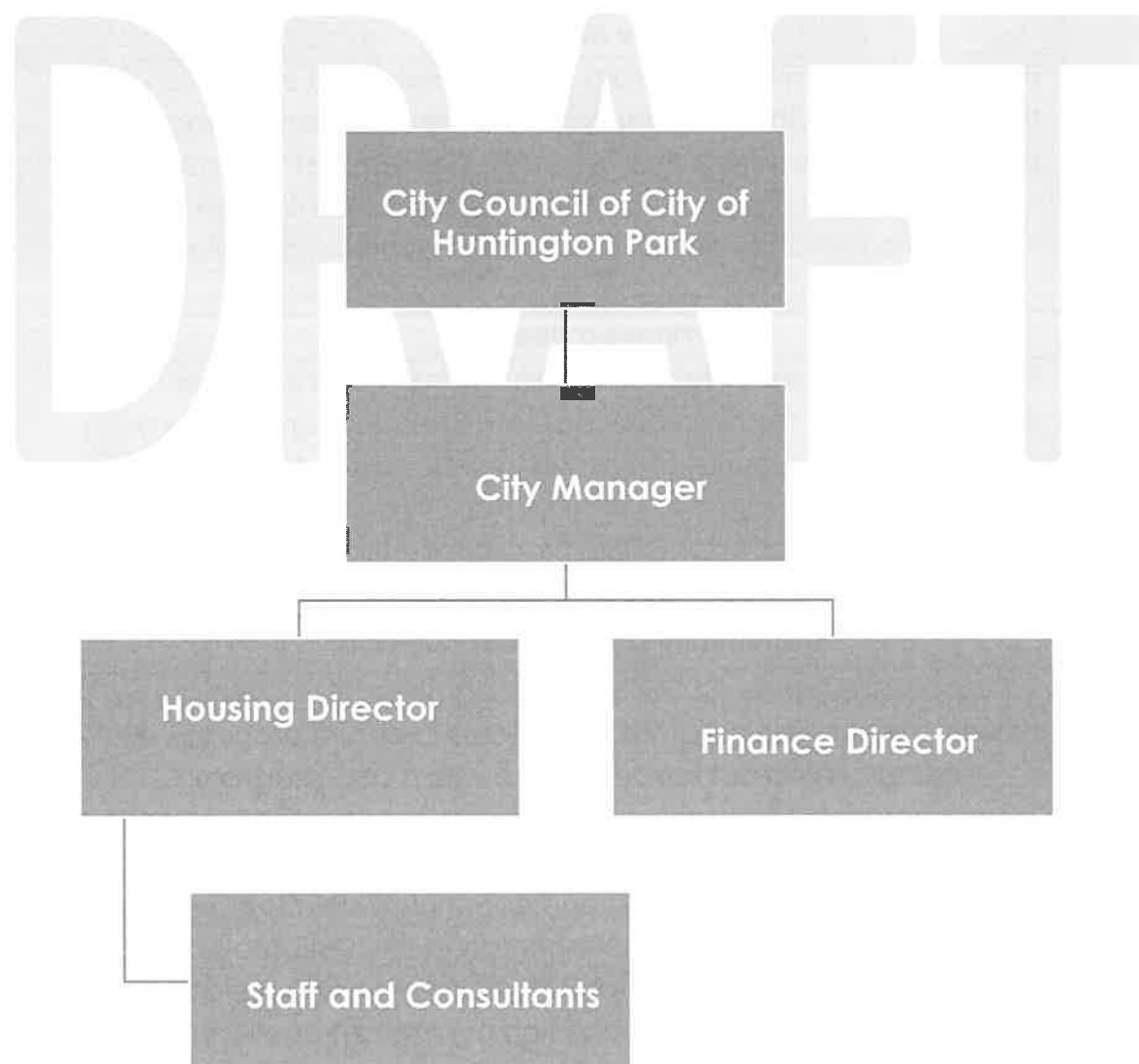
It is the intentions of the City to have City Staff provide management oversight of the administration of the CDBG program. To the extent necessary, the City will utilize other resources including consultants to assist with the administration of the CDBG Programs. Provided below is a brief staffing plan identifying roles and responsibilities of City Staff and program consultants.

ORGANIZATION ROLES AND RESPONSIBILITIES

The table below briefly summarizes the City of Huntington Park Staff roles and responsibilities, and those of program consultants, in administering the City's CDBG Programs. Following the table are more complete job descriptions for each of the positions along with an organizational chart.

City Council
Establish policy direction for the City by enacting resolutions and ordinances to provide essential legislation. As the City Council of the City of Huntington Park, authorizes contracts, grants franchises, adopt Action Plan and annual budget for CDBG funds.
City Manager
Responsible for overall program management and evaluation of the operation of the program, facilitate the adoption of program policies and procedures and assign the necessary staff resources to carry out the program. As the as the City of Huntington Park certifying officer, signs CDBG Program certifications, grant documents, loan agreements, and wiring requests.
Finance Director
Responsible for overall program management and evaluation of the operation of the program, facilitate the adoption of program policies and procedures and assign the necessary staff resources to carry out the program. As the as the City of Huntington Park certifying officer, signs CDBG Program certifications, grant documents, loan agreements, and wiring requests.
Community Development Director
Responsible for the CDBG program administrative oversight, including managing program consultants to ensure programs are being carried out in compliance with CDBG program requirements. Oversees and assists with the preparation of required reports and IDIS voucher preparation. Assists with the implementation of housing and community development programs including the implementation of CDBG projects. Working with program consultants, the Community Development Director is responsible for selection of program applicants, monitoring of the programs for regulatory compliance, program

marketing/outreach.
Staff and Consultants
Assist the Community Development Director with the administration and implementation of the CDBG program to ensure it is being carried out in compliance with CDBG program requirements. Assist, as assigned, with the preparation of required reports, set-up activities in IDIS and prepare vouchers, review the program to ensure compliance with CDBG regulatory commitment and expenditure requirements, ensure file documentation is maintained, assist with the implementation of CDBG activities.



CONSOLIDATED PLANNING

OVERVIEW

This section will inform Staff of the purpose and guide Staff through the requirements of the Consolidated Plan and processes. Recipients of federal CDBG funds must prepare a Consolidated Plan, often referred to as the "Con Plan". The Consolidated Plan is intended to act as a consolidated planning document that describes the housing and community development needs of the grantee community, the resources available to meet those needs, and the proposed actions to meet those needs. The Con Plan must cover a minimum period of at least 3 years, but not exceed more than 5 years.

The consolidated plan serves the following functions [24 CFR 91]:

1. A planning document for the jurisdiction, which builds on a participatory process among citizens, organizations, businesses, and other stakeholders;
2. A submission for federal funds under HUD's formula grant programs for jurisdictions;
3. A strategy to be followed in carrying out HUD programs; and
4. A management tool for assessing performance and tracking results.

A Consolidated Plan is also required for grantees under the federal Housing Investment Partnerships Program (HOME), Emergency Shelter Grant program (ESG), and Housing Opportunity for Persons with AIDS (HOPWA) Program. The Con Plan should address all of these programs if the grantee receives these funds. The Plan should also describe other resources that will be made available to meet the community's identified needs.

The Consolidated Plan must also include an Action Plan that is submitted each year. The annual Action Plan provides HUD with more details regarding the entitlement jurisdiction's plan to allocate funds through programs and projects that will meet the current needs of the community. In other words, where the Action Plan speaks to the specific activities that will be undertaken over the following year, the Consolidated Plan delivers a general outline and is considered to be a guiding document rather than a commitment to certain actions.

The Consolidated Planning requirements of **24 CFR 91** are not only requirements for documentation but also require the grantee to involve the public. HUD sees the Consolidated Plan and Action Plans as much as processes as they are documents, if

not more so. From HUD's perspective, the document serves as evidence of the process.

PROGRAM YEAR

Each grantee must adopt a program year. Most CDBG grantees adopt a 12-month period of July 1 to June 30, while others select a January 1 to December 31 program year.

For grantees who have a July to June plan year, they are planning for the use of funds that typically have already been budgeted, signed into law, and allocated by HUD. They trail behind the process. Those with January to December plan years are often in the position of leading the funding process.

A January to December program year can make it difficult to coordinate local budgeting with the CDBG planning cycle.

PLAN SUBMISSION AND REVIEW

Consolidated Plans and Annual Action Plans must be submitted forty-five (45) days prior to the start of the program year which they cover. A jurisdiction may have a program year that coincides with the federal fiscal year (e.g., October 1 through September 30). However, the Consolidated Plan may not be submitted earlier than November 15 [24 CFR 91.15].

HUD will not accept submissions before November 15 or after August 16 of the federal fiscal year for which the grant funds are appropriated. By statute, HUD has forty-five (45) days to review the Consolidated and Action Plans.

In May 2012, HUD's Office of Community Planning and Development (CPD) introduced the **eCon Planning Suite**, including the **Consolidated Plan template in IDIS Online** and the **CPD Maps** website. By creating a more cohesive planning and grants management framework and providing better data and a tool for analysis, the eCon Planning Suite supports grantees and the public to assess their needs and make strategic investment decisions.

The Consolidated Plan template in IDIS facilitates the planning process by making critical data on housing and community development needs readily accessible to grantees in the format required by HUD. By providing detailed and timely demographic, housing affordability and economic data, the template frees up time

formerly spent searching out and compiling data to allow grantees to focus on understanding the data, further boosting the process beyond simple compliance with reporting and budgeting requirements. Moreover, by providing a standard format for all the required Consolidated Plan elements, HUD is providing clear guidance on when requirements will be met.

With the incorporation of the Consolidated Plan and Annual Action Plans into IDIS Online, the key reporting elements of the grants management cycle are integrated into a single system. This will help ensure cohesiveness among:

- The goals described in the Consolidated Plan and Action Plan,
- The activities and accomplishments tracked in IDIS, and
- The outcomes reported in the Consolidated Annual Performance and Evaluation Report (CAPER).

This integrated system makes the Consolidated Plan a more useful planning and management tool.

CPD Maps is an online data mapping tool for place-based planning. Grantees and the public can use CPD Maps to analyze and compare housing and economic conditions across their jurisdictions. The CPD Maps tool is publicly available, giving all community stakeholders access to the same data. The Consolidated Plan template allows grantees to insert maps and data tables from CPD Maps with ease, throughout their plan.

CONSOLIDATED PLAN CONTENTS

The regulations require that the Consolidated Plan include certain information about the community, that it answers certain questions about the community and the grantee jurisdiction, and that it tells HUD how the grantee intends to comply with certain programs and HUD requirements.

In general, the following components are required [24 CFR 91.200]:

- Description of the lead agency
- Identifying agencies, groups, organizations, and others who participated in the process
- Description of the planning process
- Description of those who participated in the process

- Description of consultations with other agencies and entities
- Executive summary of the plan
- Summary of the public planning process
- Housing and homeless needs assessment
- Housing market analysis
- Strategic plan
- Annual action plan
- Required certifications
- Monitoring plan
- Citizen participation plan
- Evaluation of past performance

The regulations specify the form and content of these components to varying degrees. It is key that those Staff members who assist in the development of entitlement jurisdiction pay particular attention to those requirements identified in the regulations. In addition to 24 CFR 91, HUD has also provided additional guidance resources regarding the development of a Consolidated Plan. HUD provides links to "model" Consolidated Plans and best planning practices on its web site at: www.hudexchange.info/programs/consolidated-plan/.

BACKGROUND AND GENERAL INFORMATION

The first four requirements above are typically presented in a background section that includes general information about the community. Details on what HUD is looking for in these sections are summarized below.

DESCRIPTION THE LEAD AGENCY

HUD states "the jurisdiction must identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan".

The "lead agency" is going to be the grantee jurisdiction except in the rare case that the plan covers more than one jurisdiction. In this case, the lead agency is designated by the members of the multi-jurisdictional consortium.

The major agencies HUD wants you to describe are not to be confused with those who may eventually receive funds. HUD wants to know who the agencies are that may assume the administrative role of a grantee. In all but the rare case, this will only be the

grantee jurisdiction. In some cases, an agency like a school district or a large community foundation might have a major role.

The jurisdiction must specifically describe consultations with:

- The Continuum of Care that serves the jurisdiction's geographic area;
- Public and private agencies that address housing, health, social services, employment, or education needs of low-income individuals and families, of homeless individuals and families, of youth, and/or of other persons with special needs;
- Publicly funded institutions and systems of care that may discharge persons into homelessness (such as health-care facilities, mental health facilities, foster care, youth facilities, and corrections programs and institutions);
- Commencing with consolidated plans submitted on or after January 1, 2018, public and private organizations, including broadband internet service providers and organizations engaged in narrowing the digital divide;
- Commencing with consolidated plans submitted on or after January 1, 2018, agencies whose primary responsibilities include the management of flood prone areas, public land or water resources, and emergency management agencies; and
- Other entities.

DESCRIBE THE PLANNING PROCESS

HUD wants a general description of the planning process that identifies those steps taken by the jurisdiction to prepare for the development of the consolidated plan in a way that meets the federal requirements. This can be in the form of a narrative timeline of the planning process.

TELL HUD WHO WAS INVOLVED

HUD wants to know about the public and private agencies involved in planning for the use of funds. This can be as simple as a list of agencies.

TELL HUD WHO YOU "CONSULTED"

HUD requires that jurisdictions to "consult" with agencies that have knowledge of housing and community development needs. There are certain required consultations. These are described in more detail in the following section. Agencies that have been consulted in the preparation of the plan must be listed. HUD encourages entitlement

jurisdictions to consult with dynamic pool of community representatives that can include local businesses, developers, non-profit agencies, faith-based organizations, the general public and other parties that carry an interest in the community.

EXECUTIVE SUMMARY

Grantees must provide a separate "executive summary" of the Consolidated Plan. This should be a short description of the Consolidated Plan. HUD wants the executive summary to include the objectives and outcomes that have been identified in the plan and for it to discuss the past performance of the grantee.

PUBLIC PROCESS SUMMARY

Jurisdictions need to summarize the "citizen participation process" that was implemented to gain public input. This is often a separate section or an appendix to the plan. This section describes the various public workshops, public hearings, and public meetings of elected or appointed bodies. The public process summary should specifically mention when and how the public was informed of these meetings and should provide a summary of the public comment captured at the meetings. In addition to the public meetings, HUD wants to know when and how the public was informed of the planning process; when and how they were given an opportunity to review the plan document.

Copies of all public notices with evidence of when they were posted should be captured. Staff is encouraged to work with the City Clerk in the proper and timely dissemination of information, public posting, publication of notices and documentation of these efforts.

COMMUNITY NEEDS

HUD requires that the Consolidated Plan discuss the community's needs in general and specifically discuss those identified housing needs, homeless needs, and provide an analysis of the local housing market.

GENERAL COMMUNITY NEEDS

Although the regulations and HUD are not specific about the discussion of general needs there should be substantial presentation of the community's demographics including current characteristics and trends in population, age, education, employment, race/ethnicity, household characteristics, and characteristics of special needs populations (elderly, disabled, large households, single parent households,

persons addicted to drugs and alcohol, persons with HIV/AIDS, victims of domestic violence, and persons receiving public assistance).

HOUSING AND HOMELESS NEEDS

The requirements for the discussion of Housing and Homeless Needs are much more specific. Housing needs must be projected over a five-year period for the Consolidated Plan. Housing needs must be discussed by income group and by renters vs. owners. Data from the US Census must be used. Census data may be complemented by other reliable data sources and local surveys. Consultation with local service providers and advocates should also be reflected in the discussion of housing needs.

The housing needs of the following special needs groups must be discussed:

- Extremely low-income, low-income, moderate-income, and middle-income families
- Elderly
- Renters and owners
- Disabled
- Single persons
- Large families
- Public housing residents
- Families on the public housing waiting list
- Formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance
- Victims of domestic violence, dating violence, sexual assault, and stalking
- Persons with HIV/AIDS and their families
- The discussion of housing needs must also include:
 - Housing cost burden
 - Over-crowding (especially for large families)
 - Housing conditions
 - Broadband wiring needs and service competition
 - Vulnerability to natural hazards to low- to moderate- income household

The discussion must provide specific information by income group and tenure. The needs assessment must also include an analysis of how any particular ethnic or racial group has disproportionate housing needs.

DATA SOURCES

Special US Census data tabulations for the preparation of Consolidated Plans including data on housing needs are available from HUD's Policy Development and Research Information Service or "PD&R" from the "HUD User" website: www.huduser.gov/portal/datasets/cp.html.

CHAS DATA

One special data set that can be a useful tool in developing an effective Consolidated Plan is called "CHAS Data". This source of data is a collection of custom tabulations that were once used in the preparation of what was known as a "Comprehensive Housing Affordability Study" (CHAS), which has since been replaced by the Consolidated Plan. It, along with other data sources, can be accessed through what is called the "State of the Cities Data System" (SOCDS) at <http://socds.huduser.org/>. CHAS Data can be pulled at this website: <http://socds.huduser.org/chas/index.html>.

CONSOLIDATED PLAN TEMPLATE IN IDIS

The Consolidated Plan Template in IDIS makes data on housing and community development needs readily accessible to grantees in the format required by HUD. The provision of detailed and timely demographic, housing affordability and economic data in the template frees up staff time to allow grantees to focus on understanding the data, further boosting the process beyond simple compliance with reporting and budgeting requirements.

Both the Consolidated Plan Template in IDIS Online and CPD Maps draw on multiple data sources to produce data tables, populate maps and create reports. The following data sources are used by both tools.

- American Community Survey (ACS)
- eCon Planning Suites data
- Fair Market Rents (FMR)
- HOME Program Rent Limits
- HOME Income Limits
- Homeless Data Exchange/Annual Homeless Assessment Report Data
- Homeless Data Exchange Public Report
- Assisted Housing (IMS/PIC)
- Physical Inspection Reports

Data sources from HUD and others are listed HUD's Consolidated Plan Data Sources page: www.hud.gov/resources

HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS)

The Consolidated Plan must include a concise summary of the extent and nature of the community's homeless population including chronically homeless individuals and rural homelessness. It must include a distinct analysis of need for services and facilities for homeless individuals, families, families with children, sheltered, unsheltered and other homeless subpopulations. The summary should provide the characteristics and needs of low- and very low-income families that are threatened by homelessness. This section should also present a brief narrative on the racial and ethnic characteristics of the homeless population to the greatest extent possible. HUD requires the Consolidated Plan include "Table 1A" to present this information. The description must also refer to data from the Homeless Management Information System (HMIS) and data from the Point-In-Time (PIT) count conducted in accordance with HUD standards.

SUPPORTIVE HOUSING NEEDS

The discussion must include an estimate of non-homeless persons with special needs and a discussion of their needs. These populations include elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or drug addictions, persons with HIV/AIDS and their families, public housing residents, and any other population the grantee believes have a need for supportive housing. HUD requires jurisdictions to use "Table 1B" to present this information.

LEAD-BASED PAINT HAZARDS

The Consolidated Plan must include an estimate of housing units occupied by low-income households that may contain lead-based paint. The Plan must also discuss the incidence of actual lead poisonings attributable to lead-based paint in the grantee jurisdiction.

HOUSING MARKET ANALYSIS

GENERAL SUPPLY AND DEMAND

The Consolidated Plan must discuss the supply of, demand for, condition and cost of housing in the grantee jurisdiction. This must include specific discussion of housing serving persons with special needs and low-income households. (See

Housing Needs.) Condition of housing units must estimate the number of vacant and abandoned housing units and the suitability of these units for rehabilitation and occupancy.

INCOME, RACE AND ETHNIC CONCENTRATION

The Consolidated Plan must identify and describe any areas with concentrations of low-income households and areas of racial or ethnic concentration. A low-income concentration area is a primarily residential area where 51% or more of the housing units are occupied by low-income households. The grantee must determine and justify the threshold for race/ethnic concentration. These areas should be illustrated using maps in the plan.

BROADBAND NEEDS

The jurisdiction must describe the broadband needs of housing based on an analysis of data, identified by the jurisdiction, for its low- and moderate-income neighborhoods. These needs include the need for broadband wiring and for connection to the broadband service in household units and the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

INCREASED NATURAL HAZARD RISKS

The plan must describe the vulnerability of housing occupied by low- and moderate-income households to increased natural hazard risks associated with climate change based on an analysis of data, findings, and methods identified by the jurisdiction in its consolidated plan.

PUBLIC HOUSING AND AFFORDABLE HOUSING

The Plan must discuss the needs of public housing and other subsidized affordable housing. This must include an identification of the developments, number and type of units, condition, physical needs, and the results of any recent Section 504 evaluation. The Plan should discuss the local Public Housing Authority's (PHA) management plan and identify if the PHA is operating under a HUD-approved PHA Plan.

Discussion of privately-owned affordable housing must include the target income levels, source of assistance, term of affordability and an evaluation of the likelihood of conversion to market rate.

HOUSING FOR THE HOMELESS

The Plan must describe the services and facilities available to meet the needs of the homeless and chronically homeless. This must include separate mention of emergency shelter, transitional housing, and supportive and non-supportive housing for the homeless. The percentage available to and currently serving the chronically homeless should be estimated. Also, to be included are both services targeted to homeless persons and mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons.

SPECIAL NEEDS HOUSING—NON-HOMELESS

The Consolidated Plan must describe services and facilities available to special needs populations who are not homeless. The Plan must also describe services and facilities for appropriate supportive housing for those discharged from hospitals and institutions.

BARRIERS TO AFFORDABLE HOUSING

The Plan must describe barriers to the development of affordable housing including the general cost of construction and other public or private factors that may pose a barrier to the development, maintenance, or improvement of affordable housing. This includes local tax policy, land use controls, development incentives, building codes, fees, growth limits or other factors.

STRATEGIC PLAN

The Strategic Plan section of the Consolidated Plan discusses the priority needs of the grantee jurisdiction and the allocation of resources to meet those needs as well as strategies to meet specific HUD-mandated goals.

PRIORITY NEEDS

Staff will need to discuss the general priorities for allocating resources both geographically and amongst activities. Use the tables provided by HUD to summarize priority given to various needs and resources allocated.

A description of the rationale used to determine the allocation of resources with attention to distribution across income groups will need to be provided.

OBSTACLES TO MEETING UNDER-SERVED NEEDS

This section should describe any identified obstacles to meeting under-served needs in the grantee jurisdiction.

SPECIFIC OBJECTIVES

Summarize the specific objectives the grantee has for the planning period including resources available and which identified needs will be met. Each objective must include proposed quantified accomplishments for the planning period and measurable outcomes. (See performance measurement guidance from HUD.) Use Tables "1C" and "2C".

AFFORDABLE HOUSING

Describe the strategy for meeting affordable housing needs by income group and tenure. Discuss the allocation of resources made available for rental assistance, production of new units, rehabilitation, acquisition, and preservation. Enumerate the number of households under the plan who will receive assistance by income group. Use Table 2A.

PUBLIC HOUSING

This section will need to discuss the strategy for meeting the needs of public housing and the needs of public housing residents, including homeownership, and the need to increase the number of accessible units where required by a Section 504 Voluntary Compliance Agreement. If the local PHA has been designated as "troubled" by HUD, the grantee must describe the resources it will make available to the PHA.

The City should contact the local PHA or HUD Field Representative to determine if the PHA has a "troubled" designation and if so, why.

HOMELESSNESS

Identify and describe the grantee jurisdiction's strategies for the following:

- Helping low-income families avoid/prevent homelessness;
- Homeless outreach and needs assessment;
- Meeting emergency shelter and transitional housing needs of the homeless; and
- Helping homeless and chronically homeless transition to permanent

housing and independent living.

NON-HOMELESS SPECIAL NEEDS

Summarize the priority needs for special needs populations not related to housing and strategy for meeting those needs. Use "Table 1B".

NON-HOUSING COMMUNITY DEVELOPMENT (CDBG ONLY)

Describe the non-housing community development needs that will be met. These must be provided by CDBG eligibility category and state the City of Huntington Park's long-term and short-term objectives for community and economic development.

NEIGHBORHOOD REVITALIZATION

This section will need to present any geographically targeted revitalization efforts for both long-term and short-term objectives. This includes any HUD-approved or proposed Neighborhood Revitalization Strategy Areas (NRSAs).

BARRIERS TO AFFORDABLE HOUSING

Describe any barriers to the development of affordable housing including the general cost of construction and other public or private factors that may pose a barrier to the development, maintenance, or improvement of affordable housing. This includes local tax policy, land use controls, building codes, development incentives, fees, growth limits or other factors.

LEAD HAZARD REDUCTION

The grantee's strategy to reduce lead-based paint poisoning hazards will need to be summarized. The grantee must discuss how the federal Lead-Safe Housing Rule and local lead hazard reduction strategy will be integrated into the grantee's housing programs.

ANTI-POVERTY

Describe the grantee's strategy to reduce the number of poverty-level families. Describe how the grantee's housing programs will reduce poverty and how they will be coordinated with the other programs and services available to relieve and reduce poverty in the grantee jurisdiction, including but not limited to employment and training to section 3 residents pursuant to 24 CFR part 135.

GAPS IN INSTITUTIONAL STRUCTURE

Describe the grantee's strategy to reduce gaps in institutional structure that impair the ability to implement the Strategic Plan.

COORDINATION

This section will need to provide a description of the grantee's strategy to enhance coordination between public and assisted housing providers, private and public service agencies in order to implement the Strategic Plan. Homeless coordination must address the needs of the chronically homeless. Economic development coordination should describe coordination with private industry.

ANNUAL ACTION PLAN CONTENTS

The Action Plan discusses the specific activities planned for each year and the resources available. It implements the Consolidated Plan on a more detailed level. It must be submitted annually and approved by HUD before funds are released. The first-year Action Plan for the Consolidated Planning period is submitted with the Consolidated Plan.

The required elements of the Action Plan and a brief discussion of each follow.

EXECUTIVE SUMMARY

An executive summary of the Action Plan is required. This element should briefly outline the Action Plan and planning process. It must include a summary of objectives and outcomes for the plan year and discuss past performance.

RESOURCES

Staff needs to provide a summary of all funds that will be available in the year to meet identified needs. These resources may be insufficient to meet needs or in excess of need. This should include all formula grants expected, loan payments and program income, and un-expended prior year funds. Any significant assets or real property that is available should also be discussed.

The availability of funds not directly controlled by the grantee should also be discussed in general. This would include federal homeless funds (Mc Kinney-Vento) and funding for the local housing authority, especially funds for the Housing Choice Voucher program.

Other funds from all sources should be summarized. These would include reserved Low-Income Housing Tax Credits and other state and local funds and programs. Federal Section 8 funds are also to be included.

Where there is a matching requirement or there is significant local support for specific activities or the CDBG program in general, this should be mentioned in this discussion.

The discussion of CDBG funds must include:

- Program income expected to be received in the upcoming plan year.
- The amount expected to be generated by and deposited into revolving loan funds in the current plan year.
- The amounts expected to be received by "float-funded" activities in the current plan year and all prior plan years.
- Prior year program income, Section 108 loan proceeds or funds returned to the line-of-credit that have not previously been programmed.

Publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

SPECIFIC ANNUAL OBJECTIVES

The Action Plan must summarize the specific objectives and priority needs that will be met during the plan year. This is often done by summarizing the planned activities under each specific objective.

The relationship between a planned activity and specific objective(s) and priority need(s) should be discussed when describing the activity. The priority need, and specific objective are also included in HUD "Table 3C - Consolidated Plan Projects". The proposed accomplishments and outcome of the annual activity should be related back to meeting the planned accomplishments and objectives of the Strategic Plan section of the Consolidated Plan.

DESCRIPTION OF ACTIVITIES

Staff should ensure the Action Plan includes a general narrative description of each planned activity, relate each activity to a priority need and specific objective; and the Action Plan must describe the proposed accomplishments for

each. The Action Plan must also estimate the number and type of beneficiaries including income level. A start and completion date must be provided for each activity. Each activity must have an outcome measure associated with it. This information is also included in "Table 3C".

There are specific requirements for the description of "float-funded" CDBG activities. A "float-funded" activity is an activity that will re-pay the CDBG grant line of credit in the short-term.

OUTCOME MEASURES

In accordance with HUD guidance, the Action Plan must provide outcome measures for activities the City undertakes.

ALLOCATION PRIORITIES

The Action Plan must explain why certain activities were funded over others and how the levels of funding were determined. If there were any obstacles to meeting under-served needs, they should be discussed.

GEOGRAPHIC DISTRIBUTION AND LOW/MODERATE INCOME (LMI) BENEFIT

The Action Plan must show and describe the geographic distribution of planned activities. An estimate of funding directed to target areas should be provided.

The Action Plan must estimate the percentage of annual CDBG funding that will benefit Low/Moderate Income (LMI) persons and households. The specific location of CDBG activities must be identified and shown in relation to LMI areas. For activities that do not have a specific location or where there is a need to maintain secrecy the Action Plan should describe the general location or the general area that will likely benefit. Where there are CDBG-funded activities for which locations have yet to be determined such as business assistance or housing rehabilitation loans the Action Plan must describe who may apply and how recipients will be selected.

The use of funds in Neighborhood Revitalization Strategy Areas or as part of a coordinated effort focused on improving conditions within a specific area should be discussed.

ANNUAL AFFORDABLE HOUSING GOALS

Much as the Strategic Plan section of the Consolidated Plan has five-year goals for housing, the Action Plan must describe the annual goals for homeless, non-homeless and special needs. The number of households assisted via rental assistance, construction, rehabilitation and/or acquisition must be specified.

HOMELESS

Staff will need to ensure the Action Plan identifies activities that meet the needs of the homeless for emergency shelter and transitional housing or that provide supportive services that prevent homelessness or assist the homeless to be placed in housing or remain in housing. This includes un-related individuals, families with children and the chronically homeless.

SPECIAL NEEDS

HUD requires the Action Plan discuss how activities meet the needs of populations having special needs such as the disabled and persons living with HIV/AIDS.

PUBLIC HOUSING

The Action Plan will need to include a description on how the planned activities will assist the local public housing authority. If the local PHA is "troubled" the Action Plan must describe the efforts the grantee will take to help the PHA remove that designation'

ANTI-POVERTY STRATEGY

A brief discussion on how the planned activities will help to reduce the poverty level in the jurisdiction will need to be provided.

LEAD-BASED PAINT HAZARD REDUCTION

The Action Plan will need to include a section that discusses the extent of lead-based paint hazards and how planned activities will reduce the hazard. If there are specific activities that may have the potential to effect lead-paint hazards these should be discussed. The annual implementation of the grantee's Lead Hazard Reduction plan should be discussed. Activities that have the potential to disturb lead-based paint should be mentioned and specific efforts or program design elements that reduce lead exposure or abate lead hazards should be described.

"OTHER ACTIONS"

The Action Plan must discuss the following "other actions" the grantee will undertake in the plan year to meet various grant and general HUD grantee requirements.

- Address obstacles to meeting under-served needs
- Foster and maintain affordable housing
- Remove barriers to affordable housing
- Develop institutional structure
- Enhance coordination between public and private housing, health, and social services agencies
- Encourage public housing residents to become more involved in management and participate in home ownership

FAIR HOUSING

There should be a discussion of actions related to the grantee's obligation to affirmatively further fair housing. This should relate to the implementation of the grantee's Analysis of Impediments to Fair Housing Choice. Any changes in the grantee jurisdiction that impact fair housing should be discussed along with any appropriate changes to the grantee's fair housing program.

MONITORING

This section should describe the policies and practices in place to monitor activities and assure long-term compliance. This includes any specific sub-grant requirements and the administrative requirements of federal funds in general. The monitoring discussion should include plans to assure affordable housing compliance, the timely expenditure of funds, site inspections to determine housing code compliance and on-site sub-recipient monitoring. Labor compliance and the verification of environmental mitigation requirements should also be mentioned.

Grantees should also discuss the local implementation of performance measurements.

CITIZEN PARTICIPATION PLAN CONTENTS

HUD has very specific requirements for how the public is to be informed and involved in the planning process. HUD requires that the grantee spell out exactly how it will meet

these requirements by developing and adopting a Citizen Participation Plan as part of the consolidated planning process. This plan only needs to be updated as the practices of the grantee change or as HUD changes requirements for public participation.

There are also certain minimal public participation requirements for the development of the Consolidated Plan, the Action Plan, and the Performance Report (CAPER).

The minimal public participation requirements for the consolidated plan are buried in the regulations for the citizen participation plan. See §91.105, Citizen participation plan; local governments. It is helpful to look at them separate from plan requirements.

All citizens of Huntington Park are encouraged to participate in the public meetings and hearings and to contact the City's Housing Department with regard to any questions they may have concerning the process and programs under the Consolidated Plan.

ENCOURAGEMENT OF CITIZEN PARTICIPATION IN GENERAL

In general, the City holds two (2) public hearings during the course of its program year. One is regarding community needs for the Consolidated Plan or Annual Action Plan and one is regarding the funding of projects for the fiscal year. Other public hearings may also be held. The City also holds a planning meeting during the development of its Consolidated Plan or Annual Action Plan at a minimum of one City Council Meeting. In addition, the Consolidated Plan and/or Annual Action Plan, is published for a 30-day comment period. The City's annual report, known as CAPER, is published annually for a 15-day comment period.

All public hearings and meetings take place in the City Council Chambers located at 305 West Third Street, Huntington Park, California 93030, unless another location and/or time is publicized in advance.

Questions and comments regarding the Citizen Participation Plan may be addressed to:

XXXXXX
City of Huntington Park
Housing Department
XXXXXX@XXX.com
(XXX) XXX-XXXX

WRITTEN COMMENTS

The City encourages the submission of views and written comments by citizens regarding the Citizen Participation Plan, Consolidated Plan, Annual Action Plan and CAPER. The comments may be submitted to the City's Housing Director or the City Clerk at any time. In addition, comments may be submitted to the City Council at any public hearing meeting.

The City will respond to all written comments within fifteen (15) working days and state the reasons for the action taken on the proposal or view. All comments or views that were not accepted will be attached to the final plan, amendment, or performance evaluation, along with the reasons why they were not accepted.

CITY'S ROLE

To help facilitate citizen input, the City will provide technical assistance, through its Staff, to the community-wide and neighborhood associations and to groups of low-to-moderate income residents who request such assistance.

Questions regarding specific programs can be answered by Program Staff and guidelines for programs will be made available on request. There is no charge for one copy of program materials.

On request, the City will make available translators/interpreters for speakers other than English, as available, for meetings and hearings relating to the Consolidated Plan, Annual Action Plan and CAPER. Public hearings will be held in the City Council Chambers, which are accessible to the handicapped and disabled. Persons requiring translation should contact the City Manager's Office at least 72 hours in advance of the meeting to make arrangements. The City Manager's Office can be reached at (805) 385-7430.

Citizens with handicaps/disabilities who need special accommodation in order to access program information must contact the City Manager's Office at least 72 hours in advance with its reasonable accommodation request. Reasonable accommodation includes the following: providing materials in a different and/or larger typeface/font; providing materials in an alternative medium, making special arrangements for meeting attendance. The City Manager's Office can be reached at (805) 385-7430.

PUBLIC INFORMATION

In order for citizens to become informed and involved in the program, the City will provide comprehensive access to program information. The following information will be made available during the planning process of program development and implementation:

AMOUNT OF ENTITLEMENT

Types of activities that are eligible for funding and activities previously funded
Ineligible activities, Schedule of meetings and hearings and the process to be followed by the City in approving applications

In addition, documents relevant to the Consolidated Plan, funding and reporting processes are available to all citizens during normal working hours. Normal working hours are defined, as Monday through Thursday from 8:00 AM to 6:00 PM, with alternative Fridays from 8:00 AM to 5:00 PM. Copies of the following materials are available for review at City Hall:

- Mailings and promotional material
- Records of hearings and meetings
- Prior applications
- Reports required by HUD
- Regulations and issuances governing aspects of the program
- Records of prior use of funds for the last five (5) years

Citizen involvement, as stated earlier, will be sought in the development, implementation, and evaluation stages of the City's plan. This will be accomplished in the following manner:

CONSOLIDATED PLAN DEVELOPMENT

Citizens will be invited to provide Input into development of the 5-Year Strategic Plan, including identification of needs and setting of priorities, through public hearings and/or community meetings and public comment period, as scheduled by the City of Huntington Park.

IMPLEMENTATION

Citizen involvement in the program implementation shall be in the form of public

hearings and/or community meetings, as scheduled by the City of Huntington Park.

EVALUATION

Citizens will be given the opportunity to review and comment on the entitlement programs, including the opportunity to review evaluation of the program, projects, and activities. This will be in the form of public comment period and/or public hearing as applicable.

PUBLIC HEARINGS AND MEETINGS

Public hearings shall provide the major source of citizen input on proposed neighborhood improvement programs, activities, policies, and procedures. At a minimum, the City will conduct two separate public hearings at two (2) different stages of the program year in order to address housing and community development needs. At least one of these hearings will be conducted before the proposed Consolidated Plan/Annual Action Plan is adopted. All public hearings will be held in the Council Chambers, which are accessible to the handicapped/disabled.

To ensure that all city residents have ample opportunity to take notice of all scheduled public hearings, all notices regarding such hearings, including the date, time, and location, shall be published in a local newspaper of general circulation at least ten (10) days prior to date of public hearing. All notices will be published in the XXXXXX, as well as posted in a minimum of three (3) public locations. Materials are available at City Hall and at the Huntington Park Public Library.

The Council may hold additional hearings as necessary for the Plan, evaluation and/or substantial amendments to the adopted Plan. All hearings will be noticed in the same manner as hearings for the Plan process.

Minutes of all hearings shall be kept by the City in accordance with its standard practice. Copies of minutes shall be available on request, in accordance with City's adopted practice.

The City shall also consult with surrounding jurisdictions, other local and state agencies as applicable, regional partners, and applicable non-profit organizations as part of the process.

PUBLIC HEARING NOTICES

As stated above, in order to give adequate notice of public hearings, the City shall publish a legal notice in a newspaper of general circulation. In addition, all notices shall also be posted and/or available at City Hall, the public library and to several posting areas in general use throughout the City. All legal notices shall be published at a minimum of ten (10) days prior to the hearing and shall contain the following:

- Date of the Hearing
- Time of the Hearing
- Place of the Hearing
- Topics to be considered
- Basic information and/or Summary

PROGRAM AMENDMENTS

U.S. Department of Housing and Urban Development regulations state that a grantee shall amend its Consolidated Plan submission whenever it decides not to carry out an activity described in the Consolidated Plan, to carry out an activity not previously described, or to substantially change the purpose, scope, location, or beneficiaries of an activity. Furthermore, the grantee is required to develop and make public its criteria for what constitutes a substantial change.

A substantial change is herein defined as any amendment that changes program beneficiaries, the location of approved activities and major budget shifts between approved activities. A major budget shift is defined as an increase or decrease in budget of more than 25%. In the event that an amendment to the Consolidated Plan qualifies as a substantial change, citizens will be given an opportunity to participate in the planning process. This opportunity will be afforded to the citizens in the following manner:

- Publication of Information for 30-day Comment Period
- Adoption of change through public hearing process, as outlined above
- Publication of 30-day comment period and notification of public hearing may run concurrently

All substantial amendments to the Consolidated Plan and any and all amendments to the Citizen Participation Plan will be reviewed by and must receive approval from the City Council.

CITIZEN SERVICE REQUESTS AND GRIEVANCE PROCEDURE

Citizens should be aware that any questions or grievances, regarding entitlement programs and projects can be submitted to Housing Department located at 435 South "D" Street. During the actual development of the Consolidated Plan submission, written concerns or complaints regarding the Plan shall initiate a written response indicating assessment of the complaint and/or proposals and actions taken to address the complaints and/or proposals before final submission of the Plan to HUD as outlined in "B. Written Comments". The City shall ensure that reasonable attempts are made to respond to questions or complaints in a timely manner, usually within fifteen (15) working days after receipt of the inquiry.

If complaints are not addressed at the City level, citizens may forward such concerns or complaints to HUD. Although HUD will consider objections submitted at any time, such objections should be submitted within thirty (30) days of the submission of either the Consolidated Plan or Performance Report to HUD. Any written inquiries submitted to HUD should be addressed as follows:

U.S. Department of Housing and Urban Development
Los Angeles Area Office, CPD Division
300 North Los Angeles Street Suite 4054
Los Angeles, CA 90017

Objections submitted to HUD must meet one or more of the following criteria:

- The description of needs and objectives are plainly inconsistent with available facts and data.
- The activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant jurisdiction.
- The submission does not comply with specific requirements or law.
- The submission proposes the undertaking of ineligible activities.

THE CONSOLIDATED PLANNING

PROCESS CONSULTATION

As mentioned in the previous section, HUD requires the grantee to consult with certain agencies when preparing the plan. These consultations are both general

and specific to certain topics.

What HUD means by "consultation" are meaningful interactions with these agencies that result in "collaboration and collective problem-solving". HUD wants the grantee to develop, "partnerships among government agencies and between government and private groups...[that]...marshal government and private resources to achieve intended public purposes".

HUD wants the plan to be a comprehensive document that reports on the needs of the community. The assumption is that the grantee does not have a sufficient breadth or depth of knowledge to represent the complete needs of the community.

GENERAL CONSULTATION

In preparation of the plan in general, the grantee must consult with public and private agencies that provide:

- Assisted housing
- Health services
- Social services
- Fair housing services

HUD also requires that among those agencies, ones that focus on meeting the needs of certain specific groups be consulted. These groups are:

- Children
- Elderly persons
- Persons with disabilities
- Persons with HIV/AIDS and their families
- Homeless person

Adjacent units of local government should be consulted. In particular, agencies having planning areas that cross local jurisdictional boundaries or concern regional matters (e.g., transportation, air quality) should be consulted.

HOMELESS

In preparation of the section on homeless needs, the grantee must consult with

public and private agencies that provide assisted housing, health services and social services to determine what resources are available to meet the needs of the chronically homeless.

LEAD-BASED PAINT HAZARDS

In preparation of the section on lead-based paint hazards the grantee must consult with state or local health and child welfare agencies regarding the degree of lead-based paint hazard to children in the community. The grantee must also consider data on lead hazards and actual cases of childhood lead poisoning in the community including residential locations of cases believed to be related to lead-paint poisoning.

NON-HOUSING COMMUNITY DEVELOPMENT

The regulations require that adjacent units of general local government be notified that the grantee is preparing a consolidated plan and that the non-housing community development plan be submitted to the state and the local county. Providing notification to these agencies along with the public is usually sufficient to meet this requirement.

BROADBAND NEEDS

The jurisdiction must describe the broadband needs of housing based on an analysis of data, identified by the jurisdiction, for its low- and moderate-income neighborhoods. These needs include the need for broadband wiring and for connection to the broadband service in household units and the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

INCREASED NATURAL HAZARD RISKS

The plan must describe the vulnerability of housing occupied by low- and moderate-income households to increased natural hazard risks associated with climate change based on an analysis of data, findings, and methods identified by the jurisdiction in its consolidated plan.

PUBLIC HOUSING

The grantee shall consult with the local public housing agency (PHA). In most cases this will be the local housing authority, the agency that implements federal housing programs. HUD requires consultation regarding "public housing needs and

planned programs and activities".

This consultation is relatively meaningful in preparation of the plan as one of the required plan certifications is that the PHA plan is consistent with the consolidated plan. The Consolidated Plan must also describe how the grantee will meet the needs of the local PHA, and if it is a "troubled PHA" how the grantee will assist the agency. HUD also expects that the grantee and the PHA will coordinate efforts to address common needs.

If a PHA is under a Section 504 Voluntary Compliance Agreement with HUD, the grantee should identify how it will assist the PHA with compliance if the grantee is planning to assist the PHA. CDBG funds can be used to assist the PHA with accessibility requirements if the PHA is under a compliance agreement and needs are discussed in the plan.

DRAFT

ACTIVITY SELECTION

OVERVIEW

When working with the Community Development Block Grant program, there are several steps to consider when selecting an activity to fund. This section of the manual will guide Staff through those steps in a manner and order that are efficient and effective.

CATEGORICAL ANNUAL SPENDING LIMITS

When determining the activities to be funded and planning for the use of CDBG funds the two major categorical limits on the use of CDBG funds must be considered – public services and administration.

PUBLIC SERVICES

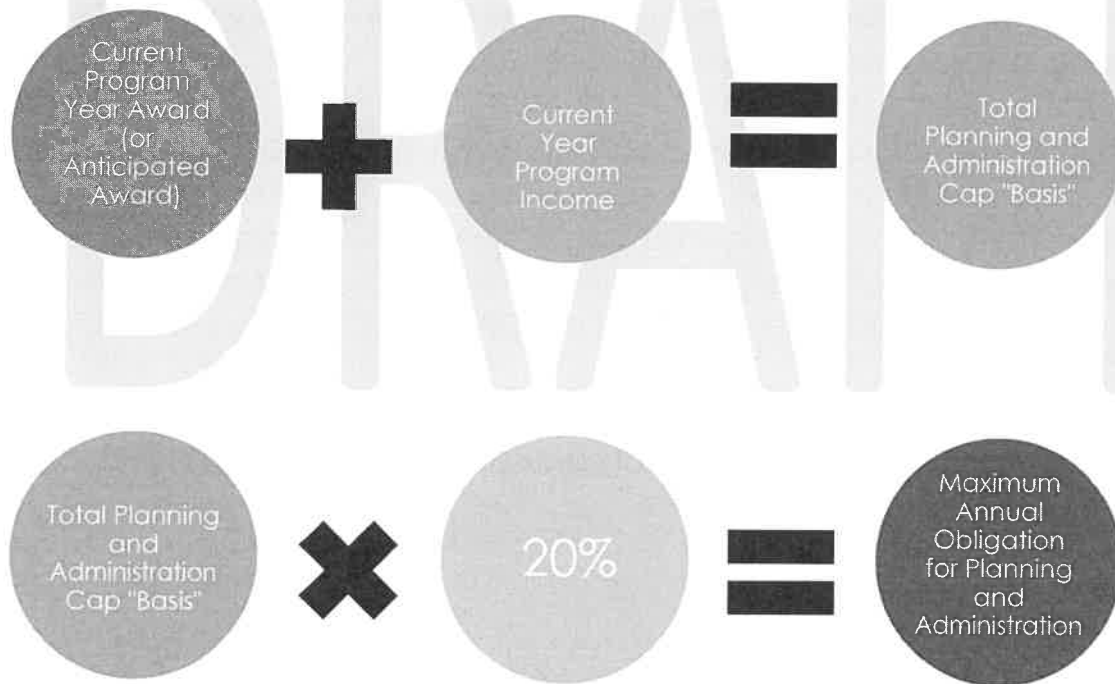
In any program year, the grantee may not "obligate" more than 15% of the current year's entitlement and 15% of the previous year's program income to public services activities [570.201(e)].



It is important to understand the term "obligation". This means that no more than the public services cap can be allocated to public services activities or otherwise committed each year. It is also important to realize that the cap amount is re-calculated each year, and if all funds obligated to public services are not expended within the program year, the remaining obligated but unexpended funds are not available to obligate in subsequent years. This scenario is often referred to as "use-it-or lose-it".

ADMINISTRATION

The limit on planning and administrative activities [570.205 and 570.206] is similar to public services with the exception that it is calculated at 20% and uses the current year award and current year program income. [570.200(g)]



The annual cap on planning and admin is also "use-it-or lose-it" Scenario. It is recommended to over-allocate staffing and overhead costs to the CDBG program (assuming that they are accurate and reasonable) and back them out at the end of the year. Otherwise, a grantee will not be able to take advantage of the provision to use 20% of program income.

Note: Re-Payments of principal and interest that go into a Revolving Loan Fund are NOT included in the calculation of the annual caps for public services or planning and administration. Interest on RLF balances or other "advances of federal funds" are also not program income. Such interest must be remitted to the U.S. Treasury.

PROPOSALS

The first step is to solicit proposals for the use of CDBG funds. This process occurs as part of the annual planning process discussed more fully in the Annual Action Plan section. There are several ways that proposals can be generated and typically several are used in the same planning process. There is no process or limit required by HUD other than the public must be involved in determining the use of funds as described in the Citizen Participation portion of the manual.

City Staff is often consulted to determine if there are City projects appropriate for CDBG funding. City Staff should also internally determine how much funding will be needed for administrative and planning purposes.

An external request for proposals, or commonly referred to RFPs, can be made of specific organizations who serve the community or be targeted at certain types of organizations that provide services or can undertake projects that would meet high priority needs. A request for proposals has the flexibility to solicit only a select type of services or can request a broad range of CDBG-eligible services and projects.

THRESHOLD CRITERIA

There are several "threshold criteria" against which any proposed CDBG activity should be evaluated. These are:

- Statutory eligibility
- National objective
- Overall low-to-moderate income benefit
- Non-supplanting
- Priority need
- Eligible means

Every activity must also comply with HUD environmental review requirements.

STATUTORY ELIGIBILITY

A proposed activity must fit within the activities described in the CDBG regulations at 24 CFR 570.201 through 570.206. They may not be among those described in 24 CFR 570.207 as "specifically ineligible" even if they otherwise appear to be eligible.

There are six broad categories of eligible activities:

1. "Basic eligible activities" (570.201)
2. "Rehabilitation and Preservation" (570.202)
3. "Special Economic Development" (570.203)
4. "Special Community Based Development Organizations (CBDO)" (570.204)
5. "Planning, design and capacity-building" (570.205)
6. "Program Administration" (570.206)

If an activity is being considered that does not fit within the description of eligible activities, it cannot be considered to be eligible. If grantee is uncertain as to the eligibility of an activity, Staff should consult the local HUD Field Representative as mentioned earlier in the manual. Once discussions are held and a result is produced, Staff should document the determination in writing in the form of a formal request for or statement of determination of eligibility.

Another general rule of eligibility is that an activity should be qualified as eligible under the sub-section that it best fits. If there is more than one possibility, the most accurate and common-sense possibility should be used.

Staff should examine the eligibility of each activity within the context of the specific sub-section under which it is eligible - planning under the terms of 570.205, public services under 570.201(c), etc.

The section regarding specifically ineligible activities describes three categories of activities for which CDBG may not be used:

- Buildings used for the general conduct of government
- General government expenses (except eligible direct planning and admin and indirect costs allowed under federal rules)
- Political activities

The regulations also provide guidance on several categories of activities that are only eligible under specific circumstances or when carried out by specific entities such as:

- Purchase of equipment, furnishings, and personal property
- Operating and maintenance expenses
- Construction of new housing
- Income payments

MEETING A NATIONAL OBJECTIVE

The proposed activity must be able to meet one of the three National Objectives. In review, these are:

- Primarily benefiting low- and moderate-income persons
- Preventing or eliminating blight
- Addressing an urgent need

See the section "Meeting a National Objective" and the CDBG "Desk Guide" for a more detailed description and discussion of National Objectives. The activity should be reviewed in light of its ability to meet the proposed National Objective.

It is rare that an activity will be proposed that would meet a National Objective other than that of "primarily benefitting low- and moderate-income persons". This objective is also known as the "LMI Benefit".

In the case of meeting the "LMI benefit" National Objective, special attention should be paid to the match between type of activity and the way that the LMI benefit test is met. If the proposal includes a method for determining and documenting LMI benefit, the method should be evaluated for its appropriateness to the particular LMI benefit test being applied and the general efficacy of the method in regard to practice and documentation of results.

Activities that have an area benefit should have the determination of service area and the determination of that area as a low-to moderate-income area documented in the file.

OVERALL LMI BENEFIT

The activity should be evaluated for its potential impact on the requirement that not less than 70% of aggregate CDBG expenditures benefit low-to moderate-income persons.

In general, it is best to only select activities that will or are likely to primarily benefit low-to moderate-income persons/households. This allows some flexibility should the documentation of income benefit be faulty.

PRIORITY NEED

The activity must meet a priority need identified in the Consolidated Plan. This is why it is important that the Consolidated Plan be comprehensive and broadly define community needs.

The activity does not need to meet a high priority need to be selected. If it is meeting a need identified as low priority, it is recommended internal discussion be held amongst Staff to why it has/should be selected.

If an activity that meets a lower priority need is selected over one that meets a higher priority need the reasons should be clearly documented.

MEANS OF CARRYING OUT THE ACTIVITY

CDBG activities may only be carried-out by the following types of entities:

- Grantee using grantee employees
- Grantee through contractors
- Loans or grants to sub-recipients
- Public agency
- Qualified community-based development organization (CBDO)

In the last three instances, the entities are acting as sub-grantees. Any entity can act as a contractor, but only certain entities can be sub-grantees.

The use of contractors must be done following federal procurement rules. The selection of a sub-recipient, a public agency or a CBDO (acting as a sub-grantee) does not need to follow procurement rules but should nonetheless be deliberate, fair, and transparent. The use of contractors by any type of sub-grantee must be done following federal procurement rules.

RANKING CRITERIA

In addition to the threshold criteria, each proposed use of funds should be ranked on the quality of the proposal, the feasibility of the proposed project and how well it meets the identified needs of the grantee community.

CAPACITY

The proposed activity should be measured against the capacity of the proposer. The proposer should have a successful background in similar projects of similar scale. If not, how does the proposed plan to create capacity? Review the proposer's level of Staff with the skills and experience appropriate to the activity.

In addition to the capacity to undertake the proposed activity, does the proposer have the capacity to meet the administrative requirements of the CDBG program? Verify they can adequately document income eligibility, maintain records, and provide accurate reports in a timely manner.

A sub-grantee must also have some financial capacity to provide services and meet the administrative requirements of the CDBG grant independent of the grant itself. Does the proposer have other resources?

The proposer should have an organizational structure that assures integrity and internal controls. Is there an independent governing board? Staff should request and be able to review audited financial statements the proposer.

Finally, the quality of the proposal document and its attachments is revealing as to capacity. Are the proposal requirements accurately and completely met? Are the questions answered? Is the document neat and legible? Does it reflect an organization that will take a sub-award of federal funds with the gravity it should?

SCOPE AND BUDGET

Analyze if the scope of the project is reasonable to accomplish within the CDBG program and within the proposed budget. The scope should be complete in light of the proposed accomplishments.

Verify the budget is complete and it considers all reasonable costs. Review the income assumptions and all funding sources for levels of security.

COST/BENEFIT

Evaluate the potential impact the project will have on the community on a priority need against the overall cost of the project. It is helpful to break down the cost per accomplishment unit. It should be noted that different types of projects will have widely different unit costs.

TIMELINESS

HUD regulations require CDBG funds must be used in a timely manner. The balance of funds at the end of the program year may not exceed 1.50 times the most recent annual entitlement amount. In the case of public services, the annual limit (15%) does not rollover to the next fiscal year. Public services projects that do not use funds in a timely manner will impact the overall ability of local CDBG program to fund other public services. It is recommended that all projects have a time limit after which funds may be re-allocated.

The proposal should be evaluated for how likely it is that funds will be used in the time required. The proposal should include a schedule for when the project will hit performance milestones and when it will be complete. The proposed schedules should meet deadlines and be realistic.

TRACK RECORD

If the proposer has performed a similar project for the requesting grantee before, how did they do? When applicable, Staff should consider previous experience when selecting a proposer.

If they have not done a similar project, have they done other projects for the grantee or similar projects for other grantees/entitlement jurisdictions? How did they do? Ask for references and call them.

LEVERAGE

Analyze how many other sources are being used to fund the project and/or support the proposing agency. Grantees should look for proposals that leverage additional funding sources. When other funding sources are being leveraged, it is recommended Staff determine if the outside funds are secure or unsecure.

GENERAL POLICIES

Grantees should also be aware that there are several "special policies" in the regulations that apply to certain uses of CDBG funds. These are:

- 570.200(b) - special policies governing facilities
- 570.200(c) - special assessments under the CDBG program
- 570.200(d) - consultant activities
- 570.200(j) - faith-based activities

570.200(e) lists certain categories of activities that must have a written determination of eligibility made and retained in the file. These local determinations must be documented and retained. It is, however, good practice to do this for all activities.

CDBG PROGRAM GOALS

In the Consolidated Plan and annual Action Plan grantees are required to tell HUD how they will meet several overall CDBG program goals. The program goals are developed to help address the following needs:

- Affordable housing goals including homeless and special needs
- Homeless needs including shelter, transitional housing, and services
- Special needs populations including the disabled and persons with AIDS
- Public housing
- Anti-poverty
- Lead-based paint hazard reduction
- Fair housing

Action Plans that do not address these needs, especially fair housing, and homelessness, may be questioned by HUD.

PUBLIC SERVICES "NON-SUPPLANTING" RULE

A public service funded by CDBG must be "either a new service or a quantifiable increase in an existing service". This is known as the "non-supplanting" rule. [570.201(e)] The idea is that CDBG funds should enhance or increase the level of local services provided to low-and-moderate income persons and not provide budgetary relief to local governments. Federal CDBG funds should not "supplant" local funds.

This rule applies to services that "have been provided by or on behalf of" the grantee using local or state funds. The grantee may not use CDBG funds to "supplant" an allocation of funds or a commitment to provide services that implies an allocation of funds that has been made in the twelve (12) months preceding the submission of the Action Plan.

The grantee may be given an exception to this rule if HUD determines that the decrease in the level of service being made up using CDBG is "the result of events not within the control" of the grantee.

REQUEST FOR PROPOSALS (RFP) CONTENTS AND PROPOSAL REQUIREMENTS

When making a formal request for proposals, also known as an RFP, it is critical that submitted proposals have all the information required to make a decision. It is also important to have standardized responses to facilitate comparison of proposals. (See Appendix for sample RFP)

The request for proposals should include:

- Community and program background
- When, where, and to whom the proposal should be submitted
- Who to contact with questions
- Available funds
- Eligible use of funds
- Contracting requirements
- Conditions of funding (e.g., contracting requirements, insurance, monitoring, labor compliance)
- Proposal process timeline
- Evaluation criteria
- When and by whom award decisions will be made
- Number of copies, binding, certifications, and attachments

- Proposal contents checklist (forms and attachments)
- Instructions for any required forms

The proposal requirements should include:

- General information on the applicant and proposal
- General description of the proposed project
 - Location
 - Statement of need and how project will meet that need
 - Beneficiaries (type, location, and number)
- Proposed accomplishments
 - Total persons/households
 - LMI persons/households
- Method to assure eligibility of beneficiaries
- Performance schedule with milestones
- Discussion of any similar programs or projects
- Performance measurement
- Organizational structure
 - General description of organization
 - Governing structure and board members
 - Evidence of incorporation and tax status/public benefit status
 - Articles of incorporation/bylaws
- Relevant experience
- Staffing
- Partners or co-applicants
- Budget (program and agency)
- Current financial statements
- Audited financial statements (if audited)
- Leverage
- Evidence of insurability
- Governing board authorization to apply and contract if awarded
- Federal lobbying disclosure (SF-LLL)
- Conflict of interest certification (Byrd amendment)

RFP PROCESS

The RFP process begins with publication of the RFP and ends with the award of funds. The steps in between vary somewhat by grantee. What follows are a general description and a suggested process.

PREPARATION

Well in advance of the date when allocation and award decisions need to be made, preparation for the RFP begins. The first step is the schedule. Although it will likely follow the same general schedule from year to year, actual dates may need to be adjusted to accommodate holidays and governing board and/or committee calendars.

The means of publication and distribution should also be decided. If mailing and or e-mailing will be done, a list of addresses should be prepared. There is often interest in the CDBG program expressed throughout the year. A list of interested agencies and persons should be maintained year-round in anticipation of the annual planning process.

The RFP documents need to be prepared. This includes notices, the RFP itself, RFP forms, evaluation/ranking forms, governing board and/or committee report templates, award/deny letters, and a record-keeping system.

PUBLICATION

The RFP may be widely publicized or narrowly targeted. Many grantees include a notice of RFP in the annual planning notice for CDBG that meets the public participation requirements of the Action Plan. A notice and the RFP itself are commonly sent to recent recipients and previous applicants.

There is no HUD requirement for publication when using sub-grantees. In the case of contractors, formal procurement rules must be followed.

Grantees often publicize the RFP on their website and make RFP materials available via the web.

WORKSHOP AND Q&A

After the RFP is published, it is recommended the grantee hold a workshop/conference for prospective proposers. This serves several purposes including

increasing the likelihood of receiving quality applications, reducing the number of errors, fulfilling the obligation to provide technical assistance to non-profits, and to get an understanding of the interested organizations.

It is important to be available for and to respond promptly to questions regarding the request for proposals. Occasionally an applicant will spot an error in the RFP or have a question that would pertain to the request in general. When this occurs, it is important to publish a correction, revision, or clarification immediately, so all interested applicants have equal access to any new information.

If a correction the RFP needs to be made after proposals have already been received, applicants should be given adequate time to revise in light of the correction. If you are aware of pending applications, it is recommended the applicants be contacted immediately. The correction should be publicized by the same means the RFP was publicized.

Grantees may decide whether or not to accept draft proposals for review and guidance. If this process is elected, it is recommended a deadline be posted for early submission.

SUBMISSION

The proposal should have clear instructions regarding to whom, where, when, and how to submit. Instructions should be given for delivery by USPS, courier, or other acceptable means. If electronic submissions are acceptable the format should be specified.

The location for submission should be accessible and the hours noted. There should be a means of assuring that proposal submissions are logged; the proposal is date-stamped and there is a process for acknowledging submission.

EVALUATION AND RECOMMENDATIONS

Each proposal should be carefully evaluated. The first step in the evaluation should be to determine if the application is complete. The grantee should have an established policy in place to address incomplete applications. Generally, a proposal is accepted if it is "substantially complete". Rejecting a proposal for a minor omission or error might be perceived as punitive and

potentially exclusive.

If a proposal is incomplete or contains an obvious error, the applicant should be notified immediately and may be given a deadline to provide the missing component or documentation.

The next step is a cursory review of the application. If there is anything unclear in the application this is the point at which the applicant should have the opportunity to clarify.

The final step is the complete evaluation and ranking of the proposals.

Once proposals have been evaluated and ranked a summary should be prepared for the decision- makers/review committee. This should summarize the proposal and how it aligns with the RFP criteria.

AWARDS

Once decisions are made regarding the award of funds, each applicant should be formally notified in writing in a timely manner.

DOCUMENTATION

The entire proposal and decision-making process should be carefully and completely documented. Complete written records should be retained including original submissions and all records of applicant contact and decision-making. These records should be retained in the annual CDBG file.

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT **(CAPER)**

OVERVIEW

This section will deliver a brief, yet detailed summary of the process and requirements tied to the annual performance report required from each jurisdiction that receives funds under a Consolidated Plan program. This yearly report is known by HUD as the "Consolidated Annual Performance and Evaluation Report" or by another commonly used acronym, CAPER.

This report must be submitted to HUD within ninety (90) days of the close date of the grantee's program year. For most jurisdictions (those on a July 1 to June 30 program year), this will be September 30 of each year.

HUD is required to review the CAPER and may suspend funding if "a satisfactory report is not submitted in a timely manner". There is no statutory review period, and it is not uncommon for HUD to lag on getting review letters out by six months or more.

The regulations specify certain contents in the CAPER but provide grantees with little guidance. Over the years, HUD has provided some guidance on form and content. At this time, the guidance has not found its way into the regulations, nor is it available in a formal guidebook. It is however available on HUD's website www.hud.gov. It has been consolidated and appended to this manual.

Beginning in May 2012, HUD grantees will be able to submit their Consolidated Plan using the Consolidated Plan template in IDIS Online. The Consolidated Plan template will be required for all Consolidated Plans submitted on or after November 15, 2012.

With the incorporation of the Consolidated Plan and Annual Action Plan into IDIS Online, all key elements of the grants management cycle are integrated into a single system. This will ensure consistency among the goals described in the Consolidated Plan and Action Plan and the outcomes tracked in IDIS and reported in the Consolidated Annual Performance and Evaluation Report (CAPER), making the Consolidated Plan a more useful management tool.

- Many of the data tables within the Consolidated Plan template are pre-populated with the most up-to-date housing and economic data available. The data is provided to help grantees develop their funding priorities in the Strategic Plan and save time in searching out, entering, and compiling the data
- The Consolidated Plan template is integrated with the CPD Maps tool. Together, the maps and data can help grantees to assess market conditions in many different ways, and to present this information in a clear and compelling fashion.
 - The data that pre-populates tables in the template comes from the CPD Maps database, ensuring consistency between the data grantees use to make planning decisions and data that is available to the public;
 - Grantees can also insert maps and data tables from CPD Maps throughout the document.

CAPER CONTENTS

The CAPER has several sections of requirements:

- General
- Affordable Housing
- CDBG
- Home Investment Partnership Program (HOME)
- Emergency Solutions Grants Program (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)

The general and affordable housing sections must be provided by all grantees despite the source of federal funds received. The other sections only apply to recipients of those respective funding sources. This manual will only discuss the CAPER requirements for CDBG grantees.

Although the regulations call for a report "in a form prescribed by HUD", there is no specified form for the CAPER. (The Consolidated Plan Management Process tool does provide an optional form.)

GENERAL

The CAPER must discuss the following:

1. Resources made available in the report year

2. The investment of available resources
3. The geographic distribution and location of investments
4. The persons assisted
5. Actions taken to affirmatively further fair housing
6. Other actions taken by the grantee
7. Affordable Housing
8. Assessment of Three to Five Year Goals and Objectives
9. Continuum of Care (Homeless)
10. Leveraging Resources
11. Citizen Comments
12. Self-Evaluation
13. Performance Measurement

CDBG

Recipients of CDBG must discuss the following in their CAPER:

- How the activities undertaken, and persons/households benefitted related to the priority needs and specific objectives identified in the Consolidated Plan
- Any changes in program objectives during the report year and future changes that may be made as the result of experiences during the report year
- Compliance with Consolidated Plan certifications
- Compliance with National Objectives and overall low- and moderate-income household benefits
- Anti-displacement efforts (if report year activities involved acquisition, demolition, or rehabilitation of real property)
- Low- and moderate-income jobs (if report year activities involved economic development)
- Limited clientele benefit activities/beneficiaries
- Rehabilitation
- Activities in Neighborhood Revitalization Strategy Areas and Enterprise Zones/Empowerment Communities

CAPER OUTLINE

As stated earlier, there is no specified form for the CAPER. HUD has provided an optional form as part of the Consolidated Plan Management Process (CPMP) tool and has also suggested that the CAPER follow the format of the "CAPER Checklist". It is suggested the grantee utilize the following outline for the CDBG CAPER:

- Introduction
- General Narratives
 - Highlights of Accomplishments
 - Summary of Accomplishments
- Table: Progress Meeting 3-5 Year Goals
- Housing Activities
- Infrastructure and Public Facilities
- Public Services
- Planning and Administration
- Non-CDBG Housing Activities
 - Geographic Distribution of Activities
 - Progress Meeting Consolidated Plan Goals and Priority Needs
 - Actions Taken to Affirmatively Further Fair Housing
 - Affordable Housing
 - Continuum of Care
 - Other Actions
- Address Obstacles to Meeting Under-served Needs
- Foster, Maintain and Eliminate Barriers to Affordable Housing
- Overcoming Gaps in the Institutional Structure and Enhancing Coordination
- Public Housing Needs
- Reduction of Lead-Based Paint Hazards
- Actions Taken to Assure Compliance
- Anti-Poverty Strategy
 - Leveraging
 - Citizen Participation
 - Self-Evaluation
 - Plan Amendments
 - Implementation of Performance Measurement
- CDBG-specific Narratives
 - Priority Needs and Specific Objectives
 - Changes in Program Objectives
 - Compliance with Consolidated Plan Certifications

- Compliance with National Objectives and Overall Low-Mod Benefit
- Limited Clientele Benefit
- Anti-displacement efforts
- Low-mod Income Jobs
- Rehabilitation
- Neighborhood Revitalization Strategy Areas and Enterprise Zones/Empowerment Communities
- Program Income
- Appendices
 - Evidence of Public Notice
 - Public Comment
 - Evidence of Submission to Governing Body
 - IDIS Reports

THE CAPER AND INFORMATION DISBURSEMENT AND INFORMATION SYSTEM (IDIS)

In addition to providing HUD with a written CAPER submission, grantees must report annual accomplishments on-line via the Integrated Disbursement and Information System, which is commonly referred to as IDIS. Although the statutory deadline of ninety (90) days after the end of the program year does not technically apply to IDIS reporting, HUD has made it clear that reporting in the Integrated Disbursement and Information System in a timely manner is an obligation of the grantee, including year-end reporting. IDIS will also not allow the reporting of prior year expenditures more than ninety (90) days after the end of the program year.

IDIS reports must be submitted to HUD along with the CAPER narrative report. The required reports are:

ALL GRANTEES

- Summary of Accomplishments Report (PR23)
- Consolidated Annual Performance and Evaluation Report (PR06)
- Consolidated Plan Projects for Program Year (PR73)

CDBG GRANTEES

- Financial Summary Report (PR26)
- Summary of Activities (PR03)
- Rehabilitation Activities (PR10)

There are also reports that provide useful information for the CAPER and that should be pulled and retained as part of the CAPER file. These are:

- HUD Grants and Program Income (PRO1)
- List of Activities by Program Year and Project (PR02)
- Grantee Summary Activity Report (PRO8)
- Drawdown Report by Voucher Number (PR07)
- CDBG Timeliness Report (PR56)

HUD also provides CDBG "Data Clean-up" worksheets that are helpful to find out where accomplishment or other essential information is missing. They can be found at www.hud.gov/sites/documents/CDBG_BAS_17.PDF.

CAPER AND CITIZEN PARTICIPATION [24 CFR 91.105(D)]

The section on Citizen Participation discusses the general requirements in greater detail. The grantee's adopted Citizen Participation Plan will outline the particular process the jurisdiction has decided to follow.

The grantee does need to provide an opportunity for public review of the CAPER and allow for a public comment period of at least 15 days. Any comments received by the grantee must receive a response from the grantee. A summary of the comments and the responses must be submitted with the CAPER.

Grantees are required to hold two public hearings each year. Submitting the CAPER to the City Council and holding a public hearing is a convenient way to meet this requirement.

A GUIDE TO HUD GUIDANCE ON THE CAPER

HUD has issued guidance regarding the CAPER over the years. The most current "set" of materials is always available on their website. It is not always easy to navigate for the novice. It has been assembled and appended to this manual.

The most comprehensive current guidance is a 21-page document posted on the HUD website titled "Guide for Consolidated Plan Performance Report Narratives". In February 1998 HUD sent out a formal memorandum, "Consolidated Annual Performance and Evaluation Reporting for Entitlement Grantees for 1997 Program Year". This guidance overlaps the previous guidance. It also requires grantees to use IDIS and specifies the IDIS reports that must be included in the CAPER submitted to HUD.

Additionally, in 2003 the San Francisco CPD Office published a memo (CPD 04-16)

that offered guidance on the CAPER based on common problems the field office was encountering.

Then on March 7, 2006, HUD published implementing rules in the Federal Register that required all CAPERs submitted after 10/01/06 to include a discussion of the implementation of performance measures and discuss the program year activities using the performance measurement framework provided by HUD for CPD programs.

DRAFT

SUB-RECIPIENT MANAGEMENT

OVERVIEW

One way of implementing the local CDBG program is through the use of sub-recipients. This section will provide an overview of identifying, selecting, and monitoring a CDBG sub-recipient.

Simply, sub-recipients are sub-grantees of the CDBG grantee. The term sub-recipient has a specific meaning in the CDBG regulations. More specifically, a sub-recipient must be a non-profit public benefit corporation or a public agency. A sub-recipient agreement should be used to pass CDBG requirements to the sub-recipient. The management and oversight of sub-recipients is a critical task of the entitlement jurisdiction. Using a sub-recipient to implement the local CDBG program does not relieve the original grantee of its responsibilities under CDBG and other federal rules and regulations.

REPORTING REQUIREMENTS

The grantee should establish reporting requirements for the sub-recipient throughout the project term. Sub-recipients should be required to submit quarterly progress reports to the grantee jurisdiction reporting on funding activity, milestones reached in accordance with the project schedule, and accomplishments.

It is the sole responsibility of the grantee jurisdiction to conduct any sub-recipient audits or reviews necessary by federal rules and regulations. The entitlement jurisdiction is responsible for the preparation of the Consolidated Plan, Annual Action Plan, and Consolidated Annual Performance and Evaluation Report (CAPER) using the information collected through any sub-recipient reporting requirements established.

MONITORING

It is the responsibility of the grantee to monitor sub-recipients for performance and program compliance. To accomplish this, grantees will have to develop and implement a monitoring strategy (see Appendix for sample Monitoring Checklist). Sub-recipients need to be monitored to ensure activities are being carried out in a timely manner, in accordance with federal and other regulations, to ensure productivity, and to ensure that the sub-recipient continues to have the capacity to administer the project or program successfully. Sub-recipients can be monitored

through desk reviews or on-site reviews.

DESK REVIEWS

Desk monitoring is a key component of monitoring a sub-recipient's performance on a regular basis without conducting an on-site review. Desk monitoring includes the review of:

- Progress reports;
- Compliance reports;
- Financial information; and
- Information and material submitted from the sub-recipient regarding the funded grantee.

Desk monitoring is an efficient and effective way to gather additional information regarding any questions, concerns or identified potential problem areas without having to spend Staff time with on-site visits. However, on-site visits may be performed because of desk monitoring findings.

ON-SITE REVIEWS

An on-site review allows the jurisdiction to monitor sub-recipient performance and make sure that record retention requirements are being followed. It also allows for the jurisdiction to identify and address areas of concern with property or sub-recipient facilities. On-site monitoring can include the review of:

- Progress reports;
- Labor standards documentation;
- Requests for payments;
- Bid documents;
- Contract agreements;
- Facilities and projects sites; and
- Other project related documentation.

Jurisdictions should also conduct project specific monitoring and should monitor project schedule, accomplishments, and compliance with National Objectives (see Appendix for sample monitoring checklist).

It is recommended that the grantee monitoring schedule allow for all sub-recipients to be monitored once a year. With limited staffing, this is not always possible. In general, sub-recipients who have received funding for the first time should be monitored in the first year. Sub-recipients who have had a history of "clean"

monitoring visits and are usually found to be in compliance of the regulations are candidates for less frequent monitoring. Reports and progress should be regularly reviewed throughout the program year for signs of non-compliance or difficulty making progress.

Sub-recipients who consistently provide complete, well-organized reports, adhere to performance goals and schedules, expend funds in a timely manner and have a history of compliance are can be candidates for desk review.

Sub-recipients who show the following signs of "distress" should be monitored more closely and more frequently:

- Incomplete, incorrect, or late beneficiary reports;
- Incomplete, incorrect, or late disbursement requests; and/or
- Falling short of goals or performance timelines.

Sub-recipients who exhibit these "symptoms" may require immediate intervention:

- Expenditure of funds on other than the approved scope of work;
- Failure or refusal to document Low- and moderate-income household benefit; and/or
- Failure to make progress and/or request funds more than six (6) months after award of funds.

TECHNICAL ASSISTANCE/CAPACITY DEVELOPMENT

Monitoring a sub-recipient is an opportunity to identify any concerns or capacity issues. It also provides an opportunity to offer the sub-recipient technical assistance. Technical assistance should be on-going throughout the project term and include various techniques exercised by the grantee.

To assist in limiting inadequate performance of sub-recipients and to help build capacity, it is recommended the grantee implement occasional orientation sessions and/or application workshops. This type of technical assistance is typically held at the beginning of a funding cycle.

A grantee jurisdiction may want to provide technical assistance on a more one-on-one basis rather than in a workshop setting aimed at a larger audience. Meeting with a sub-recipient individually can provide the opportunity for the entitlement

jurisdiction to work with the sub-recipient on specific weaknesses or to improve performance regarding a particular project underway. It is common for jurisdictions to utilize Staff time efficiently and provide such technical assistance in conjunction with a monitoring visit.

MANAGING NON-PERFORMING SUB-RECIPIENTS

When performance problems arise with sub-recipients, it is the responsibility of the grantee to take corrective action. The type and degree of the corrective action will vary with the extent of the problem. It is recommended that any corrective action be measured, incremental, documented and with the goal of guiding the sub-recipient back into compliance. Corrective actions a grantee jurisdiction may consider include:

- A letter advising the recipient of deficiencies or performance issues requiring them to correct any unresolved issues;
- Provide technical assistance or training to assist in resolving issues;
- Implement more reporting requirements the sub-recipient must meet;
- Conduct more frequent monitoring visits;
- Restrict payment requests;
- Disallow specific expenses; and/or
- Implement a probationary status.

More serious corrective actions that could be implemented as a result of unresolved issues or continuous poor performance include:

- Suspending the sub-recipient from participation in the program;
- Terminating the sub-recipient agreement or re-capturing funds; and/or
- Legal action if necessary

FORMS

Standard forms may be required by the grantee from the sub-recipient to ensure compliance with HUD requirements. The grantee can create their own forms for application, payment, and reporting purposes. Grantees should always have a sub-recipient agreement or contract as a standard form to be signed by both parties. However, if a sub-recipient agreement or contract is in effect, this does not relieve the grantee from complying with HUD requirements and ensuring that the sub-recipient also stays in compliance. Other standard forms that may be provided to the sub-recipient to submit to the grantee include:

- Application forms;
- Requests for Payments;
- Progress Report forms;
- Monitoring forms; and
- Project close-out forms.

RESOURCES

HUD has published several useful guidebooks on sub-recipient management. These are available on the web at www.hud.gov/sites/documents/DOC_17086.PDF.

Additional guidelines are:

- "Managing CDBG: A Guidebook for Grantees on Sub-Recipient Oversight"
- "Playing by the Rules: A Handbook for CDBG Sub-recipients on Administrative Systems"
- "Training CDBG Sub-recipients in Administrative Systems"

The "Playing by the Rules" handbook is particularly useful. Sections of the book and the entire publication are often given to sub-recipients.

PERFORMANCE MEASURES

OVERVIEW

This section of the manual will provide a summary of the grantee's requirements to implement a local performance measurement system. This system should serve as a tool to allow the grantee to collect data, track progress, and report on results in a way that demonstrates the impact of the CDBG program on the community. The performance measurement system should provide the grantee with specific beneficiary data and help to determine how well a program is performing in the community and if the program is meeting proposed goals.

The implementation of the outcome performance measurement system and its use by grantees will enable HUD to collect information on the outcomes of activities funded with Community and Planning Development formula grant assistance. This data will be entered into the Integrated Disbursement and Information System (IDIS) and will be aggregated at the national level to provide HUD with the information necessary to show the national results and benefits of the expenditure of federal CDBG funds.

HUD has issued guidance on the required components of a local performance measurement system with the goal of providing standardized performance data to the federal government. HUD's performance measurement web page is at www.hud.gov/sites/documents/20516_CH02.PDF.

The three components of a performance measurement system are

1. Objectives;
2. Outcomes; and
3. Indicators.

OBJECTIVES

Objectives are based on the statutory objectives for the CDBG program. Objectives are broad categories to capture the range of community impact an activity, program or project might have.

CREATING A SUITABLE LIVING ENVIRONMENT

This objective is designed for activities that will benefit communities, families, and individuals by addressing issues within their living environment. This objective relates to a wide range of issues faced by low-and moderate-income persons from poor infrastructure to social issues.

PROVIDING DECENT HOUSING

This objective covers a wide range of housing activities meant to meet individual family or community housing needs.

CREATING ECONOMIC OPPORTUNITIES

This objective is designed for activities that will assist with economic development opportunities, commercial revitalization, or job creation.

OUTCOMES

The outcome component helps to further refine the objective the grantee chose for the activity and is designed to identify the expected result of the objective. Outcomes assist in describing the expected impact of the activity on the community.

AVAILABILITY/ACCESSIBILITY

This outcome will be chosen for activities that will make services, infrastructure, public facilities, housing, or shelter available or accessible to low-and-moderate income persons.

AFFORDABILITY

This outcome applies to activities that will provide for affordability in a variety of ways to low- and-moderate-income persons. Activities under this outcome could include the creation or maintenance of affordable housing, infrastructure hook-ups, or specific services that are to be affordable such as transportation.

SUSTAINABILITY

Activities falling under this outcome have the purpose of improving communities or neighborhoods and assisting in making them livable by providing benefit to persons of low- and moderate-income, removing slum and blight and sustaining communities and neighborhoods.

INDICATORS

Once the grantee has established program objectives and intended results (outcomes), the grantee will establish a means of measuring progress towards achieving those results. Indicators are already determined by HUD and inputted into the Integrated Disbursement and Information System (IDIS). Grantees are required to report on indicators that are applicable to the specific activity being carried out.

DRAFT

ELIGIBLE ACTIVITIES

OVERVIEW

This section will discuss the most commonly undertaken activities and some of the common issues with each. Like previous sections of the manual, this one is not intended to act an exhaustive review of or sole resource for eligible activities.

There are six broad categories of eligible activities:

1. "Basic eligible activities" (570.201)
2. "Rehabilitation and Preservation" (570.202)
3. "Special Economic Development" (570.203)
4. "Special Community Based Development Organizations (CBDO)" (570.204)
5. "Planning, design, and capacity-building" (570.205)
6. "Program Administration" (570.206)
 - i. "Basic eligible activities" include:
 - a. Acquisition of real property
 - b. Disposition of real property
 - c. Public facilities and improvements
 - d. Clearance and remediation
 - e. Public services
 - f. Interim assistance
 - g. Payment of non-federal share
 - h. Urban renewal completion
 - i. Relocation and relocation assistance
 - j. Housing services
 - k. Privately-owned utilities
 - l. Construction of housing
 - m. Home ownership
 - n. Economic development
 - o. Technical assistance
 - p. Assistance to institutions of higher learning
 - ii. "Rehabilitation and Preservation" includes:
 - a. Rehabilitation of residential structures
 - b. Rehabilitation of public housing
 - c. Rehabilitation of commercial or industrial structures
 - d. Code enforcement
 - e. Historic preservation
 - f. Renovation and re-use of closed buildings
 - g. Lead-based paint activities

- iii. "Special Economic Development" includes:
 - a. Acquisition, construction of or improvements to structures and real property
 - b. Business assistance
 - c. Economic development services
- iv. "Special Community Based Development Organizations (CBDO)" includes:
 - a. Neighborhood revitalization project
 - b. Economic development project
 - c. Energy conservation project
 - d. Directly carries out project activity funded by CDBG
- v. "Planning, design and capacity-building" includes:
 - a. Planning activities
 - b. Policy management
 - c. Market studies
 - d. Strategies and action plans
 - e. Analysis of Impediments to Fair Housing Choice
- vi. Program Administration includes:
 - a. Salaries, wages, and other costs of Staff
 - b. Travel costs
 - c. Third party administration costs
 - d. Goods and services

PUBLIC FACILITIES AND IMPROVEMENTS [570.20L(C)]

In general, public facilities or improvements may be acquired, constructed, installed, or rehabilitated.

The grantee or any public, private, or non-profit entity may undertake the activity.

Public facilities for the general conduct of government may not be assisted [570.207(a)]. The one exception is the "removal of architectural barriers" to the elderly and severely disabled persons. There has been a great deal of confusion and misunderstanding about this exception.

The construction of "facilities" that serve to shelter or house persons with special needs are not subject to the prohibition on constructing new housing with CDBG. This includes those that serve the homeless, seniors, the disabled, victims of domestic violence, addicts and alcoholics, drug offenders and parolees, persons with disabilities, and victims of federally declared disasters.

When a facility has both ineligible and eligible uses, there are special rules that apply to assistance [570.200(b)]. The eligible use area or component must be "separate and distinct" and the cost of assistance attributable to that area or component can be clearly determined. The CDBG share of costs must be limited to the costs attributed to the eligible use.

Fees for the use of facilities assisted with CDBG may be changed but they may not have the effect of restricting low- and moderate-income persons from using or accessing the entire facility. They must be nominal or waived for low- and moderate-income persons.

PUBLIC SERVICES [570.20L(E)]

Public services are broadly defined in the regulations. Generally, the direct costs of providing a service are eligible including the costs of labor, supplies, and materials. The purchase of equipment is generally ineligible and problematic when it can be made eligible. Indirect costs can be allowed but they must comply with federal rules for cost allocation [Office of Management and Budget (OMB) circular 110].

Public services include (but are not limited to) those concerned with:

- Employment;
- Crime prevention;
- Childcare;
- Health;
- Drug abuse prevention and treatment;
- Education;
- Fair housing counseling (general fair housing education is **not** a public service);
- Welfare (excluding income payments);
- Home buyer down payment assistance; and
- Recreation.

The beneficiaries of public services may "attest" or "self-certify" as to low- and moderate-income status.

HOUSING

The HUD regulations allow entitlement jurisdictions to allocate CDBG funds toward privately-owned single-family residences. More specifically, grantees can develop first-time homebuyer assistance products for low- and moderate-income families and can create single-family rehabilitation programs to assist privately owned

residences address emergency needs.

HOUSING SERVICES

HOME PURCHASE ASSISTANCE

There are several ways that CDBG can be used to assist home ownership as a housing activity. 570.201(n)

- Direct down-payment assistance (up to 50% of required down-payment);
- Payment of reasonable non-recurring closing costs;
- Principal write-down;
- Interest buy-down; and
- Mortgage guarantees and mortgage insurance (PMI, FHA, or VA).

Home purchase can also be undertaken as a public service under 570.201(e) or by a Community Based Development Organization. Done this way, there are far fewer limitations on the use of funds. However, the 15% cap on public services would apply.

It can also be done within a Neighborhood Revitalization Strategic Area (NRSA). See the section on NRSAs for more detail on forming a NRSA. A few of the issues are:

- A Community Based Development Organization providing homeownership assistance within an NRSA under 570.201(e) is exempt from the public services cap.
- Non-low- and moderate-income households may be assisted since the low- and moderate-income test is met on an area basis within the NRSA.

When determining eligibility, the income of the entire household is examined. Income eligibility must be documented using third party verification.

SINGLE FAMILY OWNER-OCCUPIED HOUSING REHABILITATION 570.202

The rehabilitation of owner-occupied single-family homes is one of the most commonly funded CDBG activities. CDBG allows a variety of approaches to program design and type of assistance. Programs can be focused on single issues (e.g., roof repair, heating, weatherization) or be comprehensive. Assistance can be in the form of grants or loans and there is no long-term affordability requirement.

Eligible costs are generally the labor and materials to complete the work. Related "delivery costs" are also eligible. These are the costs to provide assistance to the homeowner. These include but are not limited to:

- Energy audits;
- Inspections to determine scope of work;
- Appraisal;
- Title and recording;
- Loan or grant document preparation;
- Work specifications;
- Bidding;
- Construction management; and
- Assistance to the homeowner.

In general, the costs of general property improvements should be limited to those made necessary by other work and limited in overall scope. For example, painting would be funded only if repairs were being made to the exterior or if required to protect the exterior.

The grade of finishes should be the most basic possible while still assuring durability. The occupants of the household should be considered when making this determination. For example, vinyl flooring and wainscoting in the traffic areas would be reasonable for a wheelchair user. The cost of "luxury" finishes can be considered reasonable and eligible when replacing a portion with a similar grade would be less than replacing the entire finish with a lesser grade or in the interest of historic preservation.

Equipment, furnishings, and appliances are not eligible unless they are integral to the structure and meet a basic need. Stoves, ovens, cook tops, disposers, dishwashers, refrigerators, and built-in microwaves are eligible. "Portable" items such as clothes washers, dryers, televisions, space heaters are not eligible. "Luxury" items such as trash compactors and water softeners, and freezers are not eligible. In general, the most basic grade and smallest adequate capacity should be specified.

Enlargement of living spaces other than to address over-crowding is also not generally eligible. Second units may not be constructed or rehabilitated.

The repair or construction of accessory structures is not generally considered to be eligible. Two common exceptions are structures and improvements related to accessibility improvements for the elderly and severely disabled.

There are many considerations when designing a housing rehab program. While the scope is beyond this document, there are a number of good references available. The use of lump sum drawdowns, revolving loan funds, and escrow accounts are key financial tools to understand when creating a housing rehabilitation program. See the Financial Management section for more information.

When determining eligibility for single-family rehabilitation, the income of the entire household is examined. Income eligibility must be documented using third party verification.

Accomplishments for single-family rehabilitation are reported in housing units assisted.

CODE ENFORCEMENT [570.202(C)]

The CDBG program considers code enforcement to be a "rehabilitation and preservation" activity. It is eligible on an area basis. The area must be a target area or otherwise documented as a low- and moderate-income area. It must also be documented to be a blighted or declining

area and the code enforcement effort must be part of an overall effort to address blight and/or arrest decline.

Eligible costs are the costs of inspections and other fieldwork associated with enforcement of local building and zoning codes (or other laws used to address blight), and the costs of legal proceedings resulting from code enforcement actions. These costs are generally direct Staff costs.

This category is not suitable for the costs of code compliance inspections related to an application to a rehabilitation program. These costs should be borne by the rehab program.

The cost of corrections is not eligible under this category but may be eligible under other CDBG categories.

It should be noted that fines generated from CDBG-funded code enforcement are considered to be program income.

In the case that both CDBG funds and local funds are being used for code enforcement within a target area, it is important that the grantee have a clear method for determining the CDBG versus local share of costs.

The greatest challenge to undertaking a code enforcement program is record-keeping and reporting. It is critical that the grantee be able to report where CDBG funds were used and to track the use of funds by location.

FAIR HOUSING

Fair housing is one of the few activities that can be categorized as either a public service [570.2019(e)] or conducted as an eligible planning and administration activity [570.207]. There are several reasons a grantee should choose one over the other.

Because fair housing can be administration or public service, it can "fit" under either annual obligation "cap". It can also be split across the two caps.

There are also certain fair housing activities that clearly benefit low- and moderate-income persons such as advising persons of their fair housing rights or counseling them to resolve a fair housing dispute and others that fall more into the grantee meeting its general obligation to further fair housing (e.g., publications, surveys, analysis of impediments).

When conducting fair housing as a public service, the grantee should be thinking of how the level of low- and moderate-income benefit will be determined and the potential impact of the fair housing activity's impact on the overall low- and moderate-income benefit. If it is not clear how low- and moderate-income persons will benefit it may be best to undertake the activity under planning and admin.

HOMELESS

The homeless may be served several ways using CDBG:

- Services that benefit the homeless
- Services that serve to prevent homelessness
- Construction of shelters
- Operation of shelters
- Construction of housing for the homeless (by a Community Based Development Organization)

Cases of services that benefit the homeless or prevent homelessness, or the operational costs of a shelter, fall under public services and under the 15% allocation cap. Homeless persons are a "presumed benefit" population. If the person attests to being homeless, the LMI test is met.

Construction of shelters or the conversion of existing non-residential structures to shelters is eligible under public facilities 570.201(c) as are transitional housing facilities,

Conversion of existing residential structures into shelter or transitional housing is eligible under rehabilitation.

The construction of new permanent supporting housing (not conversion of existing) is eligible as a Community Based Development Organization activity.

PROGRAM ADMINISTRATION [570.206]

CDBG allows for the entitlement grant to pay for the reasonable administrative costs associated with the planning and implementation of CDBG-funded activities and the overall local CDBG program. This includes reporting, compliance, monitoring, record-keeping, accounting, and annual planning.

Costs associated directly with carrying out eligible activities are eligible under those activity categories.

The costs of program administration include but are not limited to:

- Salaries, wages, and related costs;
- Travel;
- Third-party services;
- Equipment and overhead;
- Public information, public notice, publication;
- Fair housing;
- Indirect costs;
- Preparation of the annual CDBG submission;
- Preparation of other applications for federal funds; and
- Program management costs associated with a federally designated Empowerment Zone or Enterprise Zone or with the federal HOME Investment Partnership Program.

PLANNING/CAPACITY BUILDING [570.205]

Although program administration (570.206) and planning/capacity building (570.205) are both under the "planning and administration" cap, they are distinct in the regulations. The difference is academic.

Eligible costs are those associated with:

- Data gathering;
- Studies;
- Analysis;
- Preparations of plans; and
- Identification of actions to implement plans

Eligible planning activities include, but are not limited to:

- Housing needs;
- Land use and design;
- Economic development;
- Parks;
- Floodplain and wetlands management;
- Environmental studies (not associated with a CDBG-funded project); and
- Analysis of impediments to fair housing choice.

Please note these activities are not required to meet a National Objective but should further the CDBG program goals.

A NOTE ABOUT PRESUMPTION AND OVERALL LOW- AND MODERATE-INCOME (LMI) BENEFIT.

It is certainly acceptable to have every beneficiary of a presumed benefit activity self-certify as to membership in that class. It is also acceptable to have every beneficiary of an LM-LC activity self-certify that their income is below a certain level. The danger is that you as the grantee will not have an accurate picture of overall LMI benefit if you do not collect income data. You will not have an accurate picture of the population you are actually benefitting.

MEETING A NATIONAL OBJECTIVE

OVERVIEW

This section of the manual will provide Staff with a more in-depth understanding of the three CDBG National Objectives as determined by HUD. As mentioned earlier in the manual, there are specific criteria that must be met in order for the activity to be eligible for CDBG funding including benefiting low- and moderate-income persons, preventing or eliminating blight, or addressing urgent needs. An activity that fails to meet the criteria set forth in 24 CFR 570.209 of the Code of Federal Regulations (CFRs) will be in non-compliance with CDBG rules.

LOW-AND-MODERATE INCOME BENEFIT [570.209(A)]

To meet the low- and moderate-income national objective the activity to be undertaken must benefit persons that are at or below 80% of the area medium income (AMI) for the area where the activity is taking place. The area median income is calculated and determined by HUD and available on the HUD website (www.hud.gov). An activity can qualify under this national objective as a direct benefit or as a benefit on an area basis. As a direct benefit, the activity will directly benefit a low- and moderate-income person, such as a housing rehabilitation activity. Benefit on an area basis or low- and moderate-area (LMA) benefit, refers to activities that will benefit all persons in that area and not just low- and moderate-income persons. In cases such as these, the targeted area where the activity will take place must include at least 51% low- and moderate-income persons. An example of an activity qualifying under the low- and moderate-area benefit would be infrastructure activities such as water/sewer lines.

LOW- AND MODERATE-AREA [570.209 (A)(1)]

The low- and moderate-area (LMA) objective is designed for activities undertaken in a primarily residential area that will benefit all residents and not just low- and moderate-income persons.

TARGET AREA

The target area is defined as the service area proposed where the activity will take place. The service area must be the entire area served by the activity and cannot be defined only by a particular low-and-moderate income portion that is part of the target area. For example, if the activity is a grocery store, the target area must include all residents

that will benefit from that grocery store and not just low-and-moderate income residents.

QUALIFYING THE TARGET AREA

Low- and moderate-area benefit of a specific service area must meet the criteria of qualifying as at least 51% low- and moderate-income households. A grantee may use HUD census data providing low- and moderate-income percentage information for each census tract and block group within the jurisdiction to determine if the service area qualifies. Often, a service area may not be coterminous with the census tracts or block groups defined by HUD. In this case the grantee can conduct a survey of the determined service area to confirm that the area is 51% low- and moderate-income.

UPPER QUARTILE

In some instances, HUD will make an exception to a low- and moderate-area activity having to meet the criteria of having at least 51% low- and moderate-income persons within the determined service area. If the degree of concentration of low- and moderate-income persons within the service area is considered the highest quartile of low- and moderate-income persons of all areas within the community, there may be an exception to qualifying the activity under the 51% criteria. HUD will determine the lowest proportion a grantee may use to qualify an area based on the upper quartile exception.

LIMITED CLIENTELE [570.209(A)(2)]

Limited clientele activities are designed to benefit particular groups of people within the proposed service area rather than everyone. Limited clientele activities still must meet the 51% low- and moderate-income criteria. To meet the limited clientele objective one of the following tests must be met:

- Benefit clientele who are presumed by HUD to be low- and moderate-income persons including:
 - Abused children;
 - Elderly persons;
 - Battered spouses;
 - Homeless persons;
 - Severely disables adults;
 - Illiterate adults;

- Persons with AIDS; and
 - Migrant farm workers.
- Require information on family size and income to evidence that at least 51% of the clientele are low- and moderate-income;
- Have the activity be of a nature and location that it can reasonably be presumed that the beneficiaries are low- and moderate-income; or
- Be an activity that will remove architectural or material obstacles to improve accessibility for the elderly or severely disabled as determine by HUD.

LOW- AND MODERATE-INCOME HOUSING

The low- and moderate-income housing objective is designed to ensure that an activity assisting in the acquisition, construction, or improvement of permanent residential housing benefits low- and moderate-income persons directly. To qualify under this objective the activity must result in housing that is occupied by low- and moderate-income persons. The housing can be owner occupied or renter occupied can be single family housing or multi-family housing. Rental housing must be occupied at affordable rents. Occupancy qualifying criteria includes:

- Single unit structures must be occupied by low- and moderate-income persons;
- Two-unit structures must have at least one occupant that is low- and moderate-income; and
- More than two units must have at least 51% of the units occupied by low- and moderate-income persons.

LOW- AND MODERATE-INCOME JOBS

This objective is meant to assist with economic development activities that intend to create or retain permanent jobs of which at least 51% are held by or available to low- and moderate-income persons.

ELIMINATION OF SLUM AND BLIGHT

This National Objectives include activities which help to prevent or eliminate slums or blighted conditions. These activities must meet the criteria of one of the three following categories:

- Prevent or eliminate slum and blight on an area basis;
- Prevent or eliminate slum and blight on a spot basis; or

- Be in an urban renewal area.

URGENT NEED

Use of this National Objective is rare. It is designed only for activities that alleviate emergency conditions. Urgent need activities must meet the following qualifying criteria:

- The existing conditions must pose a serious and immediate threat to the health or welfare of the community;
- The existing conditions are of recent origin or recently became urgent (generally within the last 18 months);
- The recipient is unable to finance the activity in its own; and
- Other sources of funding are not available.

DRAFT

FINANCIAL MANAGEMENT

This section addresses the financial and accounting aspects of the Community Development Block Grant Program (CDBG). When subrecipients provide services on behalf of the City of Huntington Park, it is pertinent that City staff ensure that the subrecipients meet all Federal requirements under the CDBG program including the following:

- 24 CFR Part 85.20 for Governmental Subrecipients (Exhibit 1)1;
- 24 CFR Part 84.21-28 as amended by 570.502 for non-profit subrecipients (Exhibit 2);
- OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Exhibit 3);
- OMB Circular A-128, "Audits of State and Local Governments" (Exhibit 4);
- OMB Circular A-133, "Audits of States, Local Government, and Non-Profit Organizations" (Exhibit 5);
- OMB Circular A-122, "Cost Principles for Non-Profit Organizations" (Exhibit 6);
- OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribe Governments" (Exhibit 7); and
- OMB Circular A-21, "Cost Principles for Educational Institutions." (Exhibit 8)

The purpose of these requirements is to ensure that a subrecipient receiving Federal funds has a financial management system in place to:

1. Provide effective control over and accountability for all funds, property, and other assets.
2. Identify the source and application of funds for CDBG-assisted programs and projects, including verification of the "reasonableness, allowability, and allocability" of costs and verification that the funds have not been used in violation of any of the restrictions or prohibitions that apply to this Federal assistance.

3. Permit the accurate, complete, and timely disclosure of financial results in accordance with the reporting requirements of the City or HUD

Paragraph (a) of 24 CFR Part 85.20, however, does not apply to subrecipients, but only to states that are recipients of Federal funds.

4. Minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by the subrecipient.

The Federal regulations provide specific requirements in connection with internal controls, accounting records, allowable costs, source documentation, budget controls, cash management, financial reporting, and audits.

INTERNAL CONTROLS

Internal controls are a combination of procedures, specified job responsibilities, qualified personnel, and records which create accountability in the financial management system and safeguard its cash, property, and assets. The internal controls must protect the integrity of the grant funds. At a minimum, the system should provide for adequate separation of duties so that no one person has authority over an entire financial transaction. One person should not have control over more than one of the following:

- Authorization to execute transaction;
- Recording the transaction; and
- Custody of the assets involved in the transaction.

Through its system of internal controls, an agency's management can ensure that:

1. Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies.
2. These resources are protected against waste, mismanagement, or loss.
3. Reliable information on the source, amount, and use of resources are secured, up-to-date, and recorded.

Accordingly, some of the basic elements that a subrecipient should consider in developing its system of internal control include:

- An organizational chart setting forth the actual lines of responsibility of individuals involved in approving or recording financial transactions.
- Written definition of the duties of key employees.
- A formal system of authorization and supervision sufficient to provide accounting control over assets, liabilities, receipts, and expenditures. This should include:
 - Maintenance of a policy manual specifying approval authority for financial transactions and guidelines for controlling expenditures.
 - Written procedures for the recording of transactions as well as an accounting manual and a chart of accounts.

The system of authorizations should provide a way for management to ensure supervisory approval of transactions and documentation of these transactions for accounting purposes. A system of authorizations can be general, as in a procedures manual that explains how accounting functions are to be performed, or very specific, as in identifying who has the authority to sign a contract on behalf of the organization or to sell a piece of equipment.

- Adequate separation of duties, so no one individual has authority over an entire financial transaction. Separation of duties specifically involves the separation of three types of functional responsibilities: (a) authorization to execute a transaction, (b) recording of the transaction, and (c) custody of the assets involved in the transaction. No one person should have control of more than one of these functional responsibilities.
- Hiring policies to ensure that staff qualifications are commensurate with job responsibilities.
- Control over access to assets, blank forms, and confidential documents. Physical access to records, blank forms, cash, and other assets should be limited to authorized personnel only. For example, access to accounting records should be limited to only those individuals having record-keeping or supervisory responsibility for them.
- Periodic comparisons of financial records to actual assets and liabilities (reconciliation), with corrective action taken in response to any discrepancies. As with separation of duties, this is a crucial exercise to

uncover and correct inadvertent record-keeping errors in a timely manner. It is also essential for identifying potential weaknesses in an organization's system for safeguarding resources as well as possible instances of fraud or misuse of assets.

ACCOUNTING RECORDS

Pursuant to 24 CFR 85.20 (b)(2) and 84.21, subrecipients are required to have accounting records that adequately identify the source and application of CDBG funds provided to them. The subrecipients financial system must generate regular reports that permit an observer to compare actual expenditures against the approved budget. Further, a subrecipient's financial system must be set up to satisfy an auditor conducting a single audit or independent audit, whichever applies. During an audit, the auditor should examine records to ascertain if:

- Funds are properly budgeted and approved;
- Budget revisions have been documented and approved;
- Personnel charges are properly allocated to the block grant and based on payroll documents such as time and attendance records;
- All expenditures can be traced to source documents (i.e., purchase orders, invoices, canceled checks);
- Drawdowns have been timely;
- Only allowable funds have been claimed on the project;
- The subrecipient accounting system reflects all assets, liabilities, etc.;
- Property has been managed and inventoried properly;
- In-kind costs and costs billed to other funds are clearly documented; and
- For indirect costs, an indirect cost allocation plan has been developed.

A subrecipient's accounting system should include, at minimum, a chart of accounts, a cash receipts journal, a cash disbursement journal, a payroll journal, and a general ledger. These accounting records must contain reliable and current information about the sources and used of funds, including:

- Federal grant awards received by the City of Huntington Park.
- Current authorizations and obligations of CDBG funds.
- Unobligated balances (funds remaining and available for distribution).
- Assets and liabilities.
- Program income.
- Actual outlays or expenditures, with further breakdowns by:
 - The grant program from which the funds are derived.
 - The eligible activity classifications specified in 24 CFR 570.201-570.206 (housing rehabilitation, economic development, public facilities, public services, etc.) or similar classifications to clearly indicate use of program funds for eligible activities.

ALLOWABLE COSTS

Under 24 CFR Part 85.22 and 84.27, there are standards to determine reasonableness, allowability, and allocability of costs incurred for CDBG-funded activities. Depending on the type of subrecipient organization, the standards can be found in the following cost principles:

ORGANIZATION TYPE	APPLICABLE COST PRINCIPLES
State, Local or Indian Tribal Government	OMB Circular A-87
Private Nonprofit Organization other than 1) Institution of Higher Education; 2) Hospital; or 3) Organization named in OMB Circular A-122 as not subject to that circular	OMB Circular A-122
Educational Institutions	OMB Circular A-21

For-profit organizations other than a hospital and an organization named in OMB Circular A-122 as not subject to that circular	48 CFR Part 31 – Contract Cost Principles and Procedures, or uniform cost accounting standards that comply with cost principles acceptable to the Federal agency.
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As described in the OMB Circulars, a cost is allowable under the CDBG program if:

1. The expenditure is necessary, reasonable, and directly related to the grant and in accordance with the approved budget. A cost is generally determined to be reasonable if it is recognized as ordinary and necessary for the operation of the organization or the performance of the award. The City of Huntington Park will make the final determination, in good faith, whether the expenditure is "necessary and reasonable."
2. The expenditure has been authorized by the City of Huntington Park, usually through the approval of a budget for the CDBG-funded activity. The approved project budget contained in the CDBG Subrecipient Agreement (Exhibit 9) identifies the activities determined to be eligible for reimbursement with the City's CDBG funds. Grant funds cannot be used to reimburse expenditures incurred before the Subrecipient Agreement is signed. As mentioned in the *Internal Controls* section, the subrecipient's financial system must have procedures in place to monitor obligations and expenditures against the approved budget in the Subrecipient Agreement. The system should:
 - ❖ Maintain the amounts budgeted for eligible activities in its accounting records;
 - ❖ Include both obligations/expenditures and unexpected/unobligated balances for each line item; and
 - ❖ Periodically compare actual obligations and expenditures to-date against planned obligations and expenditures and against projected accomplishments for the CDBG- funded activity.
3. The expenditure is not prohibited under Federal, state, or local laws or regulations. The following expenditures are ineligible:

- ❖ Entertainment such as costs of amusements, social activities and incidental costs such as meals, beverages, lodging, and gratuities relating to entertainment, or any political or lobbying activity.
- ❖ Contributions and donations
- ❖ Fines and penalties resulting from violations of or failure to comply with Federal, State, and local laws and regulations.
- ❖ Bad debts including any losses arising from uncollectable accounts and other claims, and related costs.
- ❖ Buildings used for the general conduct of government
- ❖ General governmental expenses
- ❖ Political activities

Program regulations also specify that the following activities may **not** be assisted with CDBG funds **unless** authorized as a special economic development activity under 24 CFR 570.203, **or** when carried out by Community-Based Development Organizations (CBDOs) under the provisions of 24 CFR 570.204, or when the other special conditions noted in the following section after each category are met:

- ❖ Purchase of construction equipment (unless purchased for use as part of a solid waste disposal facility, which is eligible under 24 CFR 570.201(c)).
- ❖ Personal property, furnishings, fixtures, or motor vehicles (unless these items constitute part or all of a public services activity under 24 CFR 570.201(e), are eligible as fire fighting equipment under 24 CFR 570.201(c), or are necessary in the administration of activities assisted with CDBG funds).
- ❖ Operating and maintenance expenses (except for expenses associated with public service, "In Rem," and interim assistance activities, or office space for program staff employed in carrying out the CDBG program).

- ❖ New housing construction (unless performed in accordance with the "last resort" housing provisions of 24 CFR Part 42, or carried out by a CBDO under Section 570.204).
 - ❖ Income payments (this prohibition does not preclude payments made under 24 CFR 570.201(n) to facilitate and expand homeownership by low- and moderate-income persons or emergency grant payments made over a period of up to 3 consecutive months to the provider of such items as food, clothing, housing, or utilities).
4. The expenditure is consistently treated, in the sense that the subrecipient applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-Federally assisted activities.
 5. The cost must be allocable to the CDBG program. A cost is allocable to a particular cost objective (e.g., grant, program, or activity) in proportion to the relative benefits received by that objective. For example, if an organization administers two programs during the same hours, the costs of the office should be allocated between the two programs on an equitable, pro rata, basis. The same expense cannot be claimed against more than one grant (i.e., double-billing is prohibited). Furthermore, a cost originally allocable to a particular Federal grant program cannot be shifted to another Federal grant program to overcome funding deficiencies, to avoid restrictions imposed by the grant or by law, or for any other reasons.
 - ❖ Direct vs. Indirect Costs: In accordance with the guidance found in OMB Circulars A-87 and A-122, the composition of direct and indirect costs must be clear. Direct costs must be identified specifically with a particular activity. Indirect costs are those incurred for common objectives that benefit more than one activity (e.g., salaries of executive officers, accounting and auditing, other costs of general administration). The subrecipient's indirect costs must be supported by an indirect cost proposal/cost allocation plan.

6. The cost is net of all applicable credits. Any credits such as purchase discounts or price adjustments must be deducted from total costs charged. The subrecipient is not allowed to make a profit from any costs charged to CDBG funds.

RECORD KEEPING

In general, all accounting records must be supported by source documentation to show that the costs charged to CDBG were incurred during the effective period of the Subrecipient Agreement, were actually paid out, were expended on allowable items, and had been approved by the City prior to expenditure.

Organizations receiving CDBG funds should keep the following fiscal records:

- ❖ Bookkeeping Journals and Ledgers: Cash receipts journal, cash disbursements journal, expense journal, general journal, and general ledgers must be maintained. Back-up documentation for the journal entries must be kept and properly filed. Documentation must include: invoices, bills and other receipts, deposit slips, bank statements, check stubs, check books, canceled checks, purchase orders, petty cash records and other verification as applicable.
- ❖ Payroll records: Payroll records will show actual gross earning, net amounts paid, and the deductions for each individual staff member by pay period. If an employee is paid by more than one fund or program, the payroll journal will need to reflect the distribution of time and money against each fund or program. Payroll source documentation includes cancelled paychecks, tax records, workers compensation records, and individual time sheets.
- ❖ Petty Cash Records: A petty cash fund may be set up to take care of small item payments. All such payments must be supported by petty cash vouchers and receipts and must be an eligible expense. The size of the fund is left to the discretion of the Subrecipient.
- ❖ Time Records: Time records should be kept indicating actual time paid, including types of time such as sick leave, vacation leave, compensatory time, etc. Time sheets should be kept by the day and signed by the employee and supervisor. Agencies using volunteer

hours for in-kind match must keep signed time records by the day indicating actual time donated.

- ❖ Space and Utilities: Space costs must be supported by documentation such as rental or lease agreements. Utility costs will be supported by bills from the utility companies. Both types of expenses will be supported by canceled checks. If the cost of space or utilities is split between the CDBG program and other sources, there must be a cost allocation plan that describes how costs are disbursed among the various grants/funding sources.
- ❖ Supplies: With respect to supplies, documentation would include purchase orders or requisition forms initiated by an authorized representative of the subrecipient, an invoice from the vendor (which has been signed-off by the subrecipient to indicate the goods were

received), the canceled check from the vendor demonstrating payment was made, and information regarding where the supplies are being stored and for what cost objective(s) they are being used.

BUDGET CONTROLS

Recipients and subrecipients of CDBG funds must have procedures in place to compare and control expenditures against approved budgets for CDBG-funded activities. The City of Huntington Park will make payments to subrecipients on a reimbursement basis only, and is under no obligation to reimburse a subrecipient for expenditures that exceed the approved budget line items or the overall allocation for CDBG-funded activities. To ensure, then, that the subrecipient does not exceed its line item, or overall, budget, it must have an ongoing system to compare actual expenditures, encumbrances, and receipts against their CDBG budget. The system will also work to determine if and when budget revisions are necessary to achieve the agreed upon objectives and performance goals.

In order to compare expenditures with approved budgets, a grantee or subrecipient must:

- ❖ Maintain in its accounting records (see below) the amounts budgeted for eligible activities;
- ❖ Periodically compare actual obligations and expenditures to date against planned obligations and expenditures, and against projected accomplishments for such outlays; and
- ❖ Report deviations from budget and program plans, and request approval for budget and program plan revisions.

CASH MANAGEMENT

There are three general methods available to transfer CDBG funds from the U.S. Treasury to the City (or from the grantee to a subrecipient):

1. **Reimbursement method** - The reimbursement method entails a transfer of grant funds to the City (or subrecipient) based on actual expenditures of the City (or subrecipient) prior to the receipt of CDBG funds.
2. **Cash advance method** - The cash advance method involves the transfer of CDBG funds to the City (or subrecipient) to meet obligations before actual cash disbursements have been made.
3. **Working capital method** - The subrecipient is advanced cash to meet its estimated disbursements for an initial period. After the initial period, the subrecipient will receive cash on a reimbursement basis. This method is used when the subrecipient lacks sufficient working capital.

While these three methods are available to the City of Huntington Park to pay CDBG funds to a subrecipient, it has opted to use the reimbursement method. This method is to be implemented in accordance with 24 CFR 85.21 or 570.502 (b)(3)(i), which states that:

- ❖ A drawdown/payment request must include accurate information including total expenditures, reimbursements to date, and available balances for each line item in the CDBG budget.

- ❖ A subrecipient must return all funds to the City of Huntington Park that were erroneously drawn.
- ❖ Pursuant to 24 CFR 570.504 (b)(2)(ii) and 570.504 (c), program income must be disbursed in payment of program costs before requesting further drawdowns from the city.
- ❖ If program income is put in an approved revolving fund by the subrecipient, the subrecipient must disburse this program income for the same activity for which the revolving fund was established, before making further cash drawdown requests to the City. The account must be interest bearing, and the interest earned or funds held in the account must be remitted to the grantee at least annually, pursuant to 24 CFR 570.504 (b)(2)(i) and 570.500 (b).

FINANCIAL REPORTING

A subrecipients' financial reports must be accurate, timely, current, and representative of the financial activity and status of their CDBG-assisted program. A subrecipient must be able to provide, at the very least, this information:

- ❖ Amount budgeted;
- ❖ Reimbursements received to date;
- ❖ Program income and other miscellaneous receipts in the current period and to date;
- ❖ Actual expenditures/disbursements in the current period and cumulatively to date, for both the regular CDBG funds, and any program income generated by the CDBG-assisted activity;
- ❖ Current encumbrances/obligations in addition to disbursements, if applicable; and
- ❖ Unpaid requests for payment previously submitted at time of latest drawdown.

In addition, a subrecipients' accounting and record-keeping system must be able to support the data included in its drawdown requests, in its other financial and progress reports, and the city's Consolidated Annual Performance and Evaluation Report (CAPER).

AUDITS

According to OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations," CDBG grantees and subrecipients receiving \$500,000 or more in a year in Federal awards must have an audit conducted. There are two options allowed: 1) a single-audit; or 2) a program-specific audit:

- ❖ **Single Audit:** an audit that includes both an entity's financial statements and its federal awards (from all applicable federal programs)
- ❖ **Program Audit:** an audit of one federal program (such as CDBG). A program-specific audit is allowed when the grantee or subrecipient expends federal awards under only one federal program.

A single or program audit must be performed by an independent auditor in accordance with Government Auditing Standards and must be conducted in accordance with the OMB circulars. The audit shall cover financial statements', internal controls, and compliance with applicable laws and regulations. Additionally, the report shall contain at least these following components:

- ❖ An opinion (or disclaimer of opinion) as to whether the financial statements are presented fairly in all material respects in conformity with generally accepted accounting principles and an opinion (or disclaimer of opinion) as to whether the schedule of expenditures of Federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole;
- ❖ A report on internal control related to the financial statements and major programs. This report shall describe the scope of testing of internal control and the results of the tests, and, where applicable, refer to the separate schedule of findings and questioned costs;
- ❖ A report on compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements. This report shall also include

an opinion (or disclaimer of opinion) as to whether the grantee or subrecipient complied with laws, regulations, and the provisions of contracts or grant agreements which could have a direct and material effect on each major program, and, where applicable, refer to the separate schedule of findings and questioned costs; and

- ❖ A schedule of findings and questioned costs that includes a summary of the auditor's results, findings relating to the financial statements which are required to be reported in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States, and findings and questioned costs for Federal awards.

The audit must be completed and report submitted to the Federal clearinghouse designated by OMB within the earlier of 30 days after receipt of the auditor's report(s), or 13 months after the end of the audit period. The grantee or subrecipient shall make copies available for public inspection. Copies of audit reports must be kept on file for a minimum of three years from the date of submission to the Federal clearinghouse designated by OMB. If there are unresolved audit issues at the end of this three-year period, the grantee or subrecipient should notify the auditor in writing to extend the retention period.

INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS)

OVERVIEW

This section is intended to provide an introductory tour through the Integrated Disbursement and Information System and offer concise explanations of the most common tasks to be performed in the system. It is not intended as a substitute for the Disbursement and Information System Reference Guide, or other reference material listed at the end of this section.

WHAT IS IDIS?

IDIS stands for "Integrated Disbursement and Information System". It is an on-line system that HUD developed to manage the four Community and Planning Development formula programs: CDBG, HOME, ESG, and HOPWA.

IDIS allows recipients of formula grant funds to report on the use of funds as well as to request funds from the US Treasury.

IDIS does have a reference manual and other reference materials. You should have a copy of the reference manual. Where to find the reference manual (available on the HUD web site in PDF) and other resources are in the IDIS resources section at the end of this section.

IDIS IN CONTEXT

IDIS is one of four management systems envisioned by HUD as supporting the formula grant programs. The other three are:

- The Consolidated Plan Management Process ("CPMP") system organizes and reports information regarding the projects and activities conducted by the grantee. It is designed to provide consistent information in a consistent format to the public, to HUD, and ultimately to the US Congress. It also may be used to upload project and activity information into IDIS. See the section on CPMP for more information.
- The Line of Credit and Control System ("LOCCS") interacts with IDIS to disburse funds from the US Treasury and report information to IDIS on the availability of funds and grant balances. The grantee has no direct access to LOCCS.
- The Grants Management Process system (GMP) is the system employed by HUD field offices to manage formula grants and review the performance of grantees. HUD field Staff use IDIS to view the

performance of grantees. Grantees are not involved in GMP.

IDIS STRUCTURE: PLAN, PROJECT, AND ACTIVITY

IDIS is intended to "mirror" the Consolidated Plan and the Annual Action Plan. Projects represent the undertakings identified in the Consolidated Plan as meeting the community's needs. Projects are organized into Plan Years that coincide with the annual Action Plan. Activities represent the individual tasks that contribute to the goals of the Project.

INTEGRATION INTO IDIS ONLINE

Beginning in May 2012, HUD grantees will be able to submit their Consolidated Plan using the Consolidated Plan template in IDIS Online. The Consolidated Plan template will be required for all Consolidated Plans submitted on or after November 15, 2012. Grantees that are scheduled to submit Consolidated Plans to HUD after this date will use the template for both the Consolidated Plan and each Annual Action Plan.

With the incorporation of the Consolidated Plan, Annual Action Plan, and CAPER into IDIS Online, all the key reporting elements of the grants are integrated into one system. This will help ensure cohesiveness between the goals described in the Consolidated Plan and Action Plan and the outcomes tracked in IDIS and reported in the Consolidated Annual Performance and Evaluation Report (CAPER). The reports in IDIS Online can be run throughout the program year to monitor progress and performance against the goals established in the Consolidated Plan and Annual Action Plan.

To access IDIS Online, a grantee must have an active IDIS Online User ID. To add new users, grantees should follow the instructions on the IDIS Log On page: www.hud.gov/sites/documents/20578.IDIS_ONLINE_QUICK.PDF.

Before a grantee user can add or edit a Consolidated Plan or Action Plan, the local IDIS Administrator for the grantee must edit the user's profile to provide that functionality. Local administrators can use these steps to edit a user's profile to provide access to the Consolidated Plan, Action Plan, and CAPER templates:

1. All grantees have a local administrator. To determine who has local administrator privileges, run the Security

2. Click on Admin in the Main Menu bar (only local administrators will see this option).
3. By default, the system will display the Search User Profiles screen. Use the fields provided, such as User ID or First Name and Last Name to search for the user profile that needs to be revised, then click Search.

IDIS FACTS

- Each activity must be associated with a project, each project with a Plan Year
- A Project may have one or more Activities associated with it.
- Reporting and disbursement happens at the Activity level.

Once the initial structure of Plan Year, Projects and Activities has been established in IDIS, nearly all future activity in IDIS is at Activity level.

- When would there be more than one Activity under a Project?
 - When there is a single undertaking that has several distinct components or stages.
 - Community Center – acquisition, design, construction, operations
 - Homeless Shelter – bus tickets, counseling, meal vouchers, clothing operations

IDIS ACCESS

The starting place for IDIS is the main IDIS webpage: idis.hud.gov/.

IDIS is accessed through an internet browser using an application that emulates a mainframe "green screen".

The steps you need to take to access IDIS can be found on the "getting started" page of the IDIS web page.

REQUESTING IDIS ACCESS

The first thing to do is to request IDIS access by submitting an IDIS Access Request Form on the IDIS web page.

Be sure to follow the instructions carefully and note:

- Check the correct action box
- Check the correct "authorized function" box(es) (more on this below)
- Check the program area box(es) for the programs for which you need

- access to IDIS
- The person who is requesting access signs under "authorized user"
- Leave "field office approval" blank
- Under "approved by", enter the information for your jurisdiction's chief executive or other authorized official (this will be the same person who signs your grant agreements with HUD)
- You must notarize the signature of the "approving" official

Submit the form to your HUD field office (not to IDIS Security). Send it attention to your Program Representative. Let your representative know it is on the way.

If you do not receive your IDIS authorization within 4 weeks, follow-up with your representative. A call to IDIS Security might also be required.

IDIS Access is specific to the person. A person may have access to one or more jurisdictions. Once you have an IDIS ID you will never have a new one issued to you. It's important to let IDIS Security know (via the form) if you have had IDIS access in the past, as they will simply "renew" your ID.

SELECTING THE CORRECT "ACTION"

Your choices for "Action" on the form and when to tick them are:

- New Request - You have never had an IDIS ID.
- Renew Lapsed ID - You had an IDIS ID, but you let it lapse. (Call IDIS technical assistance to confirm.)
- Drop from IDIS - You no longer want access to IDIS, or more likely, you want to remove someone's access to IDIS.
- Add Access to Another Grantee - You currently have IDIS access for one grantee and you want authorization for another. This is uncommon for most grantee Staff. You will see consultants with this sort of access or the Staff of Consortia or Urban Counties.
- Change Name/Functions/Grantee - Self-explanatory. Seldom used.

AUTHORIZED FUNCTIONS IN IDIS

In general, it is best to select all authorized functions unless there is a specific reason not to. Such a reason might be that you only want certain Staff to approve draws or certain Staff to be able to perform administrative functions

in IDIS.

It is recommended that if this is desired, two levels be created: those that can only set-up activities and request (create) drawdowns and those that can perform all functions including administration.

It is important to remember that the same user cannot both create and approve a draw request.

THE AUTHORIZATION PACKET

When your IDIS authorization is complete you will receive an authorization "packet" from IDIS Security. The items you want to focus your attention on are your WEB390 ID or "wi" number, your IDIS ID or "c" number and your IDIS temporary password. Keep this packet in a safe place. When monitoring, some HUD Staff will want to see that you have your IDIS authorization documents in order and in a secure location.

PC AND SOFTWARE REQUIREMENTS

If you have a PC running MS Windows, you should not have a problem working with IDIS. Currently the most stable configuration is Windows 2000 using IE 6.x. Issues have been reported using IE 7.x and with XP. No word on Vista. Netscape is no longer supported so its use is not recommended. IDIS does not support Firefox.

It is typical that as new operating systems are released (or even significant updates) or new browser versions are released, IDIS takes some time to catch up.

You will need to down-load and install a "plug-in" or helper application that works with your browser. To see which of the two plug-ins to install, check the chart on the "Browser and Plug-in Information" page:

archives.hud.gov/offices/cpd/systems/idis/library/keystroke/ckey6_2.PDF.

See the "Plug-in Guide" published by IDIS Staff for step-by-step instructions.

Ignore the instructions to download and install the report batch file. Ignore the report batch guide. This is obsolete.

GOING INTO IDIS

To access IDIS, start at the IDIS page idis.hud.gov. This page is also where HUD will

post news related to IDIS. From this page, you can login to the IDIS practice area as well as the IDIS "production" area.

To login to IDIS, scroll down the page to the map and click on the region of the map that includes your state. Alternatively, click on your state's name below the map. This will take you to the WEB390 login page.

Enter the WEB390 ID you were assigned along with your WEB390 password. The WEB390 ID is also called your "wi" number. It will never change, nor will your WEB390 password.

If you enter the correct credentials, you will go to what some call the "house" screen.

Here you should see your local time and date in the top right corner, and under the HUD logo: "Current 3270 connection status: NOT CONNECTED". (If it does not say this, it means that someone else did not log off correctly or the browser hung up and was forced to close. You will need to wait until the system resets.) You will see a drop-down box below that ... ignore it. You will also see a button "LOGON" and a row of buttons: "RESHOW"; "ATTN"; "LOGOFF"; and "Get Reports/Data".

DRAW DOWN FUNDS

Four basic steps are necessary to draw down funds for CDBG, HOME, ESG, or HOPWA. These four steps must be followed in order. A helpful way to remember this order is the acronym "JAID", which refers to the letters on the IDIS Main Menu that access these functions.

STEP 1: CREATE A PROJECT

Projects serve as an organizational structure under which activities can be set up in IDIS. They connect activities with a specific Consolidated Plan year. In many cases, HUD automatically loads projects into IDIS from Annual Action Plans at the beginning of each grantee's program year. If the grantee chooses to load its own projects, it must create them at the start of its program year.

The IDIS Reference Manual provides more detailed explanation of

Setting Up, Approving, and Revising Projects (see website below):
archives.hud.gov/offices/cpd/systems/idis/library/refmanual/ref_man_14.pdf.

STEP 2: SET UP AN ACTIVITY

Setting up an activity in IDIS is a prerequisite to committing and drawing down funds and reporting on the progress of your program initiatives throughout the year. Activities provide a way to report on the work underway for a project and are the level where funds are committed and drawn. Setting up an activity is a two-part process. The first part involves entering data on four activity setup screens, often called the "Common Path", that are similar regardless of the program. On the fourth screen (called the "money screen"), enter the budgeted amount and indicate the formula grant program(s) that will fund this activity. The second part of setting up an activity involves entering information on screens in the "Program Path", which are different for each grant program.

IDIS MATRIX CODES

Assigning correct matrix codes and national objectives to activities is important, not only in recording the eligibility of activities, but also in accurately reporting accomplishment data. The matrix code and national objective selected for an activity generally identify the purpose for which assistance is provided and determine the type of accomplishment units that should be reported. The IDIS Reference Manual provides definitions of matrix codes in Appendix B.

CDBG CROSS REFERENCE MATRIX

All CDBG activities must be assigned a matrix code and a national objective code. Grantees across the country must be consistent in uniformly applying matrix codes and national objectives to activities.

STEP 3: FUND THE ACTIVITY

This step consists of committing the funds budgeted for the activity from the program(s) that will fund it. The Activity Funding process allows you

to fund an activity from grants, sub funds, receipt funds, or subgrants. You identify each grant, sub fund, receipt fund, or subgrant and the amount of funds to be committed from the funding source to an activity.

STEP 4: DRAW DOWN FUNDS

A drawdown, also called a voucher, is a request for payment against a grantee's line of credit for services performed in support of one or more activities. Grantees draw funds as required to pay for work that has occurred for an activity. A separation of duties policy is applicable under certain circumstances.

STEP 5: REPORT ACCOMPLISHMENTS

HUD requires reliable, comprehensive information regarding program performance in order to comply with the Government Performance and Results Act of 1993, fulfill reporting requirements for Congress and other stakeholders, measure progress made in meeting Business and Operating Plan goals, monitor grantee performance, and evaluate overall program results.

For detailed reporting instructions, CDBG grantees may refer to Guidance for Reporting CDBG Accomplishments in IDIS.

ENVIRONMENTAL

OVERVIEW

This section of the manual will provide an overview of the HUD environmental review and National Environmental Policy Acts (NEPA) requirements. There is an entire part of federal regulations (24 CFR 58) dedicated to describing these requirements and compliance with them. There are also several "related acts" and Executive Orders that impose environmental requirements on recipients of CDBG funds. These laws are listed at www.hud.gov/program_offices/comm_planning/environment_energy.

LEVEL OF REVIEW DETERMINATION

The initial step of the process is to determine which "level of review" is appropriate for the activity being considered. There is a model form for this provided by the HUD San Francisco field office.

LEVELS OF REVIEW

EXEMPT

The following activities are by their nature not considered by HUD to have a significant environmental impact. (See Appendix for sample Exempt Activities Checklist).

- Environmental and other studies, resource identification, and the development of plans and strategies;
- Information and financial services;
- Administrative and management activities;
- Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, childcare, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;
- Inspections and testing of properties for hazards or defects;
- Purchase of insurance;
- Purchase of tools;
- Engineering or design costs;
- Technical assistance and training;

- Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair,

or restoration activities necessary only to control or arrest the effects from disasters or imminent threats to public safety including those resulting from physical deterioration; and

- Payment of principal and interest on loans made or obligations guaranteed by HUD.

The only requirement is to review compliance with flood hazards, flood insurance/disaster assistance, coastal barriers, and airport clear zones. These are referred to as "the authorities listed at 24 CFR 58.6".

The level of review determination form includes a section to address 24 CFR 58.6. No further review is necessary.

CATEGORICALLY EXCLUDED, NOT SUBJECT TO 58.5

These "categorically excluded" activities do not require an EIS or EA except under "extraordinary circumstances" as defined at 58.2(a)(3) (see Appendix for sample Categorically Excluded Checklist).

These following activities are by their nature not considered to have an impact that would require environmental review:

- Tenant-based rental assistance;
- Supportive services including, but not limited to, health care, housing services, permanent housing placement, day care, nutritional services, short-term payments for rent/mortgage/utility costs, and assistance in gaining access to local, State, and Federal government benefits and services;
- Operating costs including maintenance, security, operation, utilities, furnishings, equipment, supplies, Staff training and recruitment and other incidental costs;
- Economic development activities, including but not limited to, equipment purchase, inventory financing, interest subsidy, operating expenses and similar costs not associated with construction or expansion of existing operations;
- Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction, including dosing costs and down payment assistance, interest buydowns, and similar activities that result in the transfer of title;
- Affordable housing pre-development costs including legal, consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which

- do not have a physical impact; and
- Approval of supplemental assistance (including insurance or guarantee) to a project previously approved under this part, if the approval is made by the same responsible entity that conducted the environmental review on the original project and reevaluation of the environmental findings is not required under Sec. 58.47.

The only requirement is to review compliance with flood hazards, flood insurance/disaster assistance, coastal barriers, and airport clear zones. These are referred to as "the authorities listed at 24 CFR 58.6".

The level of review determination form includes a section to address 24 CFR 58.6. No further review is necessary.

The only significant difference between "exempt" and "categorically excluded, not subject to 58.5" is that the latter are subject to further review if it is determined that there are "extraordinary circumstances and conditions" that would have an environmental effect [24 CFR 58.35(c)].

CATEGORICALLY EXCLUDED, SUBJECT TO 58.5

Categorically excluded activities do not require an EIS or EA except under "extraordinary circumstances" as defined at 58.2(a)(3).

The following activities are by their nature not considered to have an impact that would require review under NEPA:

- 1) Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent (e.g., replacement of water or sewer lines, reconstruction of curbs and sidewalks, repaving of streets).
- 2) Special projects directed to the removal of material and architectural barriers that restrict the mobility of and accessibility to elderly and handicapped persons.
- 3) Rehabilitation of buildings and improvements when the following conditions are met:
 - a) In the case of a building for residential use (with one to four units), the density is not increased beyond four units, the land use is not changed,

and the footprint of the building is not increased in a floodplain or in a wetland;

- b) In the case of multifamily residential buildings:
 - i) Unit density is not changed more than 20 percent;
 - ii) The project does not involve changes in land use from residential to non-residential; and
 - iii) The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.
- c) In the case of non-residential structures, including commercial, industrial, and public buildings:
 - i) The facilities and improvements are in place and will not be changed in size or capacity by more than 20 percent; and
 - ii) The activity does not involve a change in land use, such as from non-residential to residential, commercial to industrial, or from one industrial use to another.
- 4) Certain housing rehabilitation activities such as:
 - a) An individual action on up to four dwelling units where there is a maximum of four units on any one site. The units can be four one-unit buildings or one four-unit building or any combination in between; or
 - b) An individual action on a project of five or more housing units developed on scattered sites when the sites are more than 2,000 feet apart and there are not more than four housing units on any one site.
 - c) Paragraphs (a)(4)(i) and (ii) of this section do not apply to rehabilitation of a building for residential use (with one to four units) (see paragraph (a)(3)(i) of this section).
- 5) Acquisition (including leasing) or disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land provided that the structure or land acquired, financed, or disposed of will be retained for the same use.
- 6) Combinations of the above activities.
- 7) Review of compliance with flood hazards, flood insurance/disaster assistance, coastal barriers, and airport clear zones is required (58.6).

Review of the factors under 24 CFR 58.5 is required for these activities. These are referred to as "the related laws and authorities". The HUD San Francisco Field Office has provided a model "statutory review checklist".

ENVIRONMENTAL ASSESSMENT "EA"

An Environmental Assessment or "EA" is required if a project is not found to be categorically excluded or exempt.

The regulations specify how to prepare an Environmental Assessment and the public notices and public review periods that must be followed. These are in "Sub-part E" of Section 58.

The HUD San Francisco Field Office has provided a model Environmental Assessment form.

ENVIRONMENTAL IMPACT STATEMENT "EIS"

An Environmental Impact Statement or "EIS" is required when "the project is determined to have a potentially significant impact on the human environment".

There are also several specific circumstances that require the preparation of an Environmental Impact Statement. These are listed at 58.37(b).

Below is a table summarizing the various levels of review.

Level of Review	Definitions	Required Review	Documents
Exempt	58.34	58.6	• Level of Review Determination/58.6 Review
Categorically Excluded, not subject to 58.5	58.35(b)	58.6	• Level of Review Determination/58.6 Review
Categorically Excluded, subject to 58.5	58.35(a)	58.6 58.6	• Level of Review Determination/58.6 Review • Statutory Worksheet
Environmental Assessment	58.36	58.5 58.6 EA	• Level of Review Determination/58.6 Review • Statutory Worksheet • EA

Environmental Impact Statement	58.37	58.5 58.6 EIS	<ul style="list-style-type: none"> • Level of Review Determination/58.6 Review • Statutory Worksheet • EIS
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EXTRAORDINARY CIRCUMSTANCES

The "extraordinary circumstances" referred to above are defined in the regulations at 24 CFR 58.2(a)(3).

3. Extraordinary Circumstances means a situation in which an environmental assessment (EA) or environmental impact statement (EIS) is not normally required, but due to unusual conditions, an EA or EIS is appropriate. Indicators of unusual conditions are:
 - i. Actions that are unique or without precedent;
 - ii. Actions that are substantially similar to those that normally require an EIS;
 - iii. Actions that are likely to alter existing HUD policy or HUD mandates; or
 - iv. Actions that, due to unusual physical conditions on the site or in the vicinity, have the potential for a significant impact on the environment or in which the environment could have a significant impact on users of the facility.

"58.6" REVIEW

The model "Level of Review Determination" worksheet provided walks you through the review for the "58.6" requirements. It is a "yes/no", "if/then" format. You proceed until you have hit a line that indicates "the review of this factor is complete".

STATUTORY REVIEW "58.5"

Using the Statutory Review checklist, the review of the 58.5 requirements is documented. For each requirement or "factor" the status is indicated as follows:

"A"	"will not result in a violation of this statute or authority, nor requires a special permit or license"
"B"	"may result in a violation of any of the cited statute or authority, or

	requires a special permit or license"
"N/A"	because of the location of the project this factor is not applicable. This would be true in an inland area for the Coastal Zone Management Act.

CONVERSION TO EXEMPT

PUBLIC NOTICE

Grantees must provide the public with the following minimum comment periods:

- Notice of Finding of No Significant Impact (FONSI). No publication, 18 days when mailing and posting
- Notice of Intent to Request Release of Funds (NOI-RROF) Publication, 10 days when mailing and posting
- Concurrent or combined notices 15 days when published or, if no publication, 18 days when mailing and posting

FONSI/RROF

1. If the responsible entity makes a finding of no significant impact, it must prepare a FONSI notice, using the current HUD-recommended format or an equivalent format. As a minimum, the responsible entity must send the FONSI notice to individuals and groups known to be interested in the activities, to the local news media, to the appropriate tribal, local, State and Federal agencies; to the Regional Offices of the Environmental Protection Agency having jurisdiction and to the HUD Field Office (or the State where applicable). The responsible entity may also publish the FONSI notice in a newspaper of general circulation in the affected community. If the notice is not published, it must also be prominently displayed in public buildings, such as the local Post Office and within the project area or in accordance with procedures established as part of the citizen participation process.
2. The responsible entity may disseminate or publish a FONSI notice at the same time it disseminates or publishes the NOI/RROF required by Sec. 58.70. If the notices are released as a combined notice, the combined

notice shall:

- i. Clearly indicate that it is intended to meet two separate procedural requirements: and
 - ii. Advise the public to specify in their comments which "notice" their comments address.
3. The responsible entity must consider the comments and make modifications, if appropriate, in response to the comments, before it completes its environmental certification and before the recipient submits its RROF. If funds will be used in Presidentially declared disaster areas, modifications resulting from public comment, if appropriate, must be made before proceeding with the expenditure of funds.

RELEASE OF FUNDS

The certification form executed by the responsible entity's certifying officer shall be sent to the recipient that is to receive the assistance along with a description of any special environmental conditions that must be adhered to in carrying out the project. The recipient is to submit the RROF and the certification of the responsible entity to HUD (or the State, if applicable) requesting the release of funds.

MRER

PROCESS/FLOW

Level of review – Make it clear from project description and LOR determination why this LOR is appropriate.

BEST PRACTICES AND GENERAL PRINCIPLES

The most important thing to remember about the environmental review process is to never expend funds or contract to expend funds before the review process is completed.

IDIS

In the Integrated Disbursement and Information System (IDIS) activity set up path there is a screen (C04MA03) that has a place to indicate the "environmental assessment code". If the activity is set up in IDIS before the environmental review is complete, this field should be left blank. The field must be completed before the activity can be funded.

Note that a complete environmental review may be when the record is complete or later when a release of funds has been received from HUD. It will depend on the particular level of review.

For all activities except those requiring an Environmental Assessment (EA) or Environmental Impact Statement (EIS), an "A" should be entered in the field to indicate the activity does not require an EA or EIS. IDIS will show the project as "exempt." This is the case even for those that are categorically excluded.

If an EA or EIS is required, a "D" may be entered for "underway" while the EA or EIS is being conducted. It is not required.

Once the EA or EIS is completed, a "C" is entered for "completed".

Status	Enter into "environmental assessment code" field
ER incomplete	Leave Blank
ER completed, finding of exempt, or categorically excluded (Anything but EA or EIS)	"A" for exempt
EA or EIS required, but not completed	"D" for underway
EA or EIS completed	"C" for completed

PROCUREMENT

INTRODUCTION

The purpose of these standards is to establish procedures for the City of Huntington Park for the procurement of supplies, materials, equipment, and other services purchased with Community Development Block Grant (CDBG) funds. Regulations governing the purchase and procurement of goods and services with CDBG funds must be followed to ensure that:

- ❖ Procurement transactions are conducted in a manner that provides maximum free and open competition;
- ❖ National goals (Equal Opportunity, participation of Minority Business Enterprises (MBE's), and Fair Labor Standards) are adhered to throughout the procurement process;
- ❖ Small, minority-owned businesses, women's business enterprises, and project area firms have an opportunity to bid on CDBG funded projects; and
- ❖ Unnecessary or duplicate purchases are not made.

GOVERNING REGULATIONS

The procurement of goods and services by the City of Huntington Park must follow the standards and procedures outlined in the following government regulations:

- ❖ 24 CFR Part 85: Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments (Exhibit 1)
- ❖ 24 CFR Part 84: Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (Exhibit 2)
- ❖ CPD Notice 96-05: Procurement of Consulting Services by CDBG recipients, HOME Participating jurisdictions, and subrecipients (Exhibit 3)

These standards are to ensure that purchases of materials and services are obtained efficiently, economically, and in compliance with the provisions of applicable federal law. In addition, all local procurement procedures must be followed.

CODE OF CONDUCT

No employee, officer, or agent of the City of Huntington Park shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the City of Huntington Park shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to subagreements except for where the financial interest is not substantial or the gift is an unsolicited item of nominal value. Members of the City Council shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement

contracts in which they have a direct or indirect financial or personal interest. Officers, employees, directors, and agents of the City shall be subject to disciplinary actions for violations of these standards.

COMPETITION

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The City of Huntington Park shall be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards will be made to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to the City, price, quality and other factors considered. Solicitations shall clearly set forth all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by the City. Any and all bids or offers may be rejected when it is in the City's interest to do so. In all procurement the City shall avoid practices that are restrictive of competition. These include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business;
2. Requiring unnecessary experience and excessive bonding;
3. Noncompetitive pricing practices between firms or between affiliated companies;
4. Noncompetitive awards to consultants that are on retainer contracts;
5. Organizational conflicts of interest;
6. Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement; and
7. Any arbitrary action in the procurement process.

METHODS OF PROCUREMENT

There are four methods of procurement that are allowed:

1. Small Purchases (Under \$100,000)
2. Competitive Sealed Bids (Formal Advertising Over \$100,000)
3. Competitive Proposals
4. Noncompetitive Proposals (Sole Source)

All contracts and solicitation documents (bid/RFP/RFQ) must be reviewed and approved by CDBG staff before prospective vendors are allowed to tender a bid or submit a proposal. It is recommended that all contracts for goods and services to be paid for in whole or in part with CDBG funds be reviewed by the City's attorney prior to execution. CDBG staff should not approve IDIS CDBG voucher requests for expenses incurred under unapproved contracts/agreements.

SMALL PURCHASES (UNDER \$100,000)

Relatively simple, informal procurement procedures will be used where the purchase of materials, supplies, equipment, professional consulting, environmental review, or planning will not cost in the aggregate more than \$100,000. City staff must obtain a minimum of three oral or written price or rate quotations from qualified sources. Documentation on all quotations received (whether oral or written) shall be made a part of the file. The

award should be made to the lowest responsive and responsible source.

In general, the small purchases procedure should not be used in selecting construction contractors, but rather it is recommended that these selections occur under the sealed bid approach instead.

COMPETITIVE SEALED BIDS (FORMAL ADVERTISING OVER \$100,000)

This method of procurement is appropriate for all construction and material contracts exceeding \$100,000 and is *encouraged* for contracts under \$100,000, as well. Competitive sealed bids means sealed bids are publicly solicited through formal advertising and a formal bid opening is conducted. Competitive sealed bids can be used **ONLY** when the following criteria are met: (1) there are complete, adequate, and realistic specifications or purchase descriptions; (2) there are two or more responsible bidders who are willing and able to compete effectively; and (3) the procurement can be made on a firm fixed price contract and selection of the successful bidder can appropriately be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

1. The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids.
2. The advertisement for bids, including the specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the advertisement.
3. All bids shall be opened publicly at the time and place specified in the advertisement for bids.
4. A firm fixed-price contract award shall be made by written notice to the lowest responsible bidder whose bid conforms to the advertisement for bids. Where specified in the bid documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts shall only be used to determine low bid when prior experience indicates that such discounts are generally taken.

5. Notwithstanding the above, any or all bids may be rejected when there are sound documented business reasons in the best interest of the City.

PROCUREMENT BY COMPETITIVE PROPOSALS

The technique of competitive proposals is normally conducted with more than one source submitting an offer. It is the appropriate method of procurement when cost is not the most important factor, but rather proposals from qualified vendors are also evaluated based on experience, personnel, and other pertinent

factors. The most qualified is selected subject to negotiation of fair and reasonable compensation. Some form of cost or price analysis shall be made and documented in connection with every procurement action. Additionally, this method may be used when formal advertising is not appropriate. Architectural and engineering services must be procured via requests for qualification statements; administrative consulting services must be procured via requests for proposals. Other professional services may also be procured by requests for proposals. The following procedures will be used for competitive negotiation:

1. Requests for proposals (RFP's) or requests for qualifications (RFQ's) must be advertised in a local publication and be given sufficient time before they are due. All submittals will be honored and entered into the competition.
2. The RFP/RFQ's shall identify the general scope of work and all significant evaluation factors and their relative importance or selection criteria.
3. City staff (or committee, if one is designated) shall review all proposals and statements received and make a technical evaluation of each. This shall also include a written statement that identifies the basis upon which the selection was made.
4. Contract award will be made to the responsible offeror whose submission is deemed most appropriate to the City with consideration for price, qualifications, and other factors set by the City. Unsuccessful offerors shall be notified in writing within ten working days of contract award. Documentation of notification shall be maintained in the contract selection file for the individual project.

NONCOMPETITIVE PROPOSALS (SOLE SOURCE)

Procurement by noncompetitive proposals (sole source) shall be used when small purchase, competitive sealed bids, or competitive proposals are not feasible. Noncompetitive proposals will involve the solicitation of a proposal from only one source. This can also occur if solicitations under the competitive proposals procedures result in only one RFP or RFQ. In order to qualify for this type of procurement, one of the following circumstances must apply:

1. The item or service is available only from a single source;
2. It is determined that a public urgency or emergency exists and the urgency will not permit the delay beyond the time needed to employ one of the other three methods of procurement.
3. After solicitation of a number of sources, competition is determined to be inadequate.

TECHNICAL REQUIREMENTS

CONTRACT PRICING

The City of Huntington Park shall perform cost or pricing analysis in connection with EVERY procurement action including contract modifications in accordance with the requirements of identified in the *Cost and Price Analysis for HUD Grantees and Funding Recipients* (Exhibit 4). Costs or prices based on estimated

costs for CDBG projects shall be allowed only to the extent that the costs incurred or the cost estimates included in negotiated prices are consistent with federal cost principals. Cost reimbursement, fixed price, or a combination thereof may be utilized as appropriate.

A cost reimbursement type contract is most appropriate when the scope and extent of the work to be performed are not clearly defined. A cost reimbursement contract MUST clearly establish a cost ceiling which may not be exceeded without formally amending the contract, and must identify a fixed dollar profit that may not be increased unless there is a contract amendment that increases the scope of the work.

A fixed price contract is appropriate when the scope of work is very well

defined and product oriented. A fixed price contract MUST establish a guaranteed price that may not increase unless there is a contract amendment that increases the scope of the work.

The "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting shall not be used.

DOCUMENTATION

All source documents supporting any given transaction (receipts, purchase orders, invoices, RFP/RFQ data, and bid materials) will be retained and filed in an appropriate manner. Where feasible, source documents pertinent to each individual procurement shall be separately filed and maintained. Where it is infeasible to maintain individual procurement files, source documents will be filed and maintained in a reasonable manner (examples include chronologically, by vendor, by type of procurement, etc.). Whatever form of documentation and filing is employed, the purpose is to ensure that a clear and consistent audit trail is established. At a minimum, source document data must be sufficient to establish the following:

- Basis for contractor selection;
- Justification for lack of competition when competitive bids or offers are not obtained;
- Basis for award cost or price (including the issue of reasonableness of cost); and
- Basis for payment.

CONTRACT ADMINISTRATION

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. The City of Huntington Park shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

SMALL, MINORITY, AND WOMEN- OWNED BUSINESSES

Positive efforts shall be made by the City of Huntington Park to utilize small businesses, minority-owned firms, and women's business enterprises,

whenever possible. The City shall take all of the following steps to further this goal.

- Ensure that small businesses, minority-owned firms, and women's enterprises are used to the fullest extent possible.
- Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
- Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
- Encourage, when practical, contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- Use the services and assistance, as appropriate and practical, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

DEBARMENT AND SUSPENSION

No contract shall be made to the parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with Executive Order's 12549 and 12689, "Debarment and Suspension." Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

CONTRACT PROVISIONS

The City of Huntington Park shall maintain records sufficient to detail the history of the procurement. The records shall include the following contract provisions and conditions:

1. Contracts other than small purchase shall contain provisions that allow for administrative, contractual, or legal remedies if contractors

violate or breach contract terms, and provide for sanctions and penalties as appropriate.

2. All contracts in excess of \$10,000 shall provide for termination for cause and for convenience by the City of Huntington Park.
3. All construction contracts and subcontracts in excess of \$10,000 shall include provisions which require compliance with Executive Order 11246, Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented in Department of Labor (DOL) regulations (41 CFR Part 60) including the manner in which it will be done and the basis for settlement.
4. All contracts and subcontracts for construction or repair shall include a provision for compliance with the Copeland "Anti-Kick-Back" Act (18 USC 874) as supplemented by DOL regulations (29 CFR Part 3). All contracts or subcontracts in excess of \$2,000 for construction or repair shall include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-7) as supplemented by DOL regulations (29 CFR Part 5).
5. All construction or repair contracts or subcontracts in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment or mechanics or laborers, shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by DOL regulations (29 CFR Part 5).
6. All contracts or agreements for the performance of experimental, developmental, or research work, when funded in whole or part by monies derived from the Federal Government (either directly or indirectly), shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Cooperative Agreements," and any implementing regulations issued by the City of Huntington Park.
7. All negotiated contracts shall include a provision that makes it possible for the City of Huntington Park, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, to have access to any books, documents, papers, or records of the contractor/firm that are directly pertinent to the

contract, for the purpose of making audit examination excerpts and transcriptions. Further, the contract must include a provision that all required records will be maintained by the contractor/firm for a period of four years after the City of Huntington Park formally closes out each CDBG project or program.

8. All contracts, subcontracts, and subgrants in amounts in excess of \$100,000 shall contain a provision which requires compliance with the requirements of Section 306 of the Clean Air Act (42 USC 1857 h), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
9. All contracts for an amount above \$100,000, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall include a certification by the contracting parties that they have not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by the Byrd Anti-Lobbying Amendment at 31 U.S.C. 1352 and to further require disclosure of any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

REPORTING REQUIREMENTS

This section discusses yearly requirements to report the performance of the CDBG grant. For a detailed timeline for administration of CDBG and reporting, see Administration and Reporting Timeline, in the Appendix.

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

Within 90 days of the close of the program year, the Consolidated Annual Performance and Evaluation Report (CAPER) is submitted to HUD in accordance with the most recent guidance. The purpose of the CAPER is to demonstrate and report on compliance with CDBG rules and regulations and to assess the performance of CDBG-funded projects in meeting the goals and objectives identified in the Consolidated Plan.

As part of the CAPER process, City Staff will update all open activities within the IDIS system. Estimated remaining balances for completed projects are reported to Finance for reprogramming. Annual project accomplishment data is collected, and updated information is entered into the IDIS system. The draft CAPER annual report is reviewed, and final draft is provided to the City Manager/Mayor for input and approval. The CAPER annual report must be available for public comment and all comments are included in the final version of CAPER annual report. A hearing is held for adoption of the final CAPER by City Council.

QUARTERLY CASH TRANSACTION REPORTS

Quarterly Cash Transaction Reports are to be submitted, at the end of each quarter, during the fiscal year.

IDIS REPORT PR07: DRAWDOWN BY VOUCHER NUMBER

IDIS Report PR07, Drawdown by Voucher Number is to be submitted to HUD quarterly, at the end of each quarter, during the City's fiscal year.

SEMI-ANNUAL LABOR COMPLIANCE (4710)

Twice a year (April 1st and October 1st), the Semi-Annual Labor Compliance (4710) The report is due to HUD within fifteen days after the close of the quarter (April 15th and October 15th).

CONTRACT/SUBCONTRACT ACTIVITY REPORT (2516)

The Contract/Subcontract Activity Report, form 2516 is to be submitted to HUD October 15th.

MBE Activity Reports

The minority business enterprises report is to be submitted in September of the fiscal year.

Submit Single Audit

Submission of a Single Audit is performed once per year, in August.

SF-425: Quarterly Federal Financial Report

This is grantee Federal Financial report which will be submitted on a quarterly, semi-annual, or annual basis, as directed by the Federal agency.

IDIS Report PR56: CDBG Timeliness

This report provides the amount of CDBG grants that have been committed to activities and expended to date.

IDIS Report PR02: IDIS Activities by Program Year and Project

When needed, this report allows City Staff to display the activity status, amount funded, and amount disbursed for the CDBG activities.

OTHER FEDERAL REQUIREMENTS

This final section of the manual is designed to deliver a brief overview of some related federal requirements that will need to be considered by a grantee when working with federal CDBG funds.

LABOR STANDARDS (570.603)

To ensure that employment standards are maintained, and workers are being compensated fairly for their labor, grantees using federal funds through HUD must comply with required labor standards, otherwise known as Davis-Bacon. The Davis-Bacon and Related Acts apply to contractors and sub-contractors working on federally funded or assisted contracts in excess of \$2,000 for the construction or repair of public buildings or public works. Contractors are required to pay their employees no less than the local prevailing wages and fringe benefits determined by the Department of Labor. Refer to <http://www.wdol.gov> to find prevailing wage rates.

FAIR HOUSING (570.601)

Under the Fair Housing Act, HUD is obligated to uphold fair housing laws and requires grantees of HUD CDBG funding to commit to furthering fair housing within their community. As part of this commitment grantees are required to conduct an Analysis of Impediments to Fair Housing Choice (AI) and take appropriate actions to overcome any impediments to fair housing identified through the AI process. Fair housing laws assist in eliminating racial and ethnic segregation, illegal physical barriers, barriers to persons with disabilities, and discriminatory practices in housing. The grantee is encouraged to complete an AI with the update of their Consolidated Plan or every five years.

Fair Housing regulations can be found on HUD's website at www.hud.gov. There is also a Fair Housing Planning Guide available on the website that provides fair housing information and assists in the completion of an AI.

NON-DISCRIMINATION (570.602—SECTION 109)

Grantees receiving federal funding through HUD are required to certify that no person will be denied access or participation in a program based on the grounds of race, national origin, religion, sex, age, or disability status. When submitting the Consolidated Plan and Annual Action Plan, the grantee will have to sign the

required certifications to attest that the grantee will commit to the non-discrimination requirements.

RELOCATION/DISPLACEMENT (570.606)

Grantees of HUD funding are required to certify and assure that all reasonable steps will be taken to minimize the displacement of persons, families, businesses, non-profit organizations, and farms from their homes or place of business as a result of activities undertaken by the grantee, such as rehabilitation or demolition activities. The grantee must adopt an anti-displacement and relocation plan that the jurisdiction will follow in cases where relocation is necessary.

See HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition on HUD's website for further information and requirements on relocation/displacement.

EQUAL OPPORTUNITY (570.607)

CDBG regulations state that no person shall be subject to discrimination under any program funded in whole or in part by CDBG funds. CDBG grantees/sub-grantees must take measures to ensure non-discriminatory treatment, outreach, and access to program resources. This applies to employment and contracting, as well as to marketing and selection of program participants.

The Office of Fair Housing and Equal Opportunity also enforces federal laws to create equal housing opportunities for all persons. HUD implements and enforces the Fair Housing Act, the Civil Rights Act, the Housing and Community Development Act and others to ensure equal opportunity.

LEAD-BASED PAINT (570.608)

Grantees are required to identify and mitigate lead hazards when undertaking housing rehabilitation or homeownership activities for homes built before 1978. These regulations must be carefully followed to ensure that exposure to lead hazards is reduced in any residential property to be rehabilitated or purchased. The regulation can be found at www.hud.gov/program_offices/healthy_homes.

SECTION 504/REASONABLE ACCOMMODATION

Recipients are required to take affirmative steps to ensure that qualified persons with disabilities are informed of the availability of program services and activities, and

the Recipient's activities or services are readily accessible to, and usable by, individuals with disabilities. Recipients must provide handicapped persons with benefits and services that are as effective as those provided to non-handicapped individuals. They must ensure that CDBG programs and activities are accessible, both structurally and administratively, to handicapped and disabled persons. Recipients are responsible for providing access to handicapped/disabled persons in four areas: communications, employment opportunities, program benefits, and physically accessible housing. Section 504 regulations can be found on HUD's website at:

www.hud.gov/program_offices/fair_housing_equal_opp/disability_overview.

LIMITED ENGLISH PROFICIENCY

HUD funded recipients should ensure that if working with Limited English Proficient (LEP) populations that guidance is provided to make sure that LEP persons have sufficient access to HUD programs and activities.

For further information on Limited English Proficiency please see HUD's website at www.hud.gov/program_offices/fair_housing_equal_opp/limited_english_proficiency_0.

OWNER-OCCUPIED HOUSING PROGRAMS

The City of Huntington Park has established the following federally funded Owner-Occupied Programs to assist homeowners and potential homeowners of low- and moderate-income (0 to 80% of MFI) who need financial assistance for housing related activities. The following programs funded with CDBG are available:

- Citywide Rehabilitation Program
- Citywide Homebuyer Program

CITYWIDE REHABILITATION PROGRAM

INTRODUCTION

The City of Huntington Park is offering home rehabilitation assistance to eligible, owner-occupied households in Huntington Park with a one-time forgivable loan. The Citywide Rehabilitation Loan Program is funded through the U.S. Department of Housing and Urban Development (HUD) with Community Development Block Grant (CDBG) funds. Per HUD regulations of 24 CFR 570.202, CDBG funds may be utilized to assist homeowners to rehabilitate necessary repairs in the home.

There are two types of assistance available under the Citywide Rehabilitation Loan Program: 1) Single-Family Home Rehabilitation Loan; and 2) Mobile Home Rehabilitation Loan.

PROGRAM SUMMARY

I. SINGLE-FAMILY HOME REHABILITATION LOAN

The City of Huntington Park is offering up to \$30,000 for homeowners within Huntington Park city limits through the Single-Family Home Rehabilitation Loan. This one-time loan will be available for eligible homeowners and this Program will continue on a first-come, first-served basis until all allocated funds are expended.

This zero-interest loan will cover costs of materials and labor incurred from the work to be done by a State of California certified contractor.

II. MOBILE HOME REHABILITATION LOAN

The City of Huntington Park is offering up to \$30,000 for owner-occupied, mobile homes within Huntington Park city limits through the Mobile Home

Rehabilitation Loan. This one-time loan will be available for eligible, owner-occupied mobile homeowners and this Program will continue on a first-come, first-served basis until all allocated funds are expended.

This zero-interest loan will cover costs of materials and labor incurred from the work to be done by a State of California certified contractor.

NATIONAL OBJECTIVES

Pursuant to HUD regulations of 24 CFR 570.208, the Citywide Rehabilitation Loan Program meets the Low- and Moderate- Income Housing (LMH) national objective, which benefits low- and moderate-income (LMI) persons. Under the LMH objective, owner-occupied households who are found and documented to be LMI are eligible to be assisted with CDBG funds.

ELIGIBILITY REQUIREMENTS

The following lists allowed rehabilitation activities under the Citywide Rehabilitation Loan:

- To bring the property up to local and/or state codes and regulations
- To improve exterior and/or interior conditions if lead-based paint or asbestos is identified
- To address any immediate health and safety issues in the physical structure
- The following list ineligible rehabilitation activities under the Citywide Rehabilitation loan:
 - Surrounding fixture repairs (i.e., fences) that are not part of the physical infrastructure
 - Reimbursement for work completed by the homeowner prior to approval to the Citywide Rehabilitation Loan Program
 - Deferred maintenance repairs

In all, rehabilitation repairs must improve the physical structure of the home to provide decent and suitable living to the residents of Huntington Park.

DELINQUENT PAYMENTS

Interested applicants must be current in any reoccurring payments, such as property tax and home insurance, to be considered eligible for the Citywide Rehabilitation Loan Program. Applicants who submit an application but are

found delinquent in payments will be withdrawn from the Program. However, the applicant is welcome to apply once they have addressed all delinquent payments and current with payments.

LOCATION

The Citywide Rehabilitation Loan Program is available to Huntington Park residents who own and occupy their homes within the Huntington Park City boundaries.

INCOME LIMITS

Households must be found and documented as LMI to be eligible for the Citywide Rehabilitation Loan. In order to receive assistance through the Citywide Rehabilitation Loan, applicants must be within or below the allowed low- and moderate-income (LMI) limits of 80 percent established by HUD. Each applicant will be reviewed for income eligibility through total household income. Total household income calculates annual (gross) income received or anticipated to be received for all household members who are 18 years or older. Self-certification will not be accepted as a form of income documentation.

The following table illustrates the maximum, allowed income limits by household size.

Low (80%) Income Limits	Number of Persons in Household							
	1	2	3	4	5	6	7	8
	\$62,800	\$71,800	\$80,750	\$89,700	\$96,900	\$104,100	\$111,250	\$118,450

**Source: HUD Fiscal Year (FY) 2022 Income Limits Summary for Ventura County – Effective June 1, 2022*

REQUIRED DOCUMENTATION

All interested applicants must submit the following documentation to be considered for the Citywide Rehabilitation Loan.

- Completed and signed Application
- Copy of photo identifications for all household members 18 years or older
- Copy of most current Federal Tax Returns
- Copy of income verification (i.e., two months of most recent paycheck stubs, Social Security award letter, etc.)
- Copy of most recent 12-month Profit & Loss Statement, if self-employed
- Copy of current and consecutive 6 months of checking account statements for all household members 18 years or older
- Copy of current and consecutive 2 months of saving account statements for all household members 18 years or older
- Copy of current and consecutive 3 months of retirement account statements for all household members 18 years or older
- Explanation for all deposits of \$100 or more if deposits are not incurred from certified income (i.e., paycheck, Social Security, etc.)
- Copy of recorded Deed of Trust
- Copy of current Mortgage Statement, if applicable
- Copy of current Utility Bill
- Copy of current Property Tax Statement
- Copy of current Hazard Insurance Declaration page

If applications are submitted without all the required documentation, then the processing of the application may be delayed.

WAIT LIST

Applicants will be served on a first-come, first-served basis. If there is more interest than the allowed capacity of Staff to take on projects, the applicant will be added to a Wait List. As projects are completed, Staff will refer to the Wait List and continue to address applicants in the corresponding order of the Wait List.

APPLICATION AND REQUIRED DOCUMENTATION SUBMITTAL

Interested applicants may mail or drop off their application and the required documentation to:

<<City Staff Name>>
Housing/Affordable Housing & Rehabilitation Division
435 South "D" Street
Huntington Park, CA 93030
Or online at:
<<City website application link>>

1. Application Review

Staff will review the submitted application to ensure the applicant is a current resident of Huntington Park. Tax returns, bank statements, and explanation of deposits for \$100 and more will be reviewed to ensure the household is within or below 80 percent of the allowed income limit. Staff will review the Deed of Trust to ensure the applying applicant is listed on the Deed. Utility bill, mortgage statement, property tax statement, and hazard insurance declaration page will be reviewed to ensure the home is owner-occupied and the owner is not found delinquent in any reoccurring payments. Staff will also review income documentation, such as paystubs, bank statements to ensure applicant meets the LMI requirements. Applicant must meet the 80% Income Limit in order to be eligible for assistance.

2. Work Bid Walkthrough

Staff will conduct an in-person walkthrough of the applicant's home to determine assistance needed and eligible activities to be done in the home.

3. Contractor Walkthrough

Staff, applicant, and contractors will conduct a walkthrough for the approved work bid. A minimum of three (3) State of California certified contractors will be contacted to attend the walkthrough.

4. Bidding

Staff will ensure to receive and document at minimum three (3) bids from certified contractors. The applicant will pick from the bids received. Work to be done must not be deviated from the Work Bid without written approval from Staff.

LEAD BASED PAINT

All interested applicants will receive a Lead-Based Paint pamphlet to inform the household of potential risks of lead hazard exposures due to potential renovations. Applicants will be required to provide written acknowledgment of receipt of Lead-Based Paint pamphlet and have been informed of potential exposures of lead-based paint. For work that exceeds the amount of \$5,000 and/or occupied by small children, a lead-based paint review must occur and be addressed.

LOAN AGREEMENT

Staff will prepare the loan agreement for the applicant and selected contractor. Both parties must sign and agree to the terms of the agreement.

LOAN TERMS

The loan may forgivable if the applicant adheres to the following terms:

- a. XXXXX
- b. XXXXX
- c. XXXXX

The Citywide Rehabilitation Loan has an annual interest rate of zero percent (0%). The agreed principal amount will be due and payable to the City of Huntington Park after XXXX years of the date of signing if the applicant is found in breach of agreement. The Promissory Note Secured by Deed of Trust must be signed and upheld by the applicant.

CITYWIDE HOMEBUYER PROGRAM

INTRODUCTION

The City of Huntington Park is offering assistance to low- and moderate-income families who would like to purchase a home in Huntington Park but are unable to purchase a market-rate home. The Citywide Homebuyer Program is funded through the U.S. Department of Housing and Urban

Development (HUD) with Community Development Block Grant (CDBG) funds. Per HUD regulations of 24 CFR 570.201, CDBG funds may be utilized to provide direct assistance for affordable, homeownership opportunities.

PROGRAM SUMMARY

The City of Huntington Park is offering financial assistance in form of a forgivable loan to potential homebuyers to make homeownership more attainable in Huntington Park. Financial assistance will cover up to fifty percent (50%) of the required down payment, reasonable closing costs, principal write-down, and costs of acquisition of housing by the homeowner. Applicants will be vetted to ensure that they will be able to sustain financial commitments over time. Additionally, applicants will be addressed on a first-come, first-served basis until all allocated funds are expended.

NATIONAL OBJECTIVES

Pursuant to HUD regulations of 24 CFR 570.208, the Citywide Homebuyer Program meets the Low-and Moderate-Income Housing (LMH) national objective, which benefits low- and moderate-income (LMI) persons. Under the LMH objective, applicants who are found and documented to be LMI are eligible to be assisted with CDBG funds.

ELIGIBILITY REQUIREMENTS

I. Location

The property must be located within the boundaries of the City of Huntington Park. No exceptions are allowed

II. Applicant Eligibility

In order to qualify for the Citywide Homebuyer Program, applicants must be within or below the allowed low- and moderate-income (LMI) limits of 80 percent established by HUD. Each applicant will be reviewed for income eligibility through total household income. Total household income calculates annual (gross) income received or anticipated to be received for all household members who are 18 years or older. Self-certification will not be accepted as a form of income documentation.

The following table illustrates the maximum, allowed income limits by household size.

	Number of Persons in Household							
	1	2	3	4	5	6	7	8
Low (80%) Income Limits	\$62,800	\$71,800	\$80,750	\$89,700	\$96,900	\$104,100	\$111,250	\$118,450

*Source: HUD Fiscal Year (FY) 2022 Income Limits Summary for Ventura County – Effective June 1, 2022

In addition, applicants must meet the following qualifications:

- Be a first-time homebuyer, or have not owned a home in the past three (3) years, **and**
- Be a City of Huntington Park resident or former five (5) year City of Huntington Park resident.

Documentation must be provided to show how the applicant meets these qualifications.

III. Applicant Income

The Citywide Homebuyer Program aims to assist households purchase a home and not cover the entire monetary cost. Applications will be reviewed through an underwriting process to ensure applicants have the financial capability to purchase a home and sustain reoccurring payments. Applicants must have sufficient income, credit worthiness, and assets to make the minimum down payment and obtain any primary conventional mortgage financing. Additionally, applicants must meet standard criteria for mortgage financing by the selected financial institution.

IV. Home Characteristics

The Citywide Homebuyer Program allows the purchase of any single-family residence, condominium unit, or manufactured home.

The Citywide Homebuyer Program will also assist applicants purchase a home for ownership. Investment properties will not be considered. Applicants must retain ownership rights after purchase.

In addition, large balloon payments or negative amortization will not be considered.

V. *First Time Homebuyer Workshop*

Applicants must attend a mandatory, HUD-certified First Time Homebuyer Workshop. The workshop completion certificate must be submitted prior to close of escrow.

VI. *Citywide Homebuyer Program Loan*

Applicants who have received assistance through the Citywide Homebuyer Program may not re-apply or receive additional assistance through this Program. The Citywide Homebuyer Program offers a one-time, forgivable loan.

INELIGIBLE ACTIVITIES

The Citywide Homebuyer Program will not subsidize the following items:

- New construction of housing and/or property;
- Direct guarantee mortgage financing;
- Direct guarantee; and
- On-going mortgage payments

LEAD BASED PAINT

All applicants will receive a Lead-Based Paint pamphlet to inform the household of potential risks of lead hazard exposures. Applicants will be required to sign the Written Acknowledgment of receipt of Lead-Based Paint pamphlet and have been informed of potential exposures of lead-based paint. For homes constructed prior to 1978, a lead-based paint assessment must occur.

The property must be free from any immediate health and safety issues, such as lead based paint and building code violations, prior to the close of escrow and/or occupancy.

TERMS AND CONDITIONS

I. Loan Limit

The Citywide Homebuyer Program loan may include the following costs:

- Up to 50% of down payment;
- Reasonable closing costs;
- Assistance with principal write-down;
- One-time subsidy to interest rates;
- Acquisition; and
- Assistance to acquire guarantees for financing mortgage from private lenders.

In addition, the Citywide Homebuyer Program loan shall not exceed XX% of the purchase price of the home and shall not exceed 50% of the down payment. Underwriting will be conducted to ensure that the household is not paying more than 40% of their gross income for housing costs.

II. Loan Terms

The loan will turn into a forgivable loan if the applicant meets the qualifications listed under Forgivable Loan Qualifications. No payment is owed to the City of Huntington Park at the time of signing or during the loan period. Additionally, the loan will be secured by a Deed of Trust and Promissory Note on the property.

The entire loan will be due and payable for the following reasons:

- Sale of Property;

- Re-financed without approval;
- Change or transfer in title;
- Failure to maintain all housing-related costs, such as property tax and hazard insurance;
- Uncured default by Borrower;
- Triggered Acceleration Clause; and/or
- Misrepresentation or Fraud in affidavit or certifications.

An acceleration clause is triggered if the property is no longer the applicant's principal residence, or the applicant is found to disclose false statement or representation to any materials submitted. Applicants must submit documentation requested by Staff to ensure the home is primarily occupied by the applicant and their household.

III. Applicant Responsibility

It is the applicant's responsibility to maintain all reoccurring home payments, which includes but are not limited to property tax and hazard insurance payments. Applicants must submit documentation requested by Staff to ensure the applicant is current on home payments.

IV. Minimum Applicant Contribution

The minimum homebuyer contribution shall be XX,XXX. Any exceptions will be reviewed by Staff and applications will be reviewed to consider the total income of the household, including liquid assets.

FORGIVABLE LOAN QUALIFICATIONS

At the provision of the City of Huntington Park, the Citywide Homebuyer Program loan will turn into a forgivable loan with the following provisions:

- Applicant's primary residence is at the property and documentation is provided on a yearly basis to show residency
- Applicant is able to maintain and show documentation for financial commitments to home payments

REQUIRED DOCUMENTATION

All documents listed must be provided in order to be considered for the Citywide Homebuyer Program.

- Citywide Homebuyer Program Application
- Copy of Driver's License or Identification Card for all members of the household 18 years or older
- Most current two (2) years of federal tax returns including all attachments, such as 1099 and W-2
- Verification of all household members
 - Two months of most recent paycheck stubs
 - Social Security Award Letter (if applicable)
 - Written attestation of no income from household members of 18 but are not working
 - If self-employed, most recent 12-month Profit & Loss Statement
- Most current and consecutive six (6) months of all household members' checking account statements
- Most current and consecutive two (2) months of all household members' savings account statements
- Most current and consecutive three (3) months of all household members' retirement account statements
- Written explanation of all deposits on all bank statements that are \$100 or more
- Applicant Eligibility Verification
 - Current City of Huntington Park residency
 - Written Acknowledgments and Agreements
 - Conflict of Interest Disclosure
 - First Time Homebuyer Affidavit
 - Fair Lending Notice
 - Release of Information Authorization
 - Written acknowledgement of Receipt of Lead Based Paint Pamphlet
- Mortgage Lender documentation
 - Pre-qualification Letter
 - 1003 Loan Application
 - 1008 Underwriting and Transmittal Summary
 - Copy of applicant's recent credit report
 - Copy of accepted sales contract, if applicable
 - Copy of Estimated Settlement Statement, if applicable

WAIT LIST

All applicants will be served on a first-come, first-served basis. If there is more interest than the allowed capacity of Staff to address, the applicant will be added to a Wait List. As applicants are served, Staff will refer to the Wait List and continue to address applicants in the corresponding order of the Wait List. Interested households are welcome to apply and be added to the Wait List on an ongoing basis. Subject of wait list may change depending on change in funding to the Citywide Homebuyer Program.

APPLICATION PROCESS

I. Wait List

All applicants will be served on a first-come, first-served basis. If there is more interest than the allowed capacity of Staff to address, the applicant will be added to a Wait List. As applicants are served, Staff will refer to the Wait List and continue to address applicants in the corresponding order of the Wait List. Interested households are welcome to apply and be added to the Wait List on an ongoing basis. Subject of wait list may change depending on change in funding to the Citywide Homebuyer Program.

II. Application and Required Documentation Submittal

Applications may be mailed or dropped off

III. Application Review

Staff will review each application to ensure all the required documentation is submitted. Incomplete application will not be accepted. Staff will also review all financial documentation submitted to ensure the applicant and their household meet the LMI requirements.

IV. Preliminary Reservation Letter

Once preliminary eligibility has been determined, the City will provide the Lead Based Paint pamphlet and issue a preliminary reservation letter. This letter gives the applicant a 90-day notice to find a qualified home within the City of Huntington Park.

V. Property Inspection

Once a property has been located, the home will be inspected by Staff and/or City's building inspector. The home will be inspected for any health issues, safety issues, or code violations.

VI. Loan Eligibility

Loans must be conventional, fixed-interest loans. Loans that are negative amortization or have a flexible interest rate that exceeds two interest points are not eligible. Staff will review any exceptions, such as sub-prime loans, and will be approved on a case-by-case basis.

The City of Huntington Park will not make any loan commitments until a complete application has been reviewed, the property has been inspected, and underwriting criteria has been met.

VII. Review and Release of Funds

Staff will review and approve all loan applications within 30 days from scheduled close of escrow if all the program requirements have been met. Staff will notify applicants any approval or disapproval within fourteen (14) business days upon receipt of complete loan package from the lender and/or financing mortgage company.

VIII. Recording

The escrow agent must record the Deed of trust and Promissory Note within five (5) working days from the date of closure. All original documents must be sent to Staff.

IX. Cancellations of Loan

The lender and/or financing mortgage company must immediately notify Staff in writing of all disqualifications or cancellations of loan. The written notice must include the reason for such action.

X. Changes Prior to Closing

Any changes in income, assets, household composition, or other eligibility qualifications occurring after the application is submitted must be reported to Staff and the lender. Failure to report will lead to immediate disqualification to the Program.

XI. Primary Occupancy Verification

Assisted applicants must submit an annual verification of occupancy requested by Staff. In addition, the City of Huntington Park will be named as beneficiary on hazard insurance policies and will be notified of any cancellations or modifications to the insurance coverage.

XII. Violations

If the Terms and Conditions are not held by the applicant or the acceleration clause is invoked, then the applicant must provide full repayment of the principal loan and interest at a rate of XX% from the date of the violation.

CODE ENFORCEMENT PROGRAM

INTRODUCTION

The City of Huntington Park will be funding the Code Enforcement Program through U.S. Department of Housing and Urban Development (HUD) funds, specifically Community Development Block Grant (CDBG) funds. The Code Enforcement Program aims to arrest the decline of primarily residential areas that meet the definition of deteriorating or deteriorated. The Code Enforcement Program will be carried out by Code Compliance Staff under the Community Development Department to address health and safety issues in eligible areas.

PROGRAM SUMMARY

Code enforcement is defined as the process for ensuring compliance with City Codes, including building, zoning, advertising, and property maintenance codes. Enforcement may also emphasize compliance with health and safety regulations. This Program may occur in residential, commercial, or industrial areas. The City of Huntington Park will ensure that all activities carried out through the Code Enforcement Program are in compliance to the U.S. Department of Housing and Urban Development (HUD) regulations.

NATIONAL OBJECTIVES

Pursuant to HUD regulations of 24 CFR 570.208, the Code Enforcement Program meets the Low- and Moderate-Area Benefit (LMA) national objective, where residents in the specified area are of at least 51 percent of low- and moderate-income (LMI) persons. Under the LMA objective, areas that are found and documented to have at least 51% of LMI persons are eligible to be assisted with CDBG funds.

DETERIORATING OR DETERIORATED DEFINITION

The City of Huntington Park has established that an area is deemed deteriorating or deteriorated if it meets the following conditions:

- Area is in the LMI census tract and/or block group and 50 percent or more of housing units in the area are built prior to 1960; or
- 10 to 25 percent of residential properties in the area are exhibiting deteriorating or deteriorated conditions.

- The following lists the violations that reflect deteriorating or deteriorating conditions in the City of Huntington Park:

- Pest and rodent infestations
- Harboring dangerous animals
- Faulty plumbing systems that are causing sewage backups, such as clogged plumbing or grease overflow
- Damaged handrails
- Standing water or other conditions that are causing pest harborage
- Incompliance with pool fencing requirements
- Smoking issues
- Trash, debris, and other rubbish in the public right-of-way
- Unpermitted outside storage
- Attractive nuisances
- Unpermitted or noncompliant trash cans/containers in public right-of-way
- Offensive trash odors
- Unsafe or hazardous building structures
- For conformity with City maintenance code
- Graffiti
- Incomplete or unsafe structure
- Structures that are unoccupied
- Fences in hazardous condition or hinder access to public right-of-way, such as sidewalks
- Overgrown vegetation
- Diseased, decayed, or dead trees
- Inoperative vehicles
- Vegetation that may be a fire hazard or harbor rats, vermin, or other nuisances
- Weeds
- Broken water fixtures
- Unpermitted or illicit discharges and connections to storm drains
- For compliance and maintenance of parkways
- Smoke detectors inside the structure
- Unpermitted construction or alterations to the structure

SERVICE AREA

The Code Enforcement Program will be carried out in areas that meet the definition of deteriorating or deteriorated and are in CDBG eligible areas in compliance to 24 CFR 570.202 of HUD regulations. The City of Huntington Park will re-assess the CDBG eligible service areas every five (5) years in conjunction with the Consolidated Plan in order to identify LMA and areas that meet the definition of deteriorating or deteriorated. Lastly, the City will ensure all activities are promoting and protecting the health, safety, and quality of life for residents in Huntington Park.

The areas that may qualify for through the Program are identified in **Map A**.

COMMON VIOLATIONS

The following lists common violations that have been addressed and may be addressed through the Code Enforcement Program:

- XXXX
- XXXX

PROGRAM PROCESS

I. Initial Complaint

The complaint may be initiated by a City resident, property owner, or Staff. The case will be opened, and the reported violation(s) will be documented in the Code Enforcement database when a complaint is received.

II. First Inspection

An inspection will occur to verify the reported violation(s) through a windshield survey and/or filed inspection. Staff will provide a written notice with an established time frame for voluntary compliance on behalf of the property owner. Some minor violations may be notified by a verbal notice, while serious violations may lead to a citation without warning.

III. Second Inspection

A second inspection and/or notice will be issued if voluntary compliance did not occur.

IV. Public Hearing

Staff will review each violation on a case-by-case basis to determine if an abatement hearing is necessary. An abatement hearing, or abatement public hearing, is a formal order presented to the property owner to address the code violation.

V. Prosecution

In the case where compliance is not achieved after the inspection and public hearing, Staff may refer the case to City Prosecutor after approval of the Code Enforcement Supervisor. The City Prosecutor may prosecute the case or file for Receivership.

ELIGIBLE EXPENDITURES

CDBG funds may be used for salaries of Staff ensuring code enforcement, expenses related to code enforcement activities, and costs of legal proceedings related to code enforcement activities.

RECORDKEEPING REQUIREMENTS

In addition to the Code Enforcement Program Policies and Procedures, Staff will ensure to keep all of the following documentation in order to be in compliance with HUD regulations.

When CDBG funds are used for salaries of inspectors, salary records (such as timesheets) will be documented to show the eligible areas of performance. In addition, inspection logs will be kept showing the amount of time spent to perform the inspection in the eligible area. When CDBG funds are used for salaries of Staff processing or issuing citations, salary records will be documented. When CDBG funds are used for salaries of Prosecution, salary records will be documented.

If CDBG funds are used for procuring necessary equipment, such as uniforms or vehicle leases, the City of Huntington Park will maintain logs of all purchases, usage

of equipment, and the employee who is utilizing the equipment. The City will ensure all purchases are eligible expenditures of CDBG funds and will ensure all equipment is solely used to benefit CDBG-eligible, such as deteriorating or deteriorated defined, areas.

PROCUREMENT

Pursuant to HUD regulations of 24 CFR 570.502 and 24 CFR 570.610, Staff will follow the procurement procedures for purchasing necessary equipment for the Code Enforcement Program.

For small purchases that are less than \$100,000 in total amount, the City may not publish a formal request for bids. Such purchases include consulting and environmental review. Staff will identify potential vendors with descriptions of the needed purchases and/or service. Staff will attempt to receive a bid from at least three (3) qualified vendors. All bids will be documented, and each bid will be fairly evaluated for cost reasonableness.

ADDITIONAL ACTIVITIES

Per HUD regulations of 24 CFR 570.208, the City of Huntington Park will also be carrying out additional activities along the Code Enforcement Program to arrest the decline of the area. The following activities to occur alongside are:

- XXXXX
- XXXXX

CITY OF HUNTINGTON PARK- EMERGENCY RENTAL ASSISTANCE PROGRAM

ABOUT THE PROGRAM

The COVID-19 Emergency Rental Assistance Program (“ERAP”) has the objective of mitigating potential homelessness and displacement of existing Huntington Park residents and workers who are experiencing a decrease in household income due to the COVID-19 pandemic, and thus, unable to pay their rent. By providing a grant to assist eligible tenants pay for delinquent rent, The City is providing a much-needed resource to ensure residents of Huntington Park stay in their homes and not become homeless.

The program is funded through the Department of Housing and Urban Development’s Community Development Block Grant program, including special one-time funding available through the CARES Act. The Program shall be operated in compliance with CDBG and CARES Act regulations, including 24 CFR 570.201(e) and 570.207(b)(2)(4).

APPLICANT ELIGIBILITY

In order to be eligible for the City’s Emergency Rental Assistance Program, applicants must meet the following requirements, as determined by CDBG and CARES Act regulations:

- Live or Work in the City of Huntington Park
- Experiencing a loss of income due to COVID-19
- **Not** be eligible for or receiving other Federal financial assistance
- Be able to provide a lease agreement or letter confirming tenancy from your landlord
- Have been current on rent payments prior to COVID-19
- Make less than 80% of Area Median Income

2022 Maximum Income Limits (80% of Area Median Income)

Household	1 Person	2 People	3 People	4 People	5 People	6 People
80% AMI	\$66,750	\$76,250	\$85,800	\$95,300	\$102,950	\$110,550

APPLICANT ELIGIBILITY

In accordance with CDBG regulations, the City will provide a maximum of three (3) months of rental assistance.

Payments will be made directly to the applicant’s landlord or property management firm. No direct payments will go to Emergency Rental Assistance Program applicants.

FUNDING AVAILABILITY

The City of Huntington Park has dedicated \$500,000 for rental assistance for fiscal year 22-23. Eligible applicants are funded on a first come, first serve basis.

REQUIRED DOCUMENTATION

Applicants must provide the following documentation to the City of Huntington Park's Community Development Department:

- Cover Letter explain your situation and why rental assistance is needed.
- Most recent Federal income tax returns
- Most recent bank statement for checking and savings accounts
- Lease Agreement or letter from landlord confirming tenancy
- Photo ID for each member of the household
- Most recent paystub (if still employed)
- Hour reduction notification from employer (if hours reduced)
- Unemployment Award Letter (if unemployed)
- Rent Due notices
- Landlord verification that applicant was current on rent prior to COVID-19
- Landlord's W9 and contact information for payment.

APPLICATION PROCESS

Applicants must complete the City of Huntington Park's online Emergency Rental Assistance Program application at (Website). The online application will automatically screen your eligibility based on your income and if you live or work in Huntington Park.

Once you have successfully completed the online application, the system will send you an automatic email thanking you for your submission. City Staff will contact you within one (1) week of your application submission to discuss your application.

If you do not have access to the internet to complete the online application, please contact the City of Huntington Park Community Development Department to discuss an alternative application process.

CONTACT

The City of Huntington Park Community Development Department is available to answer questions about the Emergency Rental Assistance Program by phone at (XXX-XXX-XXXX) or by email at (email address).

APPENDICES

THE LOS ANGELES HUD FIELD OFFICE

300 North Los Angeles Street Suite 4054

Los Angeles, California 90012

Phone: (213) 894-8000

Fax: (213) 894-8107

HUD WEB SITE

www.hud.gov

TRAINING

"Basically CDBG" Course Training Manual

www.hudexchange.info/resource/19/basically-cdbg-training-guidebook-and-slides/

HUD EXCHANGE – CDBG: COMMUNITY DEVELOPMENT BLOCK GRANTS

CDBG: Community Development Block Grants

www.hudexchange.info/programs/cdbg/

THE CODE OF FEDERAL REGULATIONS (CFR)

ecfr.federalregister.gov/

PROGRAM RELATED DOCUMENTS

Request for Reimbursement Public Service Application

Subgrantee On-Site Monitoring Checklist Determination of Exemption

Determination of Categorical Exclusion

REQUEST FOR REIMBURSEMENT

TBD, once received from City

DRAFT

PUBLIC SERVICE APPLICATION

CITY OF HUNTINGTON PARK
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Due XXX, XXX, XX, XXXX by 12:00 p.m.

- ✓ Submit one Original (DO NOT hole punch or staple Original Application)
- ✓ Submit 12 Copies of application (two-sided, 3-hole punched, and paper clipped)
- ✓ **APPLICATION MUST NOT exceed 12 pages excluding the required attachments**
- ✓ **Submit a separate application for funding for each program to:**

**Housing Department
Huntington Park CA**

Contacts:

XXXXXXXXXXXXX

XXXXXXXXXXXXX

PART A: PROPOSED PROGRAM INFORMATION

Full Name of Applicant: _____

Mailing Address: _____

City, State, ZIP Code: _____

Agency Official Contact: _____ **Title:** _____
(i.e., Executive Director who will sign the agreement)

Telephone: () _____ **Fax:** () _____

E-mail Address: _____ **Organization DUNS:** _____

Federal Tax ID Number: _____

Local Contact: _____ **Title:** _____
(i.e., Program Director)

Telephone: () _____

E-mail Address: _____ **Fax:** () _____

1. **Name of proposed program:** _____

2. **Street Address of proposed program:** _____

3. **Amount of funds requested from the City of Huntington Park: \$** _____

(Enter total amount)

4. **Target Population:** _____

Check box or boxes of population category to be served by the proposed program:

- ☐ Homeless
- ☐ At Risk of Homelessness
- ☐ Elderly
- ☐ Victims of Crime
- ☐ Frail Elderly
- ☐ Mentally Ill
- ☐ Physically Disabled
- ☐ Developmentally Disabled
- ☐ Persons with AIDS/HIV
- ☐ Unemployed
- ☐ Illiterate
- ☐ Language Barriers
- ☐ Youth, 0-5 Year Olds
- ☐ Youth, 6-12 Year Olds
- ☐ Youth, 13-17 Year Olds
- ☐ Families Living in Poverty ☐ At-Risk Youth
- ☐ Substance Abuse Problems
- ☐ Families with Housing Costs Burden
- ☐ Other _____

A. Describe the target population the proposed program will benefit or serve.

B. Include how the program will benefit low and moderate-income persons. Provide the income guidelines and requirements used to qualify participants for the proposed program.

C. Include the percentage of the participants that are at-risk and define the method used to determine who is at risk.

5. What is the total number of unduplicated persons to be served by the proposed program in Huntington Park?

6. Describe the unit of service, other than persons, and total number of units of service to be provided by the proposed program. (i.e., meals served, shelter bed nights, childcare hours, counseling sessions, etc.)

7. Problem/Need Statement:

A. Please describe in detail the established need for the proposed program. (Include information, such as statistical data, to justify the need or outline the problems.) USE CURRENT STATISTICS if available. (For example: Due to the loss of State grant funding we have had to decrease our staffing budget by 10%. However, there is an increase in the number of persons in need of services [150 individuals during fiscal year XXXX-XX compared to 300 individuals during fiscal year XXXX-XX as of XX/XX/XXXX].)

B. Please describe the problems that will be solved as a result of the program. (For example: Crime will be reduced by 15% in the northwest area of the City.)

8. Proposed Program Description: Please describe in detail the specific services proposed to be provided to Huntington Park residents with the requested funding. Include information on how the proposed program will result in meeting the need. Also include the days and hours you propose to operate the activity/program.

9. Outcomes: Please describe your short- and long-term goals and performance targets.

A. Describe the intended outcomes for the program participants/beneficiaries.

(Definition: Outcomes are defined as changes [as in participants' lives due to a program or service] and are usually given as a percentage rather than a number [a number would probably be an output, rather than an outcome.])

B. What measures, tools and/or indicators will be used to demonstrate the outcomes? (Outcome measures are the methods used to track the changes.)

10. Collaboration:

A. Will you collaborate with other partners in implementing the proposed program?

If so, please identify the collaborative partners and describe how the proposed program will be designed and implemented.

B. How will funding be distributed to each collaborative partner and what percentage of the requested CDBG funding will be provided to each partner?

11. Family Involvement: Does the proposed program require parental participation or family involvement? If so, please describe.

12. Priority: What PRIMARY priority do you feel your proposed program falls under? Check only one option, for example 3A only

1. *Reduce and prevent homelessness.*

☐ Assist persons, particularly working families living in poverty, in need of food, shelter, clothing, health care or safety on an emergency basis. *The safety provision is defined as an immediate threat to an individual's physical wellbeing.*

☐ Provide housing financial assistance and housing services to the homeless population.

2. *Provide public services to low-income people and address critical emergency, at-risk youth, and special needs populations (homeless, farm worker, senior, veteran, etc.)*

☐ A.) Address the housing, health care and service needs of the low-income people, including, but not limited to, elderly, persons with mental, physical, and developmental disabilities, and persons with AIDS.

☐ B.) Provide fair housing services, including counseling, mitigation, claims determination.

☐ C.) Prevent juvenile delinquency and divert at-risk youth from gang involvement, crime, substance abuse, family violence, school problems, and out-of-control behavior.

☐ D.) Expand educational development opportunities

☐ D1.) Support and develop social services and facilities and provide opportunities for youth development that will provide positive experiences needed by youth to achieve success as adult members of society.

☐ D2.) Encourage programs to improve the academic performance, recreational and educational needs for youth.

☐ D3.) Support and develop programs to improve the academic and educational opportunities for low-income people in order to get good employment and improve the person's income.

3. *Provide affordable housing*

☐ A.) Develop and support programs to increase the supply of affordable housing for low- and moderate-income households, particularly working families living in poverty, maintain and upgrade existing low- and moderate-income neighborhoods.

☐ B.) Preserve the affordable housing stock by offering the rehabilitation of existing housing units' program.

☐ C.) Provide rental assistance to alleviate rental cost burden experienced by low-income families and individuals.

☐ D.) Provide code enforcement services in the deteriorated or deteriorating areas to reduce or arrest the decline of the area.

4. Expand economic opportunities

- ☐ A.) Encourage and expand economic opportunities in the community by assisting commercial or industrial businesses in creating or retaining jobs and assisting agencies that provide job training programs.
- ☐ B.) Provide microenterprise assistance to low- and moderate-income person who owns or is developing a microenterprise. *Microenterprise is defined as a business having five or fewer employees, one or more of whom owns the business and has to stay for one year as a Microenterprise when receiving assistance from CDBG.*

5. Rehabilitation of Public Facilities and Improvements

- ☐ A.) Rehabilitation of public facilities including firehouses, parks, playgrounds, public schools, nursing homes, convalescent homes, hospitals, shelters for victims of domestic violence, shelters, and transitional facilities /housing for the homeless...570.201 (c).
- ☐ B) Reconstruction of public improvements including streets, sidewalks, curbs and gutters water and sewer lines, parking lots ...570-201 (c).

13. Please explain why you believe your program best fits the priority selected above.

PART B: BUDGET INFORMATION

The following budget form pertains only to the specific program or activity that is proposed to be funded with CDBG funds. Please supply the total number of full-time equivalent (FTE) positions (i.e., 2,000 hours per year, under Expenses, line 14). Per CFR 200, the Administrative costs should be budgeted no more than 10% of the proposed budget for the proposed budget for CDBG funding.

BUDGET FOR PROPOSED PROGRAM – Not Agency Budget

Agency: Program:	Total Prior Year's Budget for Program Column A	Total Annual Budget for Proposed Program Column B	CDBG Portion of Budget for Proposed Program Column C
Revenue:			
CDBG Grant/City of Huntington Park (Line 1)			
CDBG Funding from another jurisdiction			
Grants from other Gov't Agencies			
Contributions			
Membership Dues			
Program Service Fees			
Other Revenue (Specify)			
TOTAL REVENUE (Line 12)			
Expenses:			
Direct Assistance to Individuals			
Salaries, Employee Benefits, Payroll Taxes (Total #FTE Employees ____) (Line 14)			
Professional Fees			
Supplies			
Telephone			
Postage & Shipping			
Rent/Lease			
Rental & Maintenance of Equipment			
Printing & Publications			

Travel			
Other (Specify)			
TOTAL EXPENSES (Line 27)			

Note: Figure in CDBG Grant/City of Huntington Park (Line 1) , Column C, and TOTAL REVENUE (Line 12), Column C, must equal the amount of funds requested in Part A, #3.

Figure in TOTAL REVENUE (Line 12), Column B, must equal TOTAL EXPENSES (Line 27), Column B.

Figure in Line 12, Column C, must equal line 27, Column C.

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PART C: APPLICANT BACKGROUND INFORMATION

1. Description of Agency Services:

Please describe in detail the services your agency provides and how they are unique from the services provided by other agencies.

2. Required Attachments:

Please separate attachments from the rest of the application. Provide only one copy of the documents below that apply to your agency:

- ☐ List of board of directors and local advisory board, if applicable
- ☐ Copy of board authorization to apply for this grant
- ☐ Proof of non-profit status
- ☐ Organization Chart
- ☐ Program Procedure to operate the proposed program
- ☐ Copy of most recent annual audit report *(if your agency does not perform an annual audit because it is not required to, please make a note below)*
- ☐ Copy of most recent Form 990 and Schedule A of the Federal Tax Return
- ☐ Copies of current and prior year's financial statements
- ☐ Preliminary Environmental Review Evaluation Sheet
- ☐ Summary of the Beneficiary Information
- ☐ Lobbying Certification
- ☐ Debarment Certification
- ☐ Business License and any required certification related to the program
- ☐ Business Insurance will be required prior to execution of a contract

3. Indicate the unduplicated number of persons served by your agency for all programs in Huntington Park in the following fiscal years (fill in time period covered):

20XX: _____ (____/____/____ - ____/____/____) **Projected 20XX:** _____ (____/____/____ - ____/____/____)

4. Have you been funded in the past under the CDBG Program? ____ Yes ____ No

If not, is this a new service or an increase in the level of service provided during the previous 12 months? (Applicable ONLY to agencies not previously funded by CDBG)

____ Yes ____ No

5. How do your services target Huntington Park residents?

6. How do you cooperate or network with other existing related programs, organizations, or community resources?

7. List the annual funding sources and amounts for the entire Agency or Organization in the table below. These figures should agree with the figures in the financial statements for your most recent prior fiscal year.

Funding Sources Table	
Source	Amount
Federal Government	\$
State Government	\$
County Government	\$
Local Government	\$
United Way	\$
Contributions	\$
Fundraising	\$
Program Service Fees	\$
Private Foundations	\$
Other (specify):	\$
TOTAL	\$

8. How long have you been in existence and provided services to the Huntington Park community?

9. How do you provide services at an efficient level and at the least possible cost?

10. Do you utilize volunteers for direct services? ☐ Yes ☐ No

If so, please explain and indicate the total number of hours of volunteer labor used per year and for what purpose: (If you do not utilize volunteers for direct services because the circumstances do not allow for them or the situation is not appropriate, you may wish to make a comment to clarify your reasoning.)

PART D: CERTIFICATION OF APPLICATION

The undersigned applicant hereby certifies that:

The information in this application is true and accurate to the best of my ability and knowledge;

City staff may call or visit my current or proposed place of business or proposed project site at any time during the funding process to verify the information presented in this application;

The agency shall comply with all federal and City policies and requirements applicable to the Community Development Block Grant program (CDBG);

The federal assistance made available through the CDBG program is not being used to substantially reduce the prior levels of local financial support for community development activities;

The agency understands that the awarded amount may be different from the requested amount; and

Sufficient funds will be available to complete the project if the agency accepts the CDBG awarded amount.

Date of Application

By:

Signature of Applicant Representative

Title

Name of Agency (if applicable)

DO NOT WRITE OR TYPE BELOW THIS LINE

Date of Receipt

By: _____
City Staff

PUBLIC SERVICES REQUEST FOR REIMBURSEMENT

TBD upon confirmation from City.

DRAFT

FEDERAL FINANCIAL REPORT

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page 1 of pages	
3. Recipient Organization (Name and complete address including Zip code)					
4a. DUNS Number		4b. EIN		5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	
				6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	
				7. Basis of Accounting <input type="checkbox"/> Cash <input type="checkbox"/> Accrual	
8. Project/Grant Period From: (Month, Day, Year)		To: (Month, Day, Year)		9. Reporting Period End Date (Month, Day, Year)	
10. Transactions				Cumulative	
(Use lines a-c for single or multiple grant reporting)					
Federal Cash (To report multiple grants, also use FFR Attachment):					
a. Cash Receipts					
b. Cash Disbursements					
c. Cash on Hand (line a minus b)				0.00	
(Use lines d-o for single grant reporting)					
Federal Expenditures and Unobligated Balance:					
d. Total Federal funds authorized					
e. Federal share of expenditures					
f. Federal share of unliquidated obligations					
g. Total Federal share (sum of lines e and f)				0.00	
h. Unobligated balance of Federal funds (line d minus g)				0.00	
Recipient Share:					
i. Total recipient share required					
j. Recipient share of expenditures					
k. Remaining recipient share to be provided (line i minus j)				0.00	
Program Income:					
l. Total Federal program income earned					
m. Program income expended in accordance with the deduction alternative					
n. Program income expended in accordance with the addition alternative					
o. Unexpended program income (line l minus line m or line n)				0.00	
11. Indirect Expense		a. Type	b. Rate	c. Period From	d. Base
				Period To	e. Amount Charged
					f. Federal Share
		g. Totals:			
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:					
13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)					
a. Typed or Printed Name and Title of Authorized Certifying Official				c. Telephone (Area code, number and extension)	
				d. Email address	
b. Signature of Authorized Certifying Official				e. Date Report Submitted (Month, Day, Year)	
				14. Agency use only:	

Paperwork Burden Statement
According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.

SUBGRANTEE ON-SITE MONITORING CHECKLIST

CITY OF HUNTINGTON PARK COMMUNITY DEVELOPMENT BLOCK GRANT CDBG SUBRECIPIENT MONITORING CHECKLIST

Subrecipient:	
Project Name:	
Subrecipient Project Manager:	
City Staff Reviewer(s):	
Monitoring Date:	

Financial Review – 2 CFR Part 200 Audit Information - 2 CFR 200.501

1. Did the Subrecipient spend more than \$750,000 in federal funds during the last completed fiscal year?

Yes ☐ No ☐

If yes, obtain a copy of the Single Audit Report.

2. Has an independent accountant audited the financial statements within the last two years?

Yes ☐ No ☐ (explain)

If yes, obtain latest audited financial statement.

Check if the "Revenue" section has a line item for "Grants".

Check if the "Grants" amount is larger than \$750,000 and show a breakdown of types of funding sources.

If there are audited financial statements and a single audit report, answer questions below.

Auditor name(s)

3. Was the auditor's opinion unqualified?
Yes ☐ No ☐ (explain)

4. Does the audit contain findings or concerns?
Yes ☐ No ☐

If yes, please explain and provide corrective actions taken:

If no, obtain the latest unaudited financial statement.

Check if the "Revenue" section has a line item for "Grants".

Check if the "Grants" amount is larger than \$750,000 and show a breakdown of types of funding sources.

Accounting System - 2 CFR 200.302

1. What is the accounting system used?
2. Is there a chart of accounts?
Yes ☐ No ☐ (explain)

If yes, obtain a chart of accounts.

3. Does the Subrecipient maintain a General Ledger?
Yes ☐ No ☐ (explain)

If yes, provide a year-to-date general ledger that includes accounts receivable, revenue, and expense to City of Huntington Park.

4. Does the Subrecipient have written accounting policies and procedures?
Yes ☐ No ☐ (explain)

If yes, obtain the written accounting policies and procedures.

5. How often are financial statements prepared?

6. How often do you close your accounting books? Verify by making changes to the already closed books using the accounting system.

7. Do Subrecipient's financial records adequately identify source and use of CDBG funds?

Yes ☐ No ☐ (explain)

If yes, collect a sample of an expenditure for CDBG funds.

Budgetary and Expenditure Controls - 2 CFR 200.302

1. Does the Subrecipient set up budgets to control expenditures?

Yes ☐ No ☐ (explain)

If yes, provide a document that shows budget versus actual.

2. Who is responsible for monitoring the budget expenditures?

3. Are actual expenditures consistent with budget amounts?

Yes ☐ No ☐ (explain)

If yes, check if expenditures are not over the budget or significantly under budget.

4. Is there adequate documentation to support all CDBG expenditures? (e.g., invoices, contracts, etc.)

Yes ☐ No ☐ (explain)

If yes, collect a sample supporting CDBG expenditure (an invoice or timesheet).

5. If employees work on both CDBG and non-CDBG projects, are timesheets appropriately recorded?

Yes ☐ No ☐ (explain)

If yes, collect timesheets that show both CDBG and non-CDBG hours.

Internal Controls (Separation of Duties) – 2 CFR 200.303

1. Does the Subrecipient have written internal controls and fiscal management procedures?

Yes ☐ No ☐ (explain)

If yes, obtain the written internal controls and fiscal management procedures. If no, this is a finding.

2. Is there separation of responsibility in the receipt, payment and recording of cash? Collect a sample of recent deposit from the City of Huntington Park including deposit slip, GL entry (revenue account), and bank confirmation.

Yes ☐ No ☐ (explain)

i. Who receives checks when they come in the mail?

ii. Who deposits the funds received and how often does that person deposit funds?

iii. Who enters all the financial information into the book of entry?

iv. Who prepares the check to pay invoices received?

3. Are all checks approved before they are signed?

Yes ☐ No ☐ (explain)

i. How many signatures are required for the checks?

ii. Who signs the checks?

4. Does the Subrecipient have a petty cash fund?

Yes ☐ No ☐ (explain)

i. Who controls it?

ii. What is the petty cash limit and how much is kept in the fund?

5. Are all checks pre-numbered and accounted for when the bank account is reconciled? Please provide the bank reconciliation with evidence of review including bank statements.

Yes ☐ No ☐ (explain)

i. Who prepares the bank reconciliation?

ii. Who approves the bank reconciliation?

Program Income – 570 CFR 500, 570 CFR 504, and 2 CFR 200.307

1. Has there been any CDBG program income? This is income generated from charging service/program fees. If the income is more than \$25,000, count it as program income and select "Yes". Collect supporting documents showing the amount of income.

Yes ☐ No ☐ (explain)

i. If yes, describe the source of income.

ii. Describe the process for using it.

Procurement & Property Management Review – 2 CFR 200.320

Note - Skip this section if the Subrecipient does not use CDBG funds on non-procurement items (e.g., staff, supplies, and rent)

1. Does the Subrecipient have written procurement procedures? (Obtain copy)
2. Who has responsibility over procurement?

Yes ☐ No ☐ (explain)
3. Does the Subrecipient procurement policies require stating the price or rate quotations from at least three qualified sources when items are purchased with CDBG funds?
Yes ☐ No ☐ (explain)
4. Are purchase orders used for all or part of the Subrecipient procurement?
5. Does the subrecipient use competitive bid process to procure large items?
Yes ☐ No ☐ (explain)
6. Does the subrecipient use CDBG funds for consultant services?
Yes ☐ No ☐ (explain)
 - i. What is the method for selecting consultants?
 - ii. What types of services does the consultants offer?
7. Does the subrecipient purchase, lease, or rent any equipment using CDBG funds?
Yes ☐ No ☐ (explain)

- i. Does the subrecipient have written policies in place to govern the acquisition and disposition of property and equipment?
Yes ☐ No ☐ (explain)
- ii. Does the subrecipient maintain a fixed asset ledger?
Yes ☐ No ☐ (explain)
- iii. How often does the subrecipient take a physical inventory?
Yes ☐ No ☐ (explain)
- iv. Do internal controls adequately safeguard and ensure property is used only for authorized purposes?
Yes ☐ No ☐ (explain)
- v. Does the Subrecipient have procedures to adequately identify and safeguard CDBG property?
Yes ☐ No ☐ (explain)

Record Keeping – 24 CFR 570.506

1. Does the Subrecipient have written "Policies and Procedures" to determine if client is eligible for services?

Yes ☐ No ☐ (explain)

If yes, obtain copy.

Describe below how the subrecipient meets the client eligibility requirement.

If no, describe the mechanism the subrecipient uses to obtain the income related information to determine eligibility.

2. Does the Subrecipient accurately verify the income and residency of actual beneficiaries? (Obtain copies of application, intake form, verification worksheet, etc.)
Yes ☐ No ☐ (explain)
3. Is the Subrecipient using current HUD income guidelines to determine eligibility of beneficiaries?
Yes ☐ No ☐ (explain)
4. Does the subrecipient collect beneficiary data (e.g., race, ethnicity, disability, elderly, and head of household)?
Yes ☐ No ☐ (explain)
5. Does the subrecipient retain program records for the required four-year period?
Yes ☐ No ☐ (explain)
6. Are records easily accessible and legible?
Yes ☐ No ☐ (explain)
7. What is the method for counting beneficiaries? How does the subrecipient avoid double counting?

Performance Evaluation – 24 CFR 570.506

1. List type of services provided:
2. Are the performance goals consistent with contractual obligation between the City and Subrecipient?

Yes ☐ No ☐ (explain)
 - i. Projected persons served:
 - ii. Actual number of persons served to date:
 - iii. Percentage of goal attained:

3. Does the subrecipient provide services in a timely manner?
Yes ☐ No ☐ (explain)
4. Does the performance seem reasonable and consistent with the terms of the contract?
Yes ☐ No ☐ (explain)
5. Do costs appear to be eligible and reasonable in relation to the actual performance?
Yes ☐ No ☐ (explain)
6. Is the Subrecipient experiencing any special problems, delays, or adverse conditions?
Yes ☐ No ☐ (explain)
7. Are there any pending legal actions or litigation against the Subrecipient?
Yes ☐ No ☐ (explain)

General Information

1. What is the make-up of the governing body of the Subrecipient?
2. How often does the governing body meet?
3. Are minutes of the Board meetings available for review? (Obtain copy of last-approved minutes)
Yes ☐ No ☐ (explain)
4. Does the governing body operate as a council or does each member have specific line-item responsibility?

5. Has there been turnover in any key personnel during the program year?

Yes ☐ No ☐ (explain)

If yes, what position and what was the reason for the change?

6. Are filled positions in compliance with the contract and the agency's job description?

Yes ☐ No ☐ (explain)

7. Are written personnel time control procedures in place? (Obtain a copy of a policy that states timecards must be signed by staff and immediate supervisor, vacation, and absences documented)

Yes ☐ No ☐ (explain)

8. Does the Subrecipient have an organizational chart? (Obtain copy)

Yes ☐ No ☐ (explain)

9. Is there any evidence of religious or political activities in CDBG projects?

Yes ☐ No ☐ (explain)

10. Does the Subrecipient have an Affirmative Action Plan on file? (Obtain copy)

Yes ☐ No ☐ (explain)

11. Is there any evidence of conflict of interest between the City and Subrecipient (i.e., staff and governing body), or between the Subrecipient and contractors?

Yes ☐ No ☐ (explain)

Monitoring Summary

1. Does the Subrecipient have a clear understanding of CDBG requirements?

Yes ☐ No ☐ (explain)

2. What are the strengths of the Subrecipient?

3. What are the weaknesses of the Subrecipient?

4. Overall Performance Rating:

Excellent:

Very Good:

Satisfactory:

Unsatisfactory:

5. Concerns:

6. Findings:

City Staff Signature

Date

Subrecipient Signature

Date

DETERMINATION OF EXEMPTION

**Environmental Review for Activity/Project that is Exempt or Categorically Excluded
Not Subject to Section 58.5
Pursuant to 24 CFR Part 58.34(a) and 58.35(b)**

Project Information

Project Name:

Responsible Entity:

Grant Recipient (if different than Responsible Entity):

State/Local Identifier:

Preparer:

Certifying Officer Name and Title:

Consultant (if applicable):

Project Location:

Description of the Proposed Project [24 CFR 58.32; 40 CFR 1508.25]:

Level of Environmental Review Determination:

Activity/Project is Exempt per 24 CFR 58.34(a): _____

Activity/Project is Categorically Excluded Not Subject To §58.5 per 24 CFR 58.35(b):

Funding Information

Grant Number	HUD Program	Funding Amount

Estimated Total HUD Funded Amount:

This project anticipates the use of funds or assistance from another Federal agency in addition to HUD in the form of (if applicable):

Estimated Total Project Cost (HUD and non-HUD funds) [24 CFR 58.32(d)]:

Compliance with 24 CFR §50.4 and §58.6 Laws and Authorities

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits of approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR 50.4 and 58.6	Are formal compliance steps or mitigation required?	Compliance determinations
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR §58.6		
Airport Runway Clear Zones and Accident Potential Zones 24 CFR Part 51 Subpart D	Yes No <input type="checkbox"/> <input type="checkbox"/>	
Coastal Barrier Resources Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16]	Yes No <input type="checkbox"/> <input type="checkbox"/>	

USC 3501]		
Flood Insurance Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	Yes No <input type="checkbox"/> <input type="checkbox"/>	

Mitigation Measures and Conditions [40 CFR 1505.2(c)]

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measure

Preparer Signature: _____ Date: _____

Name/Title/Organization: _____

Responsible Entity Agency Official Signature: _____

_____ Date: _____

Name/Title: _____

This original, signed document and related supporting material must be retained on _____

file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).

DETERMINATION OF CATEGORICAL EXCLUSION

Environmental Review for Activity/Project that is Categorically Excluded Subject to Section 58.5 Pursuant to 24 CFR 58.35(a)

Project Information

Project Name:

Responsible Entity:

Grant Recipient (if different than Responsible Entity):

State/Local Identifier:

Preparer:

Certifying Officer Name and Title:

Grant Recipient (if different than Responsible Entity):

Consultant (if applicable):

Direct Comments to:

Project Location:

Description of the Proposed Project [24 CFR 50.12 & 58.32; 40 CFR 1508.25]:

Level of Environmental Review Determination:

Categorically Excluded per 24 CFR 58.35(a), and subject to laws and authorities at §58.5: _____

Funding Information

Grant Number	HUD Program	Funding Amount

Estimated Total HUD Funded Amount:**Estimated Total Project Cost** (HUD and non-HUD funds) [24 CFR 58.32(d)]:**Compliance with 24 CFR 50.4, 58.5, and 58.6 Laws and Authorities**

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits or approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance determinations
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.6		
Airport Hazards 24 CFR Part 51 Subpart D	Yes No <input type="checkbox"/> <input type="checkbox"/>	
Coastal Barrier Resources Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	Yes No <input type="checkbox"/> <input type="checkbox"/>	

Flood Insurance Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5			
Clean Air Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Coastal Zone Management Coastal Zone Management Act, sections 307(c) & (d)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Contamination and Toxic Substances 24 CFR Part 50.3(i) & 58.5(i) (2)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Endangered Species Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Explosive and Flammable Hazards 24 CFR Part 51 Subpart C	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Farmlands Protection Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658	Yes <input type="checkbox"/>	No <input type="checkbox"/>	

Floodplain Management Executive Order 11988, particularly section 2(a); 24 CFR Part 55	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Historic Preservation National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Noise Abatement and Control Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Sole Source Aquifers Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Wetlands Protection Executive Order 11990, particularly sections 2 and 5	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Wild and Scenic Rivers Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
ENVIRONMENTAL JUSTICE			
Environmental Justice Executive Order 12898	Yes <input type="checkbox"/>	No <input type="checkbox"/>	

Field Inspection (Date and completed by): _____

Summary of Findings and Conclusions: _____

Mitigation Measures and Conditions [40 CFR 1505.2(c)]

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measure

Determination:

- ☐ This categorically excluded activity/project converts to Exempt, per 58.34(a)(12) because there are no circumstances which require compliance with any of the federal laws and authorities cited at §58.5. **Funds may be committed and drawn down after certification of this part** for this (now) EXEMPT project; OR
- ☐ This categorically excluded activity/project cannot convert to Exempt because there are circumstances which require compliance with one or more federal laws and authorities cited at §58.5. Complete consultation/mitigation protocol requirements, **publish NOI/RROF and obtain "Authority to Use Grant Funds"** (HUD 7015.16) per Section 58.70 and 58.71 before committing or drawing down any funds; OR
- ☐ This project is now subject to a full Environmental Assessment according to Part 58 Subpart E due to extraordinary circumstances (Section 58.35(c)).

Preparer Signature: _____ Date: _____

Name/Title/Organization: _____

Responsible Entity Agency Official Signature:

Date: _____

Name/Title: _____

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).

ADMINISTRATION AND REPORTING TIMELINE

Annual Administration of Community Development Block Grant Funding											
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
I. Funding Process											
1. Close Out Prior Fiscal Year											
2. Prepare and Advertise RFP for											
3. Publish Notice for Public Input											
4. Prepare and Advertise RFP for											
5. Prepare Draft Annual Action											
6. Conduct Public Hearing to Receive Public Input on Priorities											
7. Conduct Public Hearing to Make CDBG Public Service											
8. Prepare and Publish Public											
9. Conduct City Council											
10. Prepare Environmental											
11. Sign Certifications and Form											
12. Submit Annual Action Plan											
13. Prepare and Execute											
14. Implement and Complete											
II. Reporting Requirements											
1. Prepare and Submit Quarterly											
2. Complete and Submit											
3. Prepare Comprehensive											
4. Submit Contract/Subcontract											
5. Submit MBE Activity Reports											
6. Submit Semi-Annual Labor											
7. Submit Single Audit											

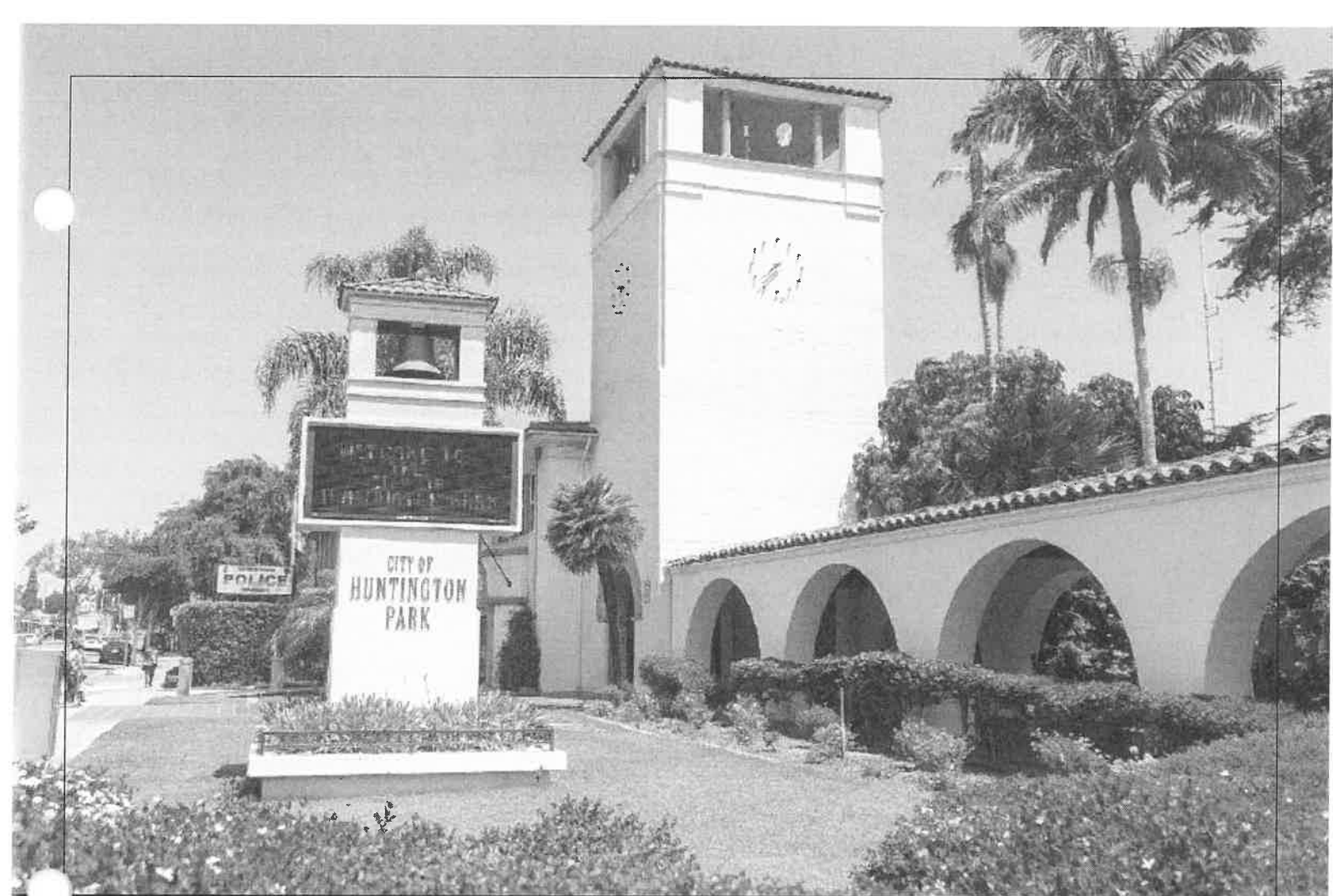
GLOSSARY

GLOSSARY OF ACRONYMS

AI	Analysis of Impediments to Fair Housing Choice
AMI	Area Median Income
CAPER	Consolidated Annual Performance and Evaluation Report
CBDO	Community-Based Development Organization
CDBG	The Federal Community Development Block Grant Program
CDF	Community Development Fund
CFR	Code of Federal Regulations. Also referred to as "the regs"
CHAS Data	Comprehensive Housing Affordability Strategy
CPD	The Office of Community Planning and Development
CPMP Tool	Consolidated Plan Management Process tool
CPP	Citizen Participation Plan
EA	Environmental Assessment
EIS	Environmental Impact Statement
ESG	The federal Emergency Shelter Grant program
FONSI	Finding of No Significant Impact
GMP System	Grants Management Process System
GPO	Government Printing Office (online access to CFRs)
HOME	HOME Investment Partnership Program
HOPWA	The federal Housing Opportunity for Persons With AIDS
HUD	The federal Department of Housing and Urban Development
IDIS	Integrated Disbursement and Information System
LEP	Limited English Proficient
LMA	Low- and Moderate-Income Area
LMI	Low- and Moderate-Income
LOCCS	Line of Credit Control System. Also referred to as "locks".
MRER	Minor Rehabilitation Environmental Review
NEPA	National Environmental Policy Acts
NRSA	Neighborhood Revitalization Strategic Area
OMB	The Federal Office of Management and Budget
PHA	Public Housing Agency
RFP/RFQ	Request for Proposals/Request for Qualifications
RLF	Revolving Loan Fund
RROF	Request for Release of Funds

DRAFT

ATTACHMENT "B"



HOME Investment Partnership Program Manual

November 2022



CITY OF HUNTINGTON PARK

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90255

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Michael Baker
INTERNATIONAL

Consultant to the city

TABLE OF CONTENTS

CHAPTER 1: OVERVIEW OF THE HOME PROGRAM.....	6
INTRODUCTION.....	6
PURPOSES AND GOALS.....	6
ALLOCATION OF FUNDS.....	7
HOME FUNDED ACTIVITIES	8
OBLIGATIONS.....	10
 CHAPTER 2: HOME PROGRAM RULES.....	 11
PART 1: GENERAL PROGRAM RULES.....	11
DEFINITION OF A PROJECT	11
SUBSIDY	11
ELIGIBLE COSTS.....	15
PROPERTY	18
APPLICANTS AND BENEFICIARY	19
LONG-TERM AFFORDABILITY	22
OTHER FEDERAL REQUIREMENTS	23
PART 2: COST ALLOCATION AND SUBSIDY LAYERING	23
COST ALLOCATION.....	23
SUBSIDY LAYERING	24
 CHAPTER 3: CHDO REQUIREMENTS/ACTIVITIES.....	 26
PART 1: HOME PROGRAM REQUIREMENTS	26
CHDO SET-ASIDE REQUIREMENTS	26
CHDO QUALIFYING CRITERIA.....	27
CHDO SET-ASIDE ROLES: OWNER, DEVELOPER, AND SPONSOR.....	36
CHDO ELIGIBLE USES	39
CHDO SPECIAL ASSISTANCES.....	40
PART 2: PROGRAM DESIGN AND IMPLEMENTATION	40
PROCEDURES	41
CHDO CAPABILITY	42
TYPES OF PROJECTS	42
APPLICATION PERIOD	42
PRE-APPLICATION FOR CHDO STATUS	42
CHDO DETERMINATION WORKSHEET.....	48
CHDO CHECKLIST	51

PROJECT APPLICATION	55
PROJECTS	55
CHDO PROCEEDS	56
CHDO CERTIFICATION	59
MONITORING	60
DEFAULT	61

CHAPTER 4: CHDO REQUIREMENTS/ACTIVITIES.....63

PART 1: HOME PROGRAM REQUIREMENTS	63
ELIGIBLE ACTIVITIES	63
FORMS OF FINANCE ASSISTANCE	64
ELIGIBLE COSTS.....	65
THE PROPERTY	65
THE APPLICANT/BENEFICIEARY.....	67
LONG-TERM AFFORDABILITY	67
OTHER FEDERAL REQUIREMENTS	67
PART 2: PROGRAM DESIGN AND IMPLEMENTATION	70
OBJECTIVES	70
ELIGIBLE APPLICANT.....	75
QUALIFYING HOUSEHOLD	75
APPLICATION INTAKE.....	76
QUALIFYING PROPERTY	77
ELIGIBLE/INELIGIBLE COSTS.....	77
STAFFING THE PROGRAM (STAFFING PLAN)	78

CHAPTER 5: RENTAL HOUSING ACTIVITIES.....83

PART 1: HOME PROGRAM REQUIREMENTS	83
ELIGIBLE ACTIVITIES	83
FORMS OF ASSISTANCE	83
ELIGIBLE COSTS.....	83
PROPERTY TYPE AND LOCATION.....	83
THE APPLICANT/BENEFICIEARY.....	83
MONITORING AND INSPECTIONS.....	83
OTHER FEDERAL REQUIREMENTS	83
PART 2: PROGRAM DESIGN AND IMPLEMENTATION	83
SUBSIDY LAYERING	83
USING THE LOW_INCOME HOUSING TAX CREDIT WITH HOME FUNDS	83

REFINANCING GUIDELINES	83
LEASES.....	83
MONITORING FOR ONGOING COMPLIANCE	83

CHAPTER 6: PROCUREMENT, CONSTRUCTION MANAGEMENT, ENVIRONMENTAL REQUIREMENTS.....84

PROCUREMENT.....	84
CONSTRUCTION MANAGEMENT	91
ENVIRONMENTAL REQUIREMENTS	20

CHAPTER 7:ADMINISTRATIVE REQUIREMENTS.....164

PART 1: GENERAL REQUIREMENTS.....	164
ELIGIBLE ADMINISTRATIVE AND PLANNING COSTS	164
UNIFORM ADMINISTRATIVE REQUIREMENTS	165
WRITTEN AGREEMENTS.....	166
CONFLICT-OF-INTERESTS	176
RELIGIOUS ORGANIZATIONS	178
HOME INVESTMENT TRUST FUND ACCOUNTS	178
HOME PROGRAM INCOME (PI)	181
PRE-AWARD COSTS.....	181
HOME PROGRAM DRAWS.....	181
PART 2: FINANCIAL MANAGEMENT	183
INTERNAL CONTROLS.....	183
RECORD-KEEPING.....	184
REPORTING	187
MONITORING	188

CHAPTER 8: OTHER FEDERAL REQUIREMENTS.....237

NON-DISCRIMINATION AND EQUAL ACCESS	241
EMPLOYMENT AND CONTRACTOR	245
SECTION 3.....	248
SITE AND NEIGHBORHOOD STANDARDS.....	251
LEAD-BASED PAINT SAFE HOUSING RULE.....	252

GLOSSARY OF HOME TERMS	254
-------------------------------------	------------

EXHIBIT

EXHIBIT 1 HOME INVESTMENT PER UNIT	22
EXHIBIT 2 CHDO DETERMINATION WORKSHEET.....	48
EXHIBIT 3 HOME-ELIGIBLE HOMEOWNER REHABILITATION COSTS	65
EXHIBIT 4 OTHER FEDERAL REQUIREMENTS	67
EXHIBIT 5 SUMMARY OF HOMEOWNER REHABILITATION RULES AND HOW TO DOCUMENT.....	69
EXHIBIT 6 CITY OF HUNTINGTON PARK STAFFING PLAN.....	78
EXHIBIT 7 CITY OF HUNTINGTON PARK REHABILITATION STANDARDS	93
EXHIBIT 8 SUMMARY OF ENVIRONMENTAL REVIEW ACTION BY ACTIVITY	112
EXHIBIT 9 TIMING AND PURPOSE OF PROPERTY INSPECTIONS	122
EXHIBIT 10 SUMMARY OF ENVIRONMENTAL REVIEW ACTION BY ACTIVITY	158
EXHIBIT 11 WRITTEN AGREEMENT REQUIRED PROVISIONS	167
EXHIBIT 12 HOME PROGRAM AGREEMENT AND CITY AFFORDABILITY AGREEMENT ..	170
EXHIBIT 13 HOME PROJECT RISK ASSESSMENT.....	195
EXHIBIT 14 SAMPLE MONITORING VISIT LETTERS	199
EXHIBIT 15 MONITORING CHECKLISTS	201
EXHIBIT 16 MANAGING A PROJECT SUBJECT TO OTHER FEDERAL REQUIREMENTS.....	237
EXHIBIT 17 DOCUMENTING COMPLIANCE WITH OTHER FEDERAL REQUIREMENTS.....	239

CHAPTER 1: OVERVIEW OF THE HOME PROGRAM

INTRODUCTION

The HOME program is a federal block grant program directed by the U.S. Department of Housing and Urban Development (HUD) and is designed to create affordable housing for low-income households. The City of Huntington Park is responsible for the administration of its HOME Program.

The purposes of the HOME Program include expanding the supply of affordable housing for low- and very low-income persons; improving the means of state and local governments to implement strategies to achieve adequate supplies of decent, affordable housing; and providing both financial and technical assistance to participants to develop model programs for affordable, low-income housing.

HOME grants are awarded each year through a competitive application process to construct, acquire and/or rehabilitate rental housing, or develop new housing for homeownership. Successful grant applicants have included Community Housing Development Organizations (CHDOs).

PURPOSES AND GOALS

The HOME Program purposes and goals are:

1. Expanding the supply of decent, safe, sanitary, and affordable housing for very low-income and low-income families in Huntington Park (those at or below 80 percent of area median income).
2. Mobilizing and strengthening the abilities of units of local governments, public housing authorities, and community housing development organizations to implement strategies for achieving an adequate supply of decent, safe, sanitary, and affordable housing.
3. Providing participating entities, on a coordinated basis, with various forms of federal housing assistance.

The City of Huntington Park will focus on the following purposes and goals:

1. Assisting in preserving existing or constructing decent, safe, sanitary, and affordable housing in areas of greatest demonstrated need in the community in the City of Huntington Park, ensuring geographic distribution, where and when possible, taking into consideration the historical information of the property and area, the current housing market, and the prospects for future demand.
2. In areas where greatest need is identified, giving preference to those projects which provide the greatest number of qualified affordable units

relative to the HOME funds allocated, while giving consideration to serving lower income families in Huntington Park.

3. Making sure units are affordable to households for the applicable period of affordability.
4. Allocating only the minimum amount of HOME funds that the City of Huntington Park determines to be necessary for the financial feasibility of the project and its viability as a qualified affordable housing project throughout the period of affordability.
5. Assisting in providing housing to meet the needs and priorities outlined in the City's Consolidated Plan and its corresponding Annual Action Plan.
6. Providing opportunities for CHDOs to access the HOME Program on behalf of low- and very low-income residents.
7. Encouraging innovative approaches in planning, designing, constructing, enhancing energy efficiency, and financing that are cost effective in providing affordable housing.
8. Giving preference to those applications that show a greater degree of readiness to proceed with the development.
9. Allowing applicants the ability to self-monitor their capabilities, based on geographic area, population, need and capacity.
10. Maximizing the investment of private capital to leverage HOME funds and use existing agencies and private sector mortgage financial institution resources, while retaining the affordability of housing with local and private investment.

In accordance with these stated purposes and goals, the City of Huntington Park will **not process** any application that is not consistent with the purposes and goals of the City's Consolidated Plan. The City of Huntington Park will consider the capacity of its management team, and the availability of contractors and subcontractors in assessing the viability of each proposed project.

ALLOCATION OF FUNDS (92.50 and 92.102)

HOME funds are allocated annually by formula to State and local governments by HUD. The City of Huntington Park receives funds through this formula and the Planning and Community Development Division is the lead agency that administers those funds. Under the HOME Program, the City of Huntington Park is designated as a "Participating Jurisdiction" ("PJ").

The City of Huntington Park is subject to several HOME Program requirements when allocating funds to other entities. These requirements affect the way the City of Huntington Park and its recipient's run its HOME Program.

Timeframes

The City of Huntington Park has 24 months to enter into written agreements with developers, owners, contractors, Subrecipients, and Community Housing Development Organizations (CHDOs), a type of nonprofit housing organization) to commit HOME funds and 5 years to expend HOME funds. If the City does not meet these timeframes, it risks losing the allocated HOME funds.

Use of Funds

The HOME Program places the following limits on the "use" of funds:

1. **Planning and Administration (92.207):** The City of Huntington Park may use up to 10 percent of their HOME Program allocation and program income received for eligible and reasonable planning and administration costs.
2. **CHDOS:** The City of Huntington Park must reserve a minimum of 15 percent of its annual allocation for activities undertaken by qualified Community Housing Development Organizations (CHDOs).

HOME-FUNDED ACTIVITIES

The City's HOME funds may be used to support four general affordable housing activities:

1. **Homeowner rehabilitation:** HOME funds may be used to assist existing owner-occupants with the repair, rehabilitation, or reconstruction of their homes.
2. **Homebuyer activities:** HOME funds can be used to finance the acquisition and/or rehabilitation or new construction of homes for homebuyers.
3. **Rental housing:** Affordable rental housing may be acquired and/or rehabilitated or constructed.
4. **Tenant-based rental assistance (TBRA):** Financial assistance for rent, security deposits and, under certain conditions, utility deposits may be provided to tenants. Assistance for utility deposits may only be provided in conjunction with a TBRA security deposit or monthly rental assistance program.

The City of Huntington Park will use its HOME Program funds for a loan program, homebuyer program, affordable housing procurement which includes social services, and refinance debt relief.

HOME Program Roles and Relationships

The City of Huntington Park may rely on numerous partners to create affordable housing under its HOME program. Partners play different roles at different times, depending upon the project or activity being undertaken. Defined below are some of the types of partners:

1. **CHDOs:** A CHDO is a private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations. The City of Huntington Park must use a minimum of 15 percent of its annual allocation for housing owned, developed, or sponsored by CHDOs. The City will evaluate the organizations' qualifications and designate them as CHDOs. CHDOs also may be involved in the program as Subrecipients, but the use of HOME funds in this capacity is not counted toward the 15 percent set-aside.
2. **Subrecipient:** A Subrecipient is a public agency or nonprofit organization that may be selected by the City to administer all or a portion of the City's HOME Program. It may or may not also qualify as a CHDO. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not considered a Subrecipient.
3. **Developers, Owners, and Sponsors:** Individuals, for-profit entities and nonprofits can participate in the HOME Program as owners, developers, or sponsors of housing. When CHDOs use HOME funds as owners, developers or sponsors, this use of HOME funds counts toward the 15 percent CHDO set-aside.
4. **Private Lenders:** One of the goals of the HOME Program is to establish strong public/private partnerships. The City is required to make all reasonable efforts to maximize participation by private lenders and other members of the private sector. The Community Reinvestment Act (CRA) requirements provide an incentive to private lending institutions to become involved in HOME Program activities.
5. **Faith Based Organizations:** Faith-based or religious organizations are now able to compete on an equal footing with other organizations for HUD funding. Funding may be provided directly to any Recipient, as long as

those funds are not used to support inherently religious activities. As of the September 30, 2003 Final Rule for 24 CFR Part 92, HUD identified regulations for eight programs, including the HOME Program, to eliminate barriers and ensure that these programs are open to all qualified organizations regardless of their religious character.

6. **Third-Party Contractors:** The City may contract with a private for-profit contractor to administer all or part of its HOME Program. Unlike public agencies or nonprofits, contractors must be procured through a competitive process in accordance with applicable Office of Management and Budget (OMB) procurement requirements. These requirements are found in 24 CFR Part 85 (for PJs) and Part 84 (for nonprofits).

OBLIGATIONS (MATCH) 24 CFR 92.218-92.222

Generally, the City must make contributions to housing that qualifies as affordable housing under the HOME program, throughout a fiscal year. The contributions must total not less than 25 percent of the funds drawn from the City's HOME Investment Trust Fund Treasury account in that fiscal year.

Recordkeeping, Reporting, and Monitoring (992.508 and 92.509)

1. The City of Huntington Park is required to keep records that enable HUD to determine whether they have met program and project requirements. The City is also responsible for enforcing these requirements with all its HOME Program Recipients. Monitoring and record-keeping requirements are outlined in Chapter 7; Part II: Recordkeeping, Reporting, and Monitoring of this manual.
2. The City Huntington Park must also submit an annual performance report to HUD known as the Consolidated Annual Performance and Evaluation Report (CAPER.) The City requires that all Recipients (including CHDOs) meet certain reporting obligations to assist with this annual responsibility. (See Chapter 7: Recordkeeping, Reporting, and Monitoring for further information on reporting requirements.)

CHAPTER 2: HOME PROGRAM RULES

PART I: GENERAL PROGRAM RULES

The City of Huntington Park allocates funds to develop eligible HOME projects. The HOME program contains a number of basic rules that apply to all program activities. These rules involve:

1. The definition of a project;
2. The form and amount of subsidy;
3. Eligible costs;
4. The property;
5. The applicant or beneficiary;
6. The long-term affordability of the project; and
7. Applicability of other federal requirements.

The following two definitions are critical to understanding the requirements that are outlined in the following sections.

DEFINITION OF A PROJECT

Project means a site or sites together with any building (including manufactured housing unit) or buildings located on the site(s) under common ownership, management, and financing, to be assisted with HOME funds as a single undertaking. The "project" includes all of the activities associated with the site and building. For tenant-based rental assistance (TBRA), "project" means assistance to one or more families.

HOME-Assisted Units: The HOME Program distinguishes between the units in a project that have been assisted with HOME funds and those that have not -- hence the term HOME-assisted unit. This distinction between HOME-assisted and unassisted units allows HOME funds to be spent on mixed-income projects while still targeting HOME dollars only to income-eligible households.

SUBSIDY

Eligible Forms of Subsidy

HOME allows virtually any form of financial assistance, or subsidy, to be provided for eligible projects and to eligible beneficiaries through the City.

The HOME regulation lists the following forms of subsidy as eligible:

1. **Interest bearing loans or advances:** These loans are amortizing loans. Repayment is expected on a regular basis, usually monthly, so that over a fixed period of time, all of the principal and interest is repaid.
 - Such loans may have interest rates at or below the prevailing market rate. Often, very low interest rates (i.e., one to three percent) can make monthly payments affordable to the borrower.

- The property or some other assets are used as collateral.
- The term of the loan may vary. For home purchase, a term of up to 30 years is common while rehabilitation and construction loans tend to have terms of 10 to 15 years.

2. Non-interest-bearing loans or advances: The principal amounts of such loans are paid back on a regular basis over time, but no interest is charged.

As with interest-bearing loans, these loans will use the property or other assets as collateral and the term of the loan will vary depending on the nature of the activity funded. Such loans are made when the borrower is able to make regular payments but even a small amount of interest is not affordable.

3. Deferred loans (forgivable or repayable): These loans are not fully amortized. Instead, some, or even all, principal and interest payments are deferred to some point in the future. Deferred loans can be structured in many different ways.

- Deferred payment loans can be forgivable or repayable.
- If forgivable, the forgiveness might be structured to occur at one point in time (such as at the end of the affordability period), or forgiven incrementally (such as forgiving one-fifth of the loan each year over five years).
- If repayable, repayment might be required at the sale or transfer of the property or at the end of a fixed period of time.
- Like the amortizing loans discussed above, these loans can accrue interest or be non-interest bearing.
- Deferred payment loans require the property or some other form of collateral to be used as security for repayments.
- Deferred payment loans are also referred to as “soft seconds.” They are increasingly being used to leverage private first mortgage financing in homeownership. They may also be used to help rental projects by allowing deferral of loan payments for the first few years until the project becomes stable.

4. Grants: Grants are provided with no requirement or expectation of repayment.

- Grants require no liens on the property or other assets.

- Grants are most commonly used for down-payment and closing cost assistance in homebuyer programs or to provide assistance to very low-income owner-occupants for rehabilitation.
5. **Interest Subsidies:** This is usually an up-front discounted payment to a private lender in exchange for a lower interest rate on a loan. An interest subsidy may also be a deposit in an interest-bearing account from which monthly subsidies are drawn and paid to a lender along with the homeowner's monthly payment.
6. **Equity Investments:** An equity investment is an investment made in return for a share of ownership. Under this form of subsidy, the City acquires a financial stake in the assisted property and is paid a monetary return on the investment if money is left after expenses and loans are paid.
7. **Loan Guarantees and Loan Guarantee Accounts:** HOME funds may be pledged to guarantee loans or to capitalize a loan guarantee account. A loan guarantee or a loan guarantee account ensures payment of a loan in case of default.
- A loan guarantee is a written promise to pay the lender some percentage of the outstanding principal balance of a loan in the event the borrower defaults. It may be held for a specified period of time or reduced by a specific amount over time as the loan principal is repaid.
 - A loan guarantee account is a loan loss reserve held by the lender in an amount equal to some percentage of the outstanding principal.
 - The lender holding the loan guarantee account may require a minimum balance, as well as a percentage of the principal amount of the loan. The percentage of the loan amount held as guarantee may vary from loan to loan, or from program to program.

HOME rules require that the amount of money in a loan guarantee account must be based on a reasonable estimate of the default rate on the guaranteed loans, and may not exceed 20 percent of the total outstanding principal guaranteed, except that the account may include a reasonable minimum balance.

8. **Other forms approved by HUD:** Other forms of assistance require HUD approval. If the City intends to use a form of assistance not listed above, the City's Consolidated Plan or Action Plan should describe the proposed form of assistance. Once approved by HUD as part of the Plan, no other HUD approval is required.

Project Subsidy Limits

1. **Minimum HOME investment:** The minimum amount of HOME funds is an average of \$1,000, multiplied by the number of HOME-assisted units in the project.
 - a. The minimum **only** relates to the HOME funds, and **not** to any other funds that might be used for project costs.
 - b. The minimum HOME investment does not apply to TBRA.
2. **Maximum HOME Investment:** The maximum per-unit HOME subsidy limit varies by PJ. HUD determines the maximum amounts, which are based on the City's Section 221(d)(3) program limits for the metropolitan area, each year.
3. **Maximum per-unit subsidy limit is:**
 - a. 100 percent of the dollar limits for a Section 221(d)(3) nonprofit sponsor, indexed for base city high cost areas, and adjusted for the number of bedrooms.
4. **Actual HOME Investment:** The actual subsidy provided will depend on the following factors.
 - a. The proportion of the total project cost that is HOME-eligible -- some planned project costs may not be eligible expenses under the HOME Program.
 - b. The number of units in the project is HOME-assisted -- projects may have a mix of HOME- and non-HOME-assisted units.
 - c. The financial needs of the project -- HOME projects may not receive more subsidy than is required to make them financially feasible.

PROCEDURE: To determine what is required and reasonable, the City of Huntington Park will complete a cost allocation and subsidy layering analysis. HOME project awards are based on the completed cost allocation and subsidy layering analysis.

Cost allocation and subsidy layering are impacted by any changes in the number of HOME-assisted units, total number of units in the project, development cost, and/or financing sources.

NOTE: Because of these requirements, all of the City of Huntington Park HOME Recipients are obligated to contact the City as soon as there are any changes in project size, scope, cost, or financing sources.

ELIGIBLE COSTS

Eligible costs depend on the nature of the program activity. A general list of eligible costs are:

1. **New construction:** HOME funds may be used for new construction of both rental and ownership housing. Any project that includes the addition of dwelling units outside the existing walls of a structure is considered new construction.
2. **Rehabilitation:** This includes the alteration, improvement, or modification of an existing structure. It also includes moving an existing structure to a foundation constructed with HOME funds. Rehabilitation may include adding rooms outside the existing walls of a structure, but adding a housing unit is considered new construction.
3. **Reconstruction:** This refers to rebuilding a structure on the same lot where housing is standing at the time of project commitment. HOME funds may be used to build a new foundation or repair an existing foundation. Reconstruction also includes replacing a substandard manufactured house with a new manufactured house. During reconstruction, the number of rooms per unit may change, but the number of units may not.
4. **Reconstruction and Environmental Review (24 CFR Part 58):** Reconstruction may take place anywhere on the lot; however, reconstruction of a single family unit in a new location on the lot is classified as new construction for purposes of environmental review. Reconstruction of multi-family is viewed as new construction for the purposes of environmental review if the number of units is increased or decreased by more than 20 percent and/or the cost of reconstruction is more than 75 percent of the total estimated cost of the replacement after the work is completed.
5. **Conversion:** Conversion of an existing structure from another use to affordable residential housing is usually classified as rehabilitation. If conversion involves additional units beyond the walls (envelope) of an existing structure, the entire project will be deemed new construction. Conversion of a structure to commercial use is prohibited.
6. **Site improvements:** Site improvements must be in keeping with improvements to surrounding standard projects. They include new, on-site improvements (sidewalks, utility connections, sewer and water lines, etc.) where none are present. They are essential to development or repair of existing improvements. Building new, off-site utility connections to an

adjacent street is also eligible. Off-site infrastructure is not eligible as a HOME expense, but may be eligible for match credit.

Example: Infrastructure, such as sewer and water lines in a public street in front of a HOME-assisted property, cannot be paid for with HOME funds. However, the connections that run from the HOME-assisted property to the street are eligible HOME costs since they are essential to the property.

7. **Acquisition of property:** Acquisition of existing standard property, or substandard property in need of rehabilitation, is eligible as part of either a homebuyer program or a rental housing project. After acquisition, rental units must meet HOME rental occupancy, affordability and lease requirements.
8. **Acquisition of vacant land:** HOME funds may be used for acquisition of vacant land only if construction will begin on a HOME project within 12 months of purchase. Land banking is prohibited.
9. **Demolition:** Demolition of an existing structure may be funded through HOME only if construction will begin on the HOME project within 12 months.
10. **Relocation costs:** The Uniform Relocation Act and Section 104(d) (also known as the Barney Frank Amendments; see the appendix for detailed information on these requirements) apply to all HOME-assisted properties. Both permanent and temporary relocation assistance are eligible costs. Staff and overhead costs associated with relocation assistance are also eligible.
11. **Project-related soft costs:** These costs must be reasonable and necessary. Examples of eligible project soft costs include:
 - Finance-related costs;
 - Architectural, engineering and related professional services;
 - Tenant and homebuyer counseling, provided the recipient of counseling ultimately becomes the tenant or owner of a HOME-assisted unit;
 - Project audit costs;
 - Affirmative marketing and fair housing services to prospective tenants or owners of an assisted project; and
 - PJ staff costs directly related to projects (not including TBRA).

Prohibited Activities

The HOME Program regulations explicitly prohibit certain including:

1. **Project reserve accounts:** HOME funds may not be used to provide project reserve accounts (except for initial operating deficit reserves) or to pay for operating subsidies.
2. **Tenant-based rental assistance for certain purposes:** HOME funds may not be used as rental assistance in conjunction with the federal Rental Rehabilitation Program (Section 17) to prevent displacements. They also may not be used for certain mandated existing Section 8 Program uses, such as Section 8 rent subsidies for troubled HUD-insured projects.
3. **Match for other programs:** HOME Program funds may not be used as the "nonfederal" match for other federal programs except to match McKinney Act funds
4. **Development, operations, or modernization of public housing:** HOME Program funds may not be used to provide assistance authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds).
5. **Properties receiving assistance under 24 CFR Part 248 (Prepayment of Low-Income Housing Mortgages):** Properties receiving assistance through the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA) or the Emergency Low Income Preservation Act (ELIHPA) are not eligible for HOME assistance except if the HOME assistance is provided to priority purchasers. These programs are no longer funded.
6. **Double-dipping:** During the first year after project completion, the City may commit additional funds to a project. After the first year, no additional HOME funds may be provided to a HOME-assisted project during the relevant period of affordability, except for:
 - Rental assistance to families may be renewed.
 - Rental assistance may be provided to families that will occupy housing previously assisted with HOME funds.
 - A homebuyer may be assisted with HOME funds to acquire a unit that was previously assisted with HOME funds.
7. **Acquisition of a City-owned property:** The City may not use HOME Program funds to reimburse itself for property in its inventory or property purchased for another purpose. However, in anticipation of a HOME project, the City may use HOME funds to:

- Acquire property.
 - Reimburse itself for property acquired specifically for a HOME project with other funds.
8. **Project-based rental assistance:** HOME funds may not be used for rental assistance if receipt of the funds is tied to occupancy in a particular project. Funds from another source, such as Section 8, may be used for this type of project-based assistance in a HOME assisted unit. Further, HOME funds may be used for other eligible costs, such as rehabilitation, in units receiving project-based assistance from another source -- for example, Section 8 or state-funded project-based assistance.
9. **Pay for delinquent taxes, fees, or charges:** HOME funds may not be used to pay delinquent taxes, fees, or charges on properties to be assisted with HOME funds.

PROPERTY

The HOME Program rules concerning the type and value of properties eligible for assistance are:

1. Property Types

Depending on the nature of the program activity, HOME rules specify the types of property that are eligible for funding.

2. Property Value

For owner-occupied and homebuyer properties, HOME limits the value or purchase price of the property. In summary, the price or, in the case of rehabilitated properties, the value may not exceed 95 percent of the area median purchase price.

3. Property Standards

HOME-funded properties must meet the following minimum property standards:

1. **State and local standards:** State and local codes and ordinances apply to any HOME funded project regardless of whether the project involves acquisition, rehabilitation, or new construction.
2. **Model codes:** For rehabilitation or new construction projects where there are not state or local building codes, the City must enforce national model code.

3. **Housing quality standards:** For acquisition-only projects, if there are no state or local codes or standards, the City must enforce Section 8 Housing Quality Standards (HQS).
4. **Rehabilitation standards:** The City is required to develop written rehabilitation standards to apply to all HOME-funded rehabilitation work. These standards are similar to work specifications, and generally describe the methods and materials to be used when performing rehabilitation activities.
5. **International Energy Conservation Code:** New construction requires compliance with the International Energy Conservation Code.
6. **Handicapped accessibility:** In some cases, handicapped accessibility requirements apply Section (504).
7. **Energy Star:** the City of Huntington Park requires new construction projects (single-family and multifamily) to be certified by a HERS rater as meeting a HERS Index Score of 70 or less.
8. **Site and neighborhood standards:** The site and neighborhood standards of 24 CFR 983.6(b) applies only to the new construction of rental housing.
9. **Universal Design standards:** the City of Huntington Park requires units to adhere to the City of Huntington Park Rehabilitation Standards for Housing:
 - a. The applicable standards vary by the type of activity. Exhibit 1 explains the minimum property standards that apply to each type of HOME activity.
 - b. All new manufactured housing units must meet the construction and safety standards of 24 CFR 3280. New manufactured housing units must be installed according to state or local codes or the manufacturer's written instructions.

APPLICANTS AND BENEFICIARY

The HOME Program is designed to provide affordable housing to low-income and very-low-income families and individuals. Therefore, the program has rules about targeting program resources and establishing applicant eligibility.

1. Program Targeting:

The City of Huntington Park will use 100 percent of its HOME funds to assist families with incomes below 80 percent of the area median income.

2. Rental Housing or TBRA:

If the City elects to use HOME funds for rental housing or for TBRA, additional targeting requirements apply:

- For each annual HOME allocation, the City of Huntington Park will require that 90 percent of the occupants of HOME-assisted rental units and households assisted with HOME-funded TBRA must have incomes that are 60 percent or less of the area median.
- 20 percent of the units in each rental housing project containing five or more units must be occupied by tenant families with incomes at or below 50 percent of median income.
- Owners must adopt written tenant selection policies and procedures.

3. Applicant Income Eligibility

- Income eligibility: Beneficiaries of HOME funds --homebuyers, homeowners, or tenants -- must be low-income or very-low-income. Their income eligibility is determined based on their annual income.
- Annual income: Annual income is the gross amount of income anticipated by all adult household members during the 12 months following the effective date of the determination.

NOTE: Annual income is sometimes referred to as gross income or annual (gross) income.

Definition of Annual Income

In accordance with 2013 HOME Final Rule, the City of Huntington Park has selected a single definition of income for each of its HOME-assisted programs (e.g. Housing Rehabilitation and Preservation Program, Rental Housing Program, etc.) administered by the City.

Annual income will be determined by examining at least 2 months of source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family. Furthermore, when determining whether a family is income eligible, the City will use the following definition of "annual income":

- Annual income as defined at 24 CFR 5.609 will be utilized while applying exclusions from income established at 24 CFR 5.611 as further required by the 2013 HOME Final Rule.

The City will calculate the annual income of the family by projecting the prevailing rate of income of the family at the time that the City determines that the family is income eligible. Annual income will include income from all persons in the household and income or asset enhancement derived from the HOME-assisted project will not be considered in the calculation.

The City will not re-examine the family's income at the time the HOME assistance is provided, unless more than six months has elapsed since the City determined that the family qualified as income eligible.

Note: The definition listed above provides guidance on what items to include in annual income calculation (for example, wages, salaries, tips, etc.). They do not affect the method in which income is verified (discussed under "Income Verifications" below) or how income is adjusted when calculating rents or TBRA).

Income Verification

1. **Initial Verification:** To determine if program applicants are income-eligible, Recipients must verify their income using source documentation such as wage statements, interest statements, and unemployment compensation statements.

- a. Income eligibility is based on anticipated income. When collecting income verification documentation, also consider any likely changes in income.

Example: *A last year's tax return does not establish anticipated income; nor is it adequate source documentation.*

- b. Once initial income verification is completed, a Recipient is not required to re-examine the applicant's income unless six months has elapsed before assistance is provided.

2. **Annual Re-examinations:** For rental and TBRA programs, annual re-certifications of income are required. While the HOME Program regulations require that income must be verified with source documentation every five years, the City of Huntington Park requires income be verified with source documentation annually.

A. LONG-TERM AFFORDABILITY

To ensure that HOME investments yield affordable housing over the long term, HOME imposes rent and occupancy requirements over the length of an affordability period.

Affordability Periods

For homebuyer and rental projects, the length of the affordability period depends on the amount of the HOME investment in the property and the nature of the activity funded. Exhibit 1 below provides the affordability periods.

EXHIBIT 1	
HOME INVESTMENT PER UNIT	LENGTH OF THE AFFORDABILITY PERIOD
LESS THAN \$15,000	5 YEARS
\$15,000 - \$40,000	10 YEARS
MORE THAN \$40,000	15 YEARS
NEW CONSTRUCTION OF RENTAL HOUSING	20 YEARS
REFINANCING OF RENTAL HOUSING	15 YEARS

Occupancy

Throughout the affordability period, the HOME-assisted housing must be occupied by income-eligible households.

1. **Rental housing:** When units become vacant during the affordability period, subsequent tenants must be income-eligible and must be charged the applicable HOME rent. (See Chapter 6 Rental Housing Program for more information.)
2. **Homebuyer assistance:** If a home purchased with HOME assistance is sold during the affordability period, resale or recapture provisions apply to ensure the continued provision of affordable homeownership. (See Chapter 5: Homeowner Housing Program Homebuyers for more information.)

B. OTHER FEDERAL REQUIREMENTS

HOME is subject to a number of cross-cutting Federal regulations, which are detailed and highlighted as applicable in the chapter covering the City's Homeowner Rehabilitation and Preservation Program (PROGRAMS).

PART II - COST ALLOCATION AND SUBSIDY LAYERING

The City of Huntington Park performs a cost allocation and subsidy layering review of HOME projects to determine the appropriate subsidy amount to the project. The actual HOME Investment in a project depends on:

1. The proportion of the total project cost that is HOME-eligible -- some planned project costs may not be eligible expenses under the HOME Program.
2. How many of the units in the project are HOME-assisted -- Projects may have a mix of HOME- and non-HOME-assisted units.
3. The financial needs of the project -- HOME projects may not receive more subsidy than is required to make them financially feasible.
4. Cost allocation and subsidy layering are impacted by any changes in the proportion of HOME-assisted unit to total units in the project, development cost, or financing sources.
5. Because of these requirements, CHDOs, developers or subrecipients must contact the City of Huntington Park as soon as there are any changes in project size, scope, cost, or financing sources at any point during the development of the project.

A. COST ALLOCATION

The HOME Program distinguishes between the units in a project that have been assisted with HOME funds and those that have not resulting in the term **HOME-Assisted Unit**. The distinction between HOME-assisted and unassisted units allows HOME funds to be spent on mixed-income projects while still targeting HOME dollars only to income-eligible households.

Determining a HOME Assisted Unit

HOME rules create a floor (minimum) for the number of HOME-assisted units a project must have. This floor is based on the proportional share of total eligible costs to be paid with HOME funds.

- Before determining the allowable HOME subsidy amount, the City will establish the total HOME-eligible cost for the project.
- Once the total HOME-eligible costs are established for the project, the City must allocate costs across units.
- If both the assisted and non-assisted units are comparable in size, features, and number of bedrooms, the HOME-eligible costs can be pro-rated across units. (Since floating units, by definition, must be comparable, costs should always be pro-rated.)
- If the assisted and non-assisted units are not comparable, the actual costs must be determined and allocated unit-by-unit. The specific units identified to "receive" HOME funds must be fixed -- that is, designated as HOME-assisted.

B. SUBSIDY LAYERING

HUD establishes limits on the amount of HOME funds that may be invested in affordable housing on a per-unit basis for specific areas as specified below:

- Before committing funds to a project that combines the use of any other local, State or Federal assistance, the City of Huntington Park will evaluate the project in accordance with guidelines that it has adopted, to ensure that the City does not invest any more HOME funds than are necessary to provide affordable housing.
- The City of Huntington Park will conduct a subsidy layering review in accordance with the guidelines presented in HUD Notice CPD-98-01. These guidelines include review of the following project documents:
 - Sources and/or uses of funds: CHDOs/Developers/Subrecipients are required to provide the City of Huntington Park the sources/uses of funds statement for the project with supportive documentation. This statement should reflect the project development budget and should list:
 - All proposed sources (both private and public) of funds and the dollar amounts for each respective source;
 - Construction costs, and

- Financing costs and professional fees associated with the project.
- a. Certification of government assistance
CHDOs/Developers/Subrecipients must provide a formal certification as to whether or not additional governmental assistance will be provided to the project, and if so, what kind of assistance.
 - b. Project development budget: CHDOs/Developers/Subrecipients must provide the City of Huntington Park the project development budget so that the City can determine whether the development costs are necessary and reasonable. The budget should include all costs associated with the development of the project, regardless of the funding sources.
 - c. "Reasonableness" of costs will be based on all of the following three factors:
 - Costs of comparable projects in the same geographical area;
 - Qualifications of the cost estimators that developed the various budget line items; and
 - Comparable costs published by recognized industry cost index services.
 - d. Proforma: the City of Huntington Park will determine the reasonableness of the rate of return on equity investment by looking at the CHDOs/Developers/Subrecipients proforma (project income and expense statement).
 - The proforma should include achievable operating expenses.
 - It should also specify the consequences of tax benefits, if any, and any other assumptions used in calculating the project cash flow.
 - The proforma should represent, at a minimum, the term of the HOME affordability requirements, or longer if other funding sources require longer affordability terms.

CHAPTER 3: CHDO REQUIREMENTS AND ACTIVITIES

Part I of this chapter details the CHDO set-aside requirements, the qualifications of a CHDO, CHDO set-aside roles, and the types of assistance the City of Huntington Park may provide CHDOs while Part II of this chapter covers the City's CHDO selection process.

PART 1: HOME PROGRAM REQUIREMENTS

A Community Housing Development Organization (CHDO) is a private nonprofit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves.

The City of Huntington Park is committed to support City-approved certified Community Housing Development Organizations (CHDOs) that have the appropriate capacity and consent to develop quality affordable housing throughout the City of Huntington Park. Therefore, the City of Huntington Park continues to encourage qualified nonprofit organizations to apply for certification as a CHDO.

A. CHDO SET-ASIDE REQUIREMENT

Reservation of Set-Aside of Funds for CHDOs:

1. The City of Huntington Park has up to 24 months from after the last day of the month in which HUD signs the HOME Investment Partnership Agreement transmittal letter to identify and designate the CHDOs they plan to work with, and to reserve funds for the CHDOs' use.
2. The City of Huntington Park may set aside 15 percent of their funds for housing owned, developed, or sponsored by CHDOs.
3. CHDOs may engage in other HOME-eligible activities in which they are not the owners, developers, or sponsors of the housing. However, the HOME funds committed to those activities will not count toward the set-aside.
4. The CHDO reservation of funds can be made by the City before specific projects are identified.

B. CHDO QUALIFYING CRITERIA

The City of Huntington Park will certify a nonprofit agency as a CHDO to qualify for the CHDO set-aside. As such, the City of Huntington Park will accept applications for certification on a continuous basis and the certification is valid for one (1) year.

A **CHDO** is a specific type of private nonprofit entity. CHDOs must meet certain requirements pertaining to their:

1. Legal status;
2. Organizational structure; and
3. Capacity and experience.

(HUD Notice CPD 97-11 details these requirements).

1. Legal Status

- a. **Organized under State/local law:** CHDOs must be organized under State and local law.
- b. **Purpose of organization:** Provision of decent housing that is affordable to low- and moderate-income persons must be among the purposes of the organization. This commitment must be evidenced in the CHDO's:
 - Charter;
 - Articles of incorporation;
 - By-laws; or
 - A resolution of the CHDO's board of directors.
- c. **No individual benefit:** No part of the CHDO's earnings (profits) may benefit any members, founders, contributors, or individuals.
- d. **Clearly defined service area:** A CHDO should have a clearly defined geographic service area.
 - CHDOs do not need to represent a single neighborhood.
 - For urban areas, a CHDO may include in its service area a neighborhood or neighborhoods, city, county, or metropolitan area.
 - For rural areas, a CHDO may include in its service area a neighborhood or neighborhoods, town, village, county or multi-county area (but not the entire State.)
 - Nonprofits serving special populations must also define the geographic boundaries of their service areas in order to qualify as CHDOs.

e. Nonprofit status

- A CHDO must have received a tax-exempt ruling from the IRS under Section 501(c)(3) of the Internal Revenue Code of 1986 in order to be designated by the PJ as a CHDO.
- There are many incorporation options under Section 501(c), depending on the type and purpose of the organization seeking the designation for tax-exemption.

f. The 501(c) designation status:

The 501 (c) designation status permissible under HOME is:

- 9 501 (c) (3) -- a charitable, nonprofit corporation;
- 9 501 (c) (4) -- a community or civic organization;
- 9 Section 905 -- a subordinate organization of a 501 (c) organization.

g. IRS standards for granting a 501(c)(3):

- Designation for housing development organizations are narrowly applied, lengthening the time it can take to receive a 501(c)(3) designations.
- Designation can take 9 to 24 months.
- The timeframe varies by IRS region.

h. Conditional designation:

- The IRS will usually grant new applicants a conditional designation of 501(c) status, valid for a specified period of time (usually three years.)
- During that period of time, the organizations may operate legally as 501(c) organizations, with all benefits pursuant to that designation, while the IRS monitors their operations.

i. Final designation:

Assuming the CHDO operates in compliance with applicable regulations during this period, the IRS will grant them final 501(c) designation.

NOTE: The City of Huntington Park requirement for a 501(c) designation can only be fulfilled by having a final designation from the IRS.

NOTE: Pending 501(c) Status Documentation that the CHDO has an application for 501(c) status pending at the IRS will not suffice to fulfill the nonprofit status requirement.

2. Organizational Structure

The City's requirement for a CHDOs organization structure is:

a. The structure of the board of directors of a CHDO is viewed as the main indicator of community control over the CHDO. With that, a CHDOs Board of Directors must be composed of the following:

- At least one-third must be representatives of the low-income community.
- No more than one-third may be public officials or employees of the City.
- The balance is unrestricted, and may include people such as human and social service providers, lenders, individuals with access to philanthropic resources, or others willing to contribute their professional expertise.
- There are also maximum limits on representation and control by a for-profit entity when the CHDO is sponsored by a for-profit entity.

b. Low-income community representation: As noted above, a minimum of one-third of the board must consist of representatives of the low-income community. There are three ways to meet this requirement:

- Residents of low-income neighborhoods in the community.
 - Low-income neighborhoods are defined as neighborhoods where 51 percent or more of the residents are low-income.
 - Residents of low-income neighborhoods on CHDO boards do not have to be low income themselves.

and/or

- Low-income residents of the community.

- In urban areas, "community" is not necessarily limited to a single neighborhood, but may include several neighborhoods, the city, county or metropolitan area.
- In rural areas, "community" may also cover a multi-county area (but not the whole state). The board need not include low-income residents from each county in the multi-county area.
- Low-income residents of low-income neighborhoods in the community do not need to submit proof of their income.
- If low-income residents of the community who do not live in low-income neighborhoods are necessary to meet this threshold, the CHDO must obtain a certification from the resident that the resident does qualify as low-income.

and/or

- Elected representatives of low-income neighborhood organizations.
 - A low-income neighborhood organization is an organization composed primarily of residents of a low-income neighborhood.
 - The primary purpose of the organization must be to serve the interests of the neighborhood residents.
 - Block groups, town watch organizations, civic associations, neighborhood church groups, and NeighborWorks organizations can be examples of low-income neighborhood organizations.
 - The governing body of the low-income neighborhood organization may elect the representative(s) to serve on the CHDO board.

c. Low-income input: Input from the low-income community is not met solely by having low-income representation on the board. The CHDO must meet the requirements as follows:

- The CHDO must also provide a formal process for low-income program beneficiaries to advise the CHDO on design, location of sites, development, and management of the organization's by-laws or a board resolution.
- This requirement is especially important for CHDOs serving a large geographic area, where it may not be possible for a CHDO to have low-income board representation from every neighborhood in which the CHDO will develop, own, or sponsor housing.

- CHDOs should establish systems for community involvement in parts of their service areas where housing will be developed, but which are not represented on their boards. Such systems might include special committees of neighbors of a proposed development site, neighborhood advisory councils, or open town meetings.
- d. Public-sector limits: A maximum of one-third of the governing board may consist of representatives of the public sector.
- e. This limitation is intended to ensure that separation exists between the City and CHDOs, and that CHDOs are indeed community-based and community-controlled organizations.
- A member of the governing board of a CHDO would be considered a representative of the public sector if he or she is a public official, including:
 - Elected officials of the City of Huntington Park- council members, aldermen, commissioners, state legislators, members of a school board, etc.
 - Appointed public officials- members of a board or State commission or of any other regulatory and/or advisory boards or commissions that are appointed by the State.
 - Public employees of the City - all employees of public agencies (including the schools) or departments of the local government (e.g., a clerk in the water and sewer department, a public facility janitor or a secretary in the tax assessment office); or
 - Appointed by a City official - any individual who is not necessarily a public official, but who has been appointed by a City official to serve on the CHDO board
 - Members of the board appointed by public officials cannot select other members of the board.
- f. If the public official is low-income: Public officials and/or appointees who themselves are either low-income community residents or residents of a low-income neighborhood count against the one-third maximum limit of public sector representatives. However, they do not count toward the one-third minimum requirement of community representatives.
- g. Cities, public bodies, or instrumentalities: Cities, public bodies or instrumentalities of public bodies cannot be considered CHDOs. Examples of instrumentalities of public bodies include public housing authorities

(PHAs), urban renewal agencies, redevelopment authorities, and downtown development authorities.

- The limits on public-sector representation on CHDO boards only serve to define CHDOs. There are other (not specific to HOME) restrictions on the participation of public officials on the boards of nonprofit organizations seeking public funds. The City should observe their conflict-of-interest guidelines in this regard as well.
- h. Sponsored CHDOs: Nonprofits that have been sponsored by other nonprofits, charities, religious organizations, local or state government, public agencies, or for-profit corporations may qualify as CHDOs, but certain additional requirements and board limitations can apply.
- i. Nonprofit and charity sponsors:
- There are no limits on the proportion of the board that may be appointed by nonprofit or charity sponsors, as long as the minimum one-third community representation is met and the maximum one-third public representation is not exceeded.
 - A one-year minimum history of service to the community by the sponsoring nonprofit or charity may help a new nonprofit to qualify as a CHDO.
- j. Religious organization sponsors:
- Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME Program. Government entities are not to discriminate against an organization on the basis of the organization's religious character or affiliation.
 - However, organizations directly funded under HOME may not engage in inherently religious activities. If the organization conducts such activities, they must be offered separately and participation must be voluntary for the beneficiaries of the assistance provided.

Additional guidance regarding religious or faith-based organizations is provided in 24 CFR 92.2.57 of the HOME final rule.

k. Local, state government and public agency sponsors:

- A local or state government and/or a public agency cannot qualify as a CHDO, but may sponsor the creation of CHDOs.
- Government officials and appointees of the government cannot exceed one-third of the members of the board.
- All other CHDO rules and requirements also apply.

l. For-profit corporate sponsors:

- A CHDO cannot be controlled by, nor be under the direction of, for-profit entities or individuals seeking profit from the organization.
- CHDOs may be sponsored or organized by a for-profit if:
 - The primary purpose of the for-profit sponsor is not the development or management of housing (that is, a builder, developer or real estate management firm may not spin off a CHDO);
 - The for-profit appoints no more than one-third of the CHDO's governing board and the board members appointed by the for-profit do not appoint the remaining members of the board; and
 - The CHDO is free to contract for goods and services from any vendors it selects.

3. Experience and Capacity

a. CHDO experience: A CHDO must demonstrate that it has at least one year of experience serving the community where it intends to develop the HOME-assisted housing.

- Newly created organizations wishing to become CHDOs can meet this requirement if the parent (or sponsoring) organization is a nonprofit and has provided services to the community for at least one year.
- The year of service does not have to be directly related to housing.

- Prior service to the community cannot consist of a for-profit organization's work in that community.
- b. CHDO capacity: A CHDO must demonstrate the capacity of their key staff to carry out the HOME-assisted activities they are planning. This means that CHDOs must have:
- Experienced key staff who have successfully completed projects similar to those proposed by the CHDO; or
 - Key staff with limited or no experience, and who will use experienced consultants for the planning and development activities, as long as there is a plan in place for the consultant to train the key staff.
- c. Differences in required experience and capacity: There are significant differences in the type of experience and capacity that is required to carry out the variety of housing development activities eligible under the HOME program. Therefore, "experience in having completed similar projects" is different for development/management of rental housing and development/sale of housing for homebuyers.
- Because the purpose of the CHDO capacity requirement is to build staff expertise, CHDOs must have their own professional staffs. This means that the key staff required to demonstrate CHDO capacity cannot be:
 - ✓ Municipal, county or state employees; or
 - ✓ Consultants (paid or volunteer) not planning to train the CHDO's key staff.

4. Financial and Accounting Systems

- a. **Financial standards:** CHDOs must have financial accountability standards that conform to 24 CFR 84.21, "Standards for Financial Management Systems."
- If a CHDO or nonprofit is in the role of a subrecipient, it must comply with certain provisions of 24 CFR Part 84 and OMB Circular A-122 "Cost Principles for Non-Profit Organizations." Both publications are included in the appendices.

- If a CHDO is acting as an owner, sponsor, or developer of HUD HOME assisted housing, the requirements at 24 CFR 84.21, "Standards for Financial Management Systems" apply. This means the CHDO must relate financial data to performance data and develop unit cost information.

The systems include the following:

- Accurate, current, and complete financial results;
- Records that identify the sources and uses of the funds;
- Control over and accountability of all funds and assets;
- Comparison of actual expenditures against budgets;
- Written procedures to minimize time between the transfer of funds in and the payment of funds out;
- Written procedures for determining reasonableness, allocability, and allowability of costs; and
- Accounting records including cost accounting records supported by source documents.

b. **Accounting systems:** CHDOs/Nonprofits should establish accounting systems that include at a minimum the following reporting reports:

- A chart of accounts that includes:
 - ✓ The categories of accounts;
 - ✓ The name of the account;
 - ✓ The number of the account;
- Cash receipts journal that includes:
 - ✓ The date the funds were received listed in chronological order;
 - ✓ The amount received;
 - ✓ The source of the funds;
 - ✓ The purpose of the funds;
- Cash disbursements journal that includes:
 - ✓ The date funds were paid out listed in chronological order;
 - ✓ The date the expense was incurred;
 - ✓ The purpose of the expense;
 - ✓ The amount paid;
 - ✓ To whom it was paid;
- Payroll journal that includes:
 - ✓ A listing of employees;
 - ✓ Amounts paid to the employees;

- ✓ Benefit expenses paid;
 - General ledger that includes;
 - ✓ A summary of all account activities listed in chronological order; and
 - ✓ The financial status of all the accounts of the organization.
- c. **Source documentation:** Costs charged against the HOME program must be supported by source documentation that shows that the costs were:
- Incurred during the effective period of the agreement;
 - Actually paid out;
 - Expended on eligible items and activities; and
 - Approved by the appropriate officials of the organization.

C. CHDOS SET-ASIDE ROLES: OWNER, DEVELOPER, AND SPONSOR

The City of Huntington Park provides CHDO set-aside funds to CHDOs acting as owners, developers, and sponsors of projects that create new units of affordable housing in their communities. To qualify for the set-aside funds, the CHDO must have effective decision making authority.

CHDO set-aside funds may be used by CHDOs for those HOME activities where the CHDO acts as the owner, developer, or sponsor of the housing.

1. **Owner:** The CHDO is an "owner" when it holds valid legal title to or has a long-term (99-year minimum) leasehold interest in a rental property. The CHDO may be an owner with one or more individuals, corporations, partnerships or other legal entities.
 - The CHDO may be the owner and developer of its own project.
 - The CHDO may own a property in partnership with either a majority or minority interest. However, the CHDO -- in partnership with a wholly owned for-profit or nonprofit subsidiary -- must be the managing general partner with effective control.
2. **Developer:** A CHDO is a "developer" when it either owns a property and develops a project, or has a contractual obligation to a property owner to develop a project.

a. If the CHDO owns the property, it must obtain financing and rehabilitate or construct the project.

- For HOME-assisted rental housing: At project completion, the CHDO may maintain ownership and manage the project over the long-term, or it may transfer the project to another entity for long-term ownership and management.
- For HOME-assisted homebuyer project: The CHDO transfers title of the property and the HOME obligations to an eligible homebuyer within a specified timeframe of project completion.

b. If the CHDO does not own the property, it must be under a contractual obligation with the owner to obtain financing and rehabilitate or construct the project. Under this scenario, the CHDO assumes all of the risks and rewards associated with being the **most** detail the CHDO's specific obligations.

- For HOME-assisted rental housing: The CHDO may, at project completion, manage the project for the owner.
- For homebuyer housing: The owner must transfer title of the property and the HOME obligations to eligible homebuyers within a specified timeframe of project completion.

c. If the CHDO develops the property for an owner pursuant to a written or other agreement with the City, the CHDO is acting in the capacity of a subrecipient.

3. Sponsor: A CHDO is a "sponsor" for HOME-assisted rental or homebuyer housing according to the circumstances outlined below.

- For HOME-assisted rental housing: The CHDO develops a project that it solely or partially owns and agrees to convey ownership to a second nonprofit organization at a predetermined time. The conveyance may take place prior to, during, or upon completion of the development phase.
- The HOME funds are invested in the project owned by the CHDO sponsor.

- The CHDO sponsor identifies the particular nonprofit organization that will obtain ownership of the property prior to commitment of HOME funds.
- The other nonprofit will assume from the CHDO at a specified time all HOME obligations (including repayment of loans and tenant and rent requirements) for the project. If the property is not transferred to the nonprofit organization, the CHDO sponsor will remain liable for the HOME obligations.
- The other nonprofit organization must be financially and legally separate from the CHDO sponsor. (The second nonprofit may have been created by the CHDO; nevertheless, it is a separate entity from the CHDO.)
- The CHDO sponsor must provide sufficient resources to the nonprofit organization to ensure the completion of development and long-term operation of the project.

4. Similar roles: The developer and sponsor roles are similar in many ways.

- In both the developer and sponsor roles, the CHDO carries out some or all of the principal project development activities -- such as acquisition, financing, construction management and putting together a capable development team -- to bring project from conception to completion.
- However, as developer, the CHDO need not own the property.
- As sponsor, the CHDO must own the property and shift the responsibility from the CHDO to another specific nonprofit at some specified time in the development process. Transfer could occur, for example, at:
 - Initiation of the construction;
 - Completion of the construction; or
 - Issuance of the certificate of occupancy.

The HOME long-term affordability requirements for the project are the responsibility of the owner or subsequent owners of the property.

5. CHDOs vs. Subrecipients

A community-based nonprofit organization may meet all of the regulatory requirements to be designated as a CHDO. However, in order for CHDO activities to count toward the CHDO set-aside, the CHDO must be the developer, sponsor and/or owner of the HOME-assisted housing.

6. CHDO as a Subrecipient:

CHDOs may play the role of a "subrecipient" undertaking all other HOME-eligible activities, even if these activities do not count toward the CHDO set-aside.

- A HOME subrecipient is an entity selected by the City to administer aspects of a HOME program (that is, screen projects, market activities, review and certify tenant income, counsel potential homebuyers) or an entire HOME activity (review requests for HOME funds for the rental housing production set-aside.).
 - Restrictions: When a CHDO is acting in the capacity of a HOME subrecipient, it may not also receive HOME funds to develop, sponsor or own housing funded through the subrecipient activity the CHDO administers. Doing so would constitute a conflict-of-interest for the CHDO.

D. CHDO ELIGIBLE USES

With the City of Huntington Park approval, CHDOs may use HOME funds for **all** eligible HOME activities. However, only certain types of activities count toward the minimum 15 percent set-aside.

1. Eligible Uses:

Eligible set-aside activities include the following when carried out by a CHDO acting as an **owner, developer or sponsor**:

- a. Acquisition and/or rehabilitation of rental housing;
- b. New construction of rental housing;
- c. Acquisition and/or rehabilitation of homebuyer properties;
- d. New construction of homebuyer properties; and
- e. Direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by a CHDO with HOME funds.

2. Ineligible Uses:

The following activities are ineligible set-aside activities, but may be carried out by the CHDO as a **subrecipient**:

- a. Tenant-based rental assistance (TBRA);

- b. Homeowner rehabilitation; and
- c. Brokering or other real estate transaction.

E. CHDO SPECIAL ASSISTANCE

The City of Huntington Park **may** use HOME funds to provide special assistance to CHDOs that include:

- 1. Project pre-development loans;
- 2. Use of HOME project proceeds; and
- 3. Capacity-building assistance.

NOTE: In contrast to the 15 percent set-aside, which is mandated, the City has total discretion over whether to provide these special forms of assistance.

- 1. **Project Pre-development:** The City of Huntington Park **may** set-aside a portion of CHDO set-aside funds to be provided to the CHDO for project-specific pre-development assistance (see Part II: Program and Design).
 - a. The project specific pre-development assistance is intended to assure that CHDOs have access to funds for up-front, eligible project expenditures. This assistance provides a form of project feasibility "line of credit" that many nonprofit developers need, but often have difficulty obtaining from private sources.
 - b. All costs must be related to a specific project which, if deemed feasible, would receive HOME funds for development.
 - c. Project pre-development costs may not exceed customary and reasonable project preparation costs.
- 2. **Types of pre-development assistance:** The two primary types of project pre-development assistance are:
 - 1. Technical assistance and site control loans, and
 - 2. Seed money loans.

PART II: PROGRAM DESIGN AND IMPLEMENTATION

This section discusses the City's CHDO program design and implementation procedures.

PROCEDURES (General)

1. City of Huntington Park CHDO applicants must request a specific amount, not to exceed \$80,000, in the Project Application.
2. All pre-development loans must be repaid or rolled over into the permanent subsidy at on construction close.

Operating Assistance

3. The City of Huntington Park permits CHDO proceeds and pre-development loans, but does not provide CHDO operating expenses.
4. Applicants requesting pre-development loans must complete both the CHDO Pre-Application and the Project Application as defined below before a loan can be considered or authorized.

Eligibility Determination

1. Once the CHDO candidates are identified, the City of Huntington Park will determine whether organizations meet the CHDO qualifications outlined in the HOME regulations.

a. Eligible Applicant

The only eligible applicant for the city's HOME CHDO Program is a Community Housing Development Organization ("CHDO") as defined by the HOME Investment Partnership Act and the regulations adopted by the US Department of Housing and Urban Development (HUD) is a private nonprofit, community-based organization that meets the definition at 24 CFR 92.2. The governing law and regulations may be found at 24 CFR 92.2 and 92.300-303, and in CPD Notice 97-11, CPD Notice 97-09, and HUD CPD Notice 96-09.

To assist the City of Huntington Park in determining the qualifications and capacity of a CHDO organization the City designed a CHDO Determination Worksheet (see Exhibit 3). The worksheet is designed to assist the City in processing a CHDO application in the minimum time necessary. Each section is a table which can be filled out and the table will adjust to the length of the CHDO's response.

This document is available on the City's website at www.cityofHuntingtonPark.com. The CHDO must save this

document as (Acronym of the CHDO) CHDO Application. Any questions regarding the CHDO Determination Worksheet should be directed to *insert staff contact*.

A. CHDO CAPABILITY

1. Once an organization has been determined eligible as a CHDO, the City of Huntington Park will establish whether the CHDO is actually capable of carrying out the responsibilities of a CHDO by assessing the CHDOs capacity. Determining the CHDOs capacity assists the City to determine which organization(s) are qualified and capable of carrying out CHDO-eligible activities, and which ones need to make changes or build capacity to quality.

B. TYPES OF PROJECTS

1. The City permits CHDOs to bring any type of project which is an eligible CHDO activity as follows:
 - a. Acquisition and/or rehabilitation of rental housing;
 - b. New construction of rental housing;
 - c. Acquisition and rehabilitation of homebuyer properties for resale to eligible, qualified buyers;
 - d. New construction of homebuyer properties for sale to eligible, qualified buyers; and
 - e. Direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by a CHDO with HOME funds.
2. The City permits CHDO proceeds and pre-development loans, but does not provide CHDO operation expenses. Applicants requesting a pre-development loan must complete both the CHDO Pre-Application and the Project Application as defined below before a loan can be considered or authorized.

C. APPLICATION PERIOD

1. The City of Huntington Park welcomes applicants for CHDO status at any time during the calendar year.

D. PRE-APPLICATION FOR CHDO STATUS

1. The City of Huntington Park pre-application process procedures require the applicant to meet ALL of the requirements of being a CHDO as defined by the "CHDO Determination Worksheet" provided by the City.

2. All documentation necessary for meeting the requirements contained in the CHDO Determination Worksheet must accompany the pre-application form. The documents necessary for determination include:
 - a. The CHDO Determination Worksheet;
 - b. A copy of the Articles of Incorporation;
 - c. A copy of the By-Laws;
 - d. A copy of the Conflict of Interest Policy;
 - e. Any applicable signed Board Minutes or resolutions required by the CHDO Determination Worksheet;
 - f. A Board Form for each Board member, signed and dated by the Board member
 - g. A current financial statement and the most recent annual audit; and
 - h. A statement of the applicant's capacity to undertake a project of the scope and size proposed;
 - i. Including staff resumes
3. The City will review the application for compliance, completeness, and capacity.
4. The Pre-Application Process results in Pre-Qualification letter from the City HOME Program Administrator to the CHDO advising the CHDO to submit a qualifying CHDO project within 180 days of the date of the Pre-Qualification letter.
5. The City certifies CHDO's only at the point where the CHDO has an approved City CHDO project.
6. Completion of the pre-application process for CHDO status does not guarantee funding by the City.
7. In the event any of the items contained in the CHDO Determination Worksheet change between the time of the Pre-Qualification letter and the submission of a CHDO project, the CHDO must notify the City in writing of the change (at the time of project application) and provide the documentation necessary to assess whether or not the CHDO remains compliant with the CHDO requirements;-.
8. Changes in the Board of Directors require the CHDO submit the Board Form for any new Board member, and identify any Board members who have left the CHDO at the time of project application and again at the HOME closing.

RECAPTURED AND RESALE FUNDS

As discussed in the City's Annual Action Plan, the following requirements relate to CHDOs only. *This requiring is not required for rental or homebuyer programs.*

1. RECAPTURED FUNDS (24 CFR 92.254(a)(5)(ii)(A)(4))

Recapture is defined as the recovery of HOME funds upon the sale or transfer, rental or lease, refinancing, or the Borrower(s) no longer being a physical occupant of the property.

GENERAL PROVISIONS

- a. Any amount repaid as a result of a homebuyer property being sold within the affordability period.
- b. The recaptured provisions must be stated in written agreements between Recipients and the income of any eligible homebuyers.
- c. Recaptured funds are a return of the original HOME investment and are technically not program income.
- d. Therefore, unlike program income, 10 percent of recaptured funds **cannot** be used for planning and administrative costs and must be returned to the City.

PROCEDURE

- a. The City of Huntington Park will impose HOME recapture provisions on any property sold by a Community Housing Development Organization (CHDO) to a homebuyer when the City provides a direct subsidy for down payment and or closing costs to the homebuyer.
- b. The balance of the loan shall be due and payable upon sale or transfer, rental or lease, refinancing, or the Borrower(s) no longer being a physical occupant of the property.
- c. This recapture provision shall remain in force from the date the legal documents are executed at loan closing until the expiration of the affordability period.

- d. Net Proceeds from Sale for the purpose of Recapture are defined as follows:
- i. Sales Price
 - ii. Less Seller's Closing Costs
 - iii. Less First Mortgage Balance
 - iv. Less documented Capital Improvements in excess of \$500
 - v. Less Down payment and closing costs paid from the Homebuyer's cash at purchase
 - vi. Equals Net Proceeds from Sale
- e. The City shall recapture from the net proceeds from sale, the remaining Development, and/or Homebuyer direct subsidy and return the recaptured funds to the HOME Investment Trust.
- f. Funds remaining after Recapture shall accrue to the Homebuyer.
- g. If there are no Net Proceeds from Sale, then the City shall forgive the remaining balance of the loan.

RESALE PROVISIONS [24 CFR 92.254(a)(5)(ii)(5)]

PROCEDURE

- a. The City of Huntington Park will impose HOME resale provisions on any property sold by a Community Housing Development Organization (CHDO) or any other entity receiving a HOME development subsidy from the City, to a homebuyer when the City does not provide a direct subsidy for down payment and or closing costs to the homebuyer.
- b. Resale is defined as the recovery of HOME funds upon the sale or transfer, rental or lease, refinancing, or the homebuyer(s) no longer being a physical occupant(s) of the property:
- i) In instances where the home has been rented or leased, refinanced, or the Borrower(s) are no longer are physical occupant(s) of the property the total outstanding balance of the HOME loan shall be immediately due and payable to the City;
 - ii) In instances where the Homebuyer's home is sold to a qualified low income buyer at an affordable price, the HOME loan balance shall be transferred to the subsequent

qualified buyer and the affordability period shall remain in force;

- a. The resale provision shall remain in force from the date the legal documents are executed at loan closing until the expiration of the affordability period defined in the Written Agreement between the City and the homebuyer(s).
- b. Resale requires the homeowner to sell the home to a low income family and at an affordable price as defined below:
 - i) A low income family is defined as a family whose income at the time of purchase from the homebuyer is no greater than 80% of the area median income as defined by HUD under the Part V income definition.

(1) The contract for sale of the home must include a provision requiring the family acquiring the home to be qualified by the City prior to acquiring the property.

- ii) The affordable sales price of the HOME assisted property shall be determined as follows:

(1) The City shall determine 80% of area median income (AMI) for:

- (a) A family of two (2) if the unit is a one (1) bedroom unit
- (b) A family of three (3) if the unit is a two (2) bedroom unit
- (c) A family of four (4) if the unit is a three (3) bedroom unit
- (d) A family of six(6) if the unit is a four (4) bedroom unit

(2) The applicable AMI shall be multiplied by twenty-five percent (25%) to determine the annual housing expense ("HE") and divided by twelve (12) to determine the monthly HE.

(3) The mortgage interest rate shall be the average fixed rate, thirty (30) year mortgage interest rate as published by the Federal Housing Administration (FHA) at the time of determination.

(4) The term shall be thirty (30) years.

(5) The present value of an affordable mortgage shall be calculated utilizing the monthly HE, the determined interest rate, and the term.

(6) The present value shall be divided by 95 and multiplied by 100. The result shall be the affordable sales price.

iii) The homeowner must list the property at or below the City determined affordable price.

1. Fair Return and Appreciated Value [24 CFR 92.254(a)(5)(i)]

a) Determination of Fair Return

i) Fair Return shall be the sum of:

(1) Down payment and closing costs paid from the buyer's cash at purchase.

(2) Seller's (homeowner's) closing costs at sale.

(3) Principal payments only made by the buyer in excess of the amount required by the loan.

(4) Documented capital improvements in excess of \$500.

b) Fair Return is paid to the buyer at sale once first mortgage debt is paid and all other conditions of this agreement are met.

i) In the event there are no funds for fair return, then fair return does not exist.

ii) In the event there are partial funds for fair return, then fair return shall remain in force.

c) Appreciated value is :

i) The Affordable Sales Price

ii) Less first mortgage debt

iii) Less Fair Return

iv) Equals appreciated value.

(1) If appreciated value is zero, or less than zero, then no appreciated value exists.

d) Appreciated Value is shared with the homebuyer based on the City's initial investment of HOME funds as follows:

- i) The homeowner's initial investment of down payment and closing costs divided by the City of HOME investment equals the percentage of appreciated value that shall be paid to the homeowner.
- ii) The balance of appreciated value shall be paid to the City.

E. CHDO Determination Worksheet

The CHDO Determination Worksheet is designed to assist the City in processing your CHDO application in the minimum time necessary. Each section is a table which can be filled out and will adjust to the length of the CHDOS response. Please remember to save this document as (Acronym of the CHDO) CHDO Application.

Questions regarding the CHDO Determination Worksheet should be directed to Ernesto Hidalgo at: 323)887-1403, EHidalgo@cityofHuntingtonPark.com,

EXHIBIT 2					
CHDO DETERMINATION WORKSHEET					
APPLICANT INFORMATION					
Applicant Name					
Applicant Address					
City		State		Zip	

Contact Person		Office Phone	
Cell Phone		E-mail	

BOARD OF DIRECTORS LIST

CHAIR	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
PRESIDENT	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
VICE-PRESIDENT	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
TREASURER	Name		
Home Address			
City/State		Zip	

Telephone		E-mail	
SECRETARY	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	

BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	
BOARD MEMBER	Name		
Home Address			
City/State		Zip	
Telephone		E-mail	

F. CHDO CHECKLIST

The information contained in the CHDO Checklist refers to the definition of Community Housing Development Organizations (CHDOs) in Subpart A, 92.2 of the HOME Rule.

9. The City of Huntington Park requires the CHDO to fill the Checklist out completely stating where the response to each requirement may be found in the accompanying documentation.

I. LEGAL STATUS	
A. The nonprofit organization is organized under State or local laws, as evidenced by either Charter (Articles of Incorporation) or By-Laws	
B. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:	
C. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c)(3) or (4) of the Internal Revenue Code of 1986, as evidenced by a 501(c)(3) or (4) Certificate from the IRS. OR Is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue code, as evidenced by a group exemption letter from the IRS that includes the CHDO.	
D. Has among its purposes the provision of decent housing that is affordable to low- and moderate-income people, as evidenced by a statement in the organization's:	
II. CAPACITY	
A. Conforms to the financial accountability standards of 24 CFR 84.21, "Standards for Financial Management Systems", as evidenced by a notarized statement by either the president or chief financial officer of the organization; OR a certification from a Certified Public Accountant, OR a HUD approved audit summary.	
B. Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by either resumes and/or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds, OR contract(s) with consultant firms or individuals who have housing experience	

similar to projects to be assisted with HOME funds, to train appropriate key staff of the organization.	
C. Has a history of serving the community within which housing to be assisted with HOME funds is to be located, as evidenced by either a statement that documents at least one year of experience in serving the community, OR for newly created organizations formed by local churches, service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community. The CHDO or its parent organization must be able to show one year of serving the community prior to the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as, developing new housing, rehabilitating existing stock and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president or other official of the organization.	
D. A defined service area which includes or overlaps the City of Huntington Park as evidenced by: A resolution of the Board of Directors; the Charter, or the By-Laws	
E. A current financial statement of the CHDO	
III. ORGANIZATIONAL STRUCTURE	
A. Maintains at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations as evidenced by the Organization's By-Laws, Charter, OR Articles of Incorporation.	
B. Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of affordable housing projects, as evidenced	

by: the organization's By-laws, a resolution of the Board of Directors, OR a written statement of operating procedures approved by the governing body.	
C. A CHDO may be chartered by a State or local government, but the following restrictions apply: (1) the State or local government may not appoint more than one-third of the membership of the organization's governing body; (2) the board members appointed by the State or local government may not, in turn, appoint the remaining two-thirds of the board members; and (3) no more than one-third of the governing board members are public officials (including any employees of the PJ), as evidenced by the organization's: By-laws, Charter, OR Articles of Incorporation.	
LOCAL REQUIREMENT: A Board Information Form must be submitted for each Board member	
D. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's: By-laws, Charter, OR Articles of Incorporation.	
IV. RELATIONSHIP WITH FOR-PROFIT ENTITIES	
A. The CHDO is not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by the organization's By-laws, OR a Memorandum of Understanding (MOU).	
B. A Community Housing Development Organization may be sponsored or created by a for-profit entity, however: (1) the for-profit entity's primary purpose does not include the development or management of housing, as evidenced in the for-profit organization's By-laws	

(2) the CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced in the CHDO's By-laws, Charter, OR Articles of Incorporation		
V. OTHER FEDERAL REQUIREMENTS		
(1) Has a conflict of interest policy for Board of Directors and Staff that meets the requirements of 24 CFR Part 92.356 of the HOME Regulations		

G. PROJECT APPLICATION

10. Once the City has provided the CHDO with a Pre-Qualification letter, the CHDO applicant **must** submit a viable, compliant CHDO project to the City within **180 days**.

H. PROJECTS

The following describes the required submissions for various types' projects allowed by the City:

Single Family

Single Family program applicants are required to submit a complete program description that Defines:

1. The buyer(s) to be served;
 - By family size and household income
2. The type of program activity:
 - Acquisition/Rehabilitation/Sale
 - New Construction
 - Other
3. The project timeframe and timeline
4. The total project cost
 - Including all Sources and Uses
5. The total subsidy per buyer

- a. The City does not offer a separate down payment and closing costs assistance program. The applicant must define what portion of the funds requested will be a development subsidy and what portion of the subsidy will be down payment and closing cost assistance to the buyer.

Multifamily

Multifamily program applicants are required to submit a site specific project, including:

1. A development and operating pro forma.
2. The type of program activity:
 - Acquisition/Operation
 - Acquisition/Rehabilitation/Operation
 - New Construction
 - Special Needs
3. The project timeframe and timeline.
4. The total project cost:
 - Including all Sources and Uses for the development.
 - The total HOME subsidy requested.
5. An operating pro forma showing all income and expenses for the entire HOME required compliance period:
 - Rents must be compliant with the HUD allowable rents for the Ventura MSA.
 - Escalation rates must be 5 percent for expenses and 3 percent for income.
 - The project must have a positive cash flow for the entire HOME compliance period.

I. CHDO PROCEEDS

CHDO Proceeds result from the sale of a single family or multifamily property financed by the City through the HOME program. Proceeds include both HOME funds and any other funds from any source which are realized by the sale of property assisted in any form or fashion with HOME funds.

1. In single family sales, the total HOME funds provided by the City to the CHDO for any specific project under the HOME contract, less the actual expenses for the project, the buyer's down payment, the buyer's contribution, and any non-HOME or non-CDBG mortgages are defined as CHDO Proceeds, or Proceeds.
2. In multifamily sales, the total HOME funds provided by the City to the CHDO for any specific project under the HOME contract, less the actual expenses of the project, the buyer's down payment, the buyer's contribution, and any non-HOME or non-CDBG mortgages are defined as CHDO Proceeds, or Proceeds.
3. Allowable Uses of CHDO Proceeds:

An eligible activity defined by either the HOME program regulations or this agreement that directly supports the creation of affordable housing in our community shall be collectively known as an "allowable use". Allowable uses are further defined and limited by this agreement as follows:

- Any eligible use of HOME funds, as defined in 24 CFR Parts 91 and 92 of the Final HOME Rule shall be an allowable use under this contract, so long as the allowable use results in or supports the creation of new units of affordable single family housing for purchase by HOME qualified buyers or for rent by HOME qualified tenants

4. Prohibited Uses

- Proceeds may not be used to fund, finance or pay for a loan counseling, debt counseling or homebuyer counseling programs or efforts as long as the City provides funding to any other organization or entity to provide these services.
- Proceeds may not be used to fund any operating reserves of the CHDO.
- Proceeds may not be utilized to make repairs, reconstruct, or rebuild any unit previously financed with HOME funds without the express written permission of the City.

5. Governing Law and Regulation

- Final HOME Rule: 24 CFR Parts 91 and 92;
- CPD Notice 97-9; and
- The City's Contract with the CHDO

6. Accounting for Proceeds

- The CHDO shall retain proceeds in a separate bank account and shall provide an accounting of the use of proceeds to the City on a quarterly basis.
- The accounting shall designate the project and show the flow of funds into and out of the project account until all funds in the account are expended in accordance with the CHDO Contract and the CHDO Proceeds Addendum
- To facilitate proper accounting for the proceeds, the CHDO shall utilize the spreadsheet designated by the City and included here by reference.
- The auditor of the CHDO shall, at each annual audit, review the CHDO proceeds account of the CHDO and shall include in the annual audit specific language stating whether or not the CHDO has complied with the terms of the CHDO Proceeds Addendum to the Contract between the City and the CHDO.

7. Allocation and Use of Proceeds

- Under the CHDO's contract with the City, the City provides the CHDO with a development subsidy to assist in the development of either multifamily or single family housing within the City;
- The development subsidy is expended by the CHDO;
- Proceeds are realized upon the sale of the completed property to a qualified buyer as defined by the City's contract with the CHDO.
- Proceeds are realized on the date of the close of the property to the end owner.
- At the close of each project which yields proceeds to the CHDO, the CHDO shall allocate proceeds as follows:
 - If proceeds are less than \$5,000, then all proceeds from the associated property account shall be allocated by the CHDO to the general administration (salaries, benefits and/or administrative costs) of the CHDO for the support of the development of affordable housing.
 - If proceeds are more than \$5,000, then:
 1. Ten percent (10 percent) of proceeds shall be immediately allocated to the general administration (salaries, benefits and/or administrative costs) of the CHDO for the support of the development of affordable housing;
 2. Ninety percent (90 percent) of proceeds shall be allocated to land acquisition, site development, and/or construction financing.

3. Each subsequent return of proceeds shall follow the same methodology until the proceeds are less than \$5,000, at which time the proceeds account for the project shall be closed.

- To facilitate the quick rollover and expenditure of proceeds, the CHDO will invest proceeds in the next available project as soon as the proceeds are realized, and before a request for additional funds for development activity from the City.

8. Draw Requests

- Requests to the City for disbursement of funds for land acquisition, site development and/or construction financing on any subsequent project under this contract, shall include the following:
 - The full amount of the requested disbursement;
 - The amount drawn from proceeds
 - Including the project name or names, the amount is drawn from.
 - The net amount of the requested disbursement.

9. CHDO proceeds must be specifically requested in the CHDO's Project Application.

10. The City of Huntington Park **will not** assign staff to a CHDO on either a full or a part-time basis in order to fulfill the CHDOs capacity requirement.

11. Allow CHDOs pay the City of Huntington Park for any technical assistance and/or training that the City provides.

J. CHDO CERTIFICATION

CHDO Certification/Recertification Requirements:

Certified CHDOs or organizations that wish to be certified as a City of Huntington Park CHDO **must** use the City's application to apply for certification. Certified CHDOs must be **re-certified** on an annual basis, providing all documentation required for initial certification is up to date and accurate. Agencies meeting the CHDO certification requirements as indicated in the CHDO section of these operating procedures will be recommended by the City of Huntington Park staff for certification.

A City of Huntington Park CHDO seeking recertification or an agency seeking certification as a City of Huntington Park CHDO must **currently** demonstrate **capacity** to carry out HOME assisted activities either with:

- a. Experienced staff who have successfully completed similar projects, that draws a distinction between development, management of rental housing and development, sale of housing for first-time homebuyers,
- OR
- b. Key staff with limited or no experience who will utilize experienced consultants (if consultants are in charge of development, there must be a written plan submitted yearly to the City of Huntington Park indicating how the consultant will train key staff during that funded year).

K. MONITORING

The City of Huntington Park will monitor the performance of the CHDO to assist the City to identify:

- Strengths and weaknesses in CHDO operations and the support systems necessary for CHDOs to operate and for the HOME program to succeed.
- Identifying what needs to be changed, and for securing the appropriate technical assistance and training needed to do so.
- Determining the level, type, and areas of need will vary from CHDO to CHDO, and, within CHDOs, from year to year.

Monitoring CHDO performance will include a review of the following factors:

1. Compliance with HOME requirements;
2. a risk assessment of the CHDO;
3. Completion of funded projects;
4. Timeliness and ability to complete projects within established budget parameters;
5. Human resources;
6. Adequate financial resources;
7. Ability to leverage other resources;
8. Adequate financial systems;
9. Board operations;

- 10.Strategic plans;
- 11.Organizational work plans;
- 12.Record-keeping;
- 13.Compliance with HOME far targeting requirements; and
- 14.Board composition and operations.

PROCEDURE:

1. The City will issue a letter ninety (90) days in advance of monitoring specifying a set of files, policies, procedures, and accounts the City will require the CHDO deliver to the City on a date certain;
 - Each year, within 120 days of the close of the CHDO's fiscal year, the CHDO shall deliver an audit by a certified public accountant to the City;
 - The audit shall contain the CHDO Proceeds provision noted under accounting, if applicable;
2. After the CHDO has submitted the required documents the City will conduct a desk review to insure compliance with the HOME and local requirements;
3. Upon completion of the desk review the City will establish a mutually acceptable date for the on-site monitoring;
4. The City will specify, at its' sole discretion, the items the City will review on-site.
5. The City will conduct on the on-site monitoring.
6. Within thirty (30) days of the on-site monitoring, the City will issue a Monitoring Report delineating any deficiencies found;
7. The CHDO shall have thirty (30)days to address or correct those deficiencies identified in the monitoring report.

L. DEFAULT

Any of the following conditions shall result in default by the CHDO:

1. Failure by the CHDO to deliver the audit within the prescribed period;
2. Failure by the CHDO to submit the required quarterly reports;

3. Failure by the CHDO to segregate the CHDO Proceeds in a separate account, or to properly account for the Proceeds to the standard provided by this agreement (if applicable);
4. Failure by the CHDO to meet the development or program benchmarks contained in the City's Contract with the CHDO.
5. Any action of the staff or Board of Directors which violates the laws and regulations of the United States; the laws and regulations of the State of California; and/or the laws and regulations of the City.

NOTE: If the CHDO defaults as defined herein, the City, may, at the City's sole discretion, end or suspend the Contract between the City and the CHDO.

CHAPTER 4: HOMEOWNER REHABILITATION ACTIVITIES

This chapter describes how HOME funds may be used to assist owners in the rehabilitation of owner-occupied housing. Eligible activities, forms of assistance and property types are covered in this chapter.

This chapter is divided into two parts: General HOME Program requirements, and the City of Huntington Park program design and implementation procedures focusing on how to determine 95 percent of median value, as well as subsidy type, and selection.

PART 1: HOME PROGRAM REQUIREMENTS (GENERAL)

General HOME Program requirements include; eligible homeowner rehabilitation activities, applicant eligibility requirements, forms of financial assistance, and property standards and value. A summary of the key homeowner rehabilitation rules and how to document compliance with these rules is provided as Exhibit 3.

ELIGIBLE ACTIVITIES

HOME funds may be used to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units.

Whenever HOME funds are used for rehabilitation, the work must be performed according to the City's written rehabilitation standards and the unit(s) must be brought up to the applicable state or local code. If a state or local code does not exist, the unit may be brought up to the standards of the national model codes.

This means that the City may **not** undertake some forms of special purpose homeowner repair programs, such as:

1. Weatherization programs;
2. Emergency repair programs; or
3. Handicapped accessibility programs.

However, these types of programs may be undertaken, if the property meets or will be brought up to the applicable HOME property standards.

- The City's HOME funds will be used to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units.
- HOME funds that are used for rehabilitation must be performed according to the City's written rehabilitation standards and the unit must be brought up to the applicable state or local code.

FORMS OF FINANCE ASSISTANCE

The City of Huntington Park may structure HOME assistance for owner-occupied rehabilitation using any forms of assistance:

- Grants;
- Deferred-payment loans;
- Non-interest-bearing loans; and
- Interest-bearing loans.

There are several other less common forms of financial assistance that may be used in homeowner rehabilitation programs. These forms include interest subsidies and loan guarantees. Both methods enable the City to use small amounts of HOME funds to leverage private money for rehabilitation. They include:

- **Interest subsidies:** Interest subsidies, also referred to as interest reduction grants or interest rate buydowns, are similar to principal reduction grants or loans except that the HOME funds are used to "buy down" the interest rate to an affordable level. In this case, the HOME subsidy is paid directly to the lender and not provided to the homeowner.
- **Loan guarantees:** Loan guarantees are another way to leverage HOME funds for homeowner rehabilitation. A loan guarantee could be used as a credit enhancement when a borrower otherwise eligible for a private loan is denied because of a real or perceived risk factor. In these cases, the City could provide a loan guarantee that would ensure payment, thus making an otherwise risky loan acceptable to a private lender.

Subsidy Limits

1. **Minimum HOME investment:** The minimum amount of HOME funds is an average of \$1,000, multiplied by the number of HOME-assisted units in the project.
 - The minimum **only** relates to the HOME funds, and **not** to any other funds that might be used for project costs.
2. **Maximum HOME investment:** The maximum per-unit HOME subsidy limit varies by PJ. HUD determines the maximum amounts, which are based on the City's Section 221(d)(3) program limits for the metropolitan area, each year. An economist in a local HUD field office can provide these limits.
 - The maximum per-unit subsidy limit is:
 - 100 percent of the dollar limits for a Section 221(d)(3) nonprofit sponsor, elevator-type development, indexed for base city high cost areas, and adjusted for the number of bedrooms.

- In some instances, the 221(d)(3) limit has already been increased to 210 percent of the base limit. If this is the case, HUD will allow, *upon request*, an increase in the per-unit subsidy amount on a program-wide basis. However, the absolute maximum subsidy limit that HUD will allow is 240 percent of the base 221(d)(3) limits.

A. ELIGIBLE COSTS

Under HOME, both the actual cost of rehabilitating the housing and related soft costs are eligible. Exhibit 3 lays out the specific eligible HOME costs under a homeowner rehabilitation program.

EXHIBIT 3 HOME-ELIGIBLE HOMEOWNER REHABILITATION COSTS	
HARD COSTS	SOFT COSTS
<ul style="list-style-type: none"> ➤ Meeting the rehabilitation standards ➤ Meeting applicable codes, standards and ordinances ➤ Essential improvements ➤ Energy-related improvements ➤ Lead-based paint hazard reduction* ➤ Accessibility for disabled persons ➤ Repair or replacement of major housing systems ➤ Incipient repairs and general property improvements of a non-luxury nature ➤ Site improvements and utility connections 	<ul style="list-style-type: none"> ➤ Financing fees ➤ Credit reports ➤ Title binders and insurance ➤ Recordation fees, transaction taxes ➤ Legal and accounting fees ➤ Appraisals ➤ Architectural/engineering fees, including specifications and job progress inspections ➤ Project costs incurred by the PJ that are directly related to a specific project ➤ Refinancing of secured existing debt if the housing is owner-occupied and refinancing allows the overall costs of borrower to be reduced and the housing is made more affordable
<p><i>*Note: Lead hazard reduction costs are not counted as hard costs for the purposes of determining the level of assistance under 24 CFR Part 35 (the Lead Safe Housing Rule).</i></p>	

B. THE PROPERTY

Eligible Property Types

1. To be eligible for HOME assistance, a property must be:
 - Occupied by an income-eligible homeowner; and
 - The owner's principal residence.
2. The following property types may be included under the program:
 - Traditional single-family housing that is owned fee simple (this housing may contain one to four dwelling units);
 - A condominium unit;

- A cooperative unit or unit in a mutual housing project (if state law recognizes these as forms of homeownership); or
 - A manufactured home, including a mobile home.
3. If HOME funds are used to assist the rental units in a two- to-four-unit residence, the HOME rental requirements apply –including provisions regarding tenant occupancy, initial rent levels, and long-term affordability.
 4. If HOME funds are used to rehabilitate only the owner-occupied unit in a two-to-four-unit residence, the rental housing rules do not apply.

Maximum Property Value

To use HOME funds, the value of the HOME assisted property **after rehabilitation** must not exceed 95 percent of the median purchase price for the area, as published by HUD, or, in accordance with the Final Rule, as determined locally through market analysis.

1. **Determining after-rehabilitation value:** To establish project eligibility, after-rehabilitation value must be established prior to any work being performed. The after-rehabilitation value may be established by one or more of the following methods:
 - Estimates of value: Estimates of value by the City or subrecipient may be used. Project files must contain the estimate of value and document the basis for the value estimates.
 - Appraisals: Appraisals, whether prepared by a licensed fee appraiser or by a staff appraiser of the City, may be used. Project files must document the appraised value and the appraisal approach used.
2. Tax assessments: Tax assessments for a comparable property located in the same neighborhood may be used to establish the after-rehabilitation value **if** the assessment is current and accurately reflects market value **after** rehabilitation.

Determining the 95 Percent of Median Purchase Price Limit

The Final Rule offers the City two options for determining the 95 percent of median purchase price limit for owner-occupied single-family housing.

The City may either perform a:

1. A local market survey, or
2. Use the figures published by FHA for its 203(b) program. (The national cap established by the 203(b) program does not apply.)

Property Standards

As with all HOME-assisted properties, properties that are rehabilitated with HOME funds must meet certain standards.

The City is required to have written rehabilitation standards describing the methods and materials to be used when performing rehabilitation. All HOME-assisted rehabilitation projects must meet the City's written rehabilitation standards.

C. THE APPLICANT/BENEFICIARY

Principal residence:

Loan documents or other forms of written agreement between the purchaser and the City must incorporate this requirement. Forms include:

- Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
- Maintains an equivalent form of ownership approved by HUD.
- Life estates and land contracts/ contracts for deeds are not approved by HUD as eligible forms of ownership.

D. LONG-TERM AFFORDABILITY

- There are no long-term affordability or occupancy requirements associated with rehabilitation assistance to owner-occupants. However, the City *may* choose to impose such requirements.

E. OTHER FEDERAL REQUIREMENTS

Exhibit 4 identifies the other federal requirements that must be followed when HOME is used for rehabilitation of homeowner properties, while Exhibit 5 identifies rules on how to document a homeowner rehabilitation program. These exhibits are meant to serve as checklists only.

EXHIBIT 4			
OTHER FEDERAL REQUIREMENTS			
Other Federal Requirements	Apply to homeowner Rehabilitation?	Special/Issues/Considerations	Regulatory Citations and References
Non-Discrimination and Equal Access Rules			
Fair Housing and Equal Opportunity	Yes. Must affirmatively further Fair Housing.		<ul style="list-style-type: none"> ➤ 92.202 AND 92.250 ➤ TITLE VI OF CIVIL RIGHTS ACT OF 1964 (42 U.S.C. 2000D ET. SEQ.) ➤ FAIR HOUSING ACT (42 U.S.C. 3601-3620) ➤ EXECUTIVE ORDER 11063 (AMENDED BY EXECUTIVE ORDER 12259) ➤ AGE DISCRIMINATION ACT OF 1975, AS AMENDED (42 U.S.C. 6101) ➤ 24 CFR 5.105(A)

Affirmative Marketing	NO		➤ 92.251
Handicapped Accessibility	No. (Note: Accessibility improvements are eligible costs.)		➤ Section 504 of the Rehabilitation Act of 1973 (implemented at 24 CFR Part 8) ➤ For multi-family buildings only, 24 CFR 100.205 (implements the Fair Housing Act)
Employment and Contracting Rules			
Equal Opportunity Employment	Yes	Small projects offer opportunities for minority and resident-contractors.	➤ Executive Order 11246 (implemented at 41 CFR Part 60)
Section 3 Economic Opportunity	Yes, if amount of assistance exceeds \$200,000 OR contract or subcontract exceeds \$100,000.	Include Section 3 clause in contracts and subcontracts.	➤ Section 3 of the Housing and Urban Development Act of 1968 (implemented at 24 CFR Part 135)
Minority/Women Employment	Yes	Must develop procedures and include in contracts and subcontracts.	➤ Executive Orders 11625, 12432 and 12138 ➤ 24 CFR 85.36(e)
Davis-Bacon	No		➤ 92.354 ➤ Davis-Bacon Act (40 U.S.C. 276 276a-5) ➤ 24 CFR Part 70 (volunteers) ➤ Copeland Anti-Kickback Act (40 U.S.C. 276c)
Conflict of Interest	Yes		➤ 92.356 ➤ 24 CFR 85.36 ➤ 24 CFR 84.42
Debarred Contractors	Yes	Check HUD's list of debarred contractors.	➤ 24 CFR Part 5
Other Federal Requirement			
Environmental Reviews	Yes	➤ Neighborhood reviews may facilitate targeted programs, but individual checklist still required for each project site ➤ Special attention should be paid to flood insurance and historic requirements.	➤ 92.352 ➤ 24 CFR Part 58.35 a(4) ➤ National Environmental Policy Act (NEPA) of 1969
Flood Insurance	Yes for PJs that are cities/counties. No for state programs.	Must obtain flood insurance if located in a FEMA designated 100-year flood plain. Community must be participating in FEMA's flood insurance program.	➤ Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106)
Site and Neighborhood Standards	No.	24 CFR 893.6(b)	➤ Site and Neighborhood Standards
Lead-Based Paint	Yes for pre-1978 units.	Notices to owners. ➤ Paint testing of surfaces to be disturbed. ➤ Risk assessment, if applicable, based on level of rehabilitation assistance.	➤ 92.355 ➤ Lead Based Paint Poisoning Prevention Act of 1971 (42 U.S.C. 4821 et.seq.) ➤ 24 CFR Part 35 ➤ 982.401 (j) (except paragraph 982.401 (j)(1)(i))

		<ul style="list-style-type: none"> ➤ Safe work practices and clearance. ➤ Provisions included in all contracts and subcontracts. 	
Relocation	Yes	Relocation is required if tenants are living in the other units. Relocation is not required for owner-occupied units.	<ul style="list-style-type: none"> ➤ 92.353 ➤ Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) ➤ 49 CFR Part 24 ➤ 24 CFR Part 42 (subpart B) ➤ Section 104(d) "Barney Frank Amendments"

EXHIBIT 5		
SUMMARY OF HOMEOWNER REHABILITATION RULES AND HOW TO DOCUMENT		
	Key HOME Requirement	Documentation
Eligible Participants		
Owner Income	<ul style="list-style-type: none"> ➤ Gross income <80 percent of median income based on the upcoming 12 months. ➤ Income is defined by one of three options: Section 8 annual income; annual income under Census long form; or adjusted gross income under IRS Form 1040. 	<ul style="list-style-type: none"> ➤ Completed application in the project file. ➤ Source documentation (wage statements, interest statements) in the project file.
Owner Occupancy	<ul style="list-style-type: none"> ➤ Applicant must occupy unit as his/her principal residence. 	<ul style="list-style-type: none"> ➤ Client must sign a clause on the application form certifying that the property is the principal residence.
Ownership of	<ul style="list-style-type: none"> ➤ Applicant must have ownership of the property through: <ul style="list-style-type: none"> ▪ free simple title, ▪ 99-year leasehold interest (50 years on trust or restricted Indian lands), or ▪ ownership/membership in a cooperative or mutual housing project. 	<ul style="list-style-type: none"> ➤ Title check documentation in project file. ➤ Copy of deed or other ownership document in the project file.
Eligible Property		
Property Type	<ul style="list-style-type: none"> ➤ Eligible property types include: <ul style="list-style-type: none"> ▪ one-to-four-unit property; ▪ condominium unit; ▪ cooperative or mutual housing unit, if recognized by state law; or ▪ manufactured or mobile home. 	<ul style="list-style-type: none"> ➤ If two-to-four units, indicate status of non-owner-occupied units in the application. ➤ If non-owner units were assisted with HOME funds, provide agreement with homeowner regarding rental requirements and reference to the property's rental monitoring file.
Property Location	<ul style="list-style-type: none"> ➤ Property must be located within geographic area of the PJ. 	<ul style="list-style-type: none"> ➤ Application should include address in PJ's geographic area.

HOME Minimum	<ul style="list-style-type: none"> ➤ A minimum of \$1,000 in HOME funds must be invested in each assisted unit. ➤ The maximum per-unit subsidy limit is determined by HUD. 	<ul style="list-style-type: none"> ➤ Maintain records in project file demonstrating that the per-unit HOME investment exceeded \$1,000. ➤ Maintain records in the project file indicated total HOME subsidy did not exceed maximums provided by HUD.
Property Value	<ul style="list-style-type: none"> ➤ After-rehabilitation value must not exceed 95 percent of the area median purchase price. ➤ Use 203(b) limits; OR ➤ Establish local limits and obtain HUD approval 	<ul style="list-style-type: none"> ➤ If using local value limits, document data used to determine limits as well as evidence of HUD approval in the program file. ➤ Document method for determining value in the project file. ➤ Copy of value estimate held in project file.
Eligible Property (Continued)		
Property Standards	<ul style="list-style-type: none"> ➤ Property must meet PJ's written rehabilitation standards. • Property must meet applicable codes (state or local codes/standards or one of three nationally accepted codes/standards). 	<ul style="list-style-type: none"> ➤ Document local code or model code used in program files ➤ Maintain written rehabilitation standards in program files. ➤ Include inspection report or certification by inspector in project file. ➤ Keep inspection checklist and work write-up in project file.
Eligible Activities	<ul style="list-style-type: none"> ➤ Rehabilitation, reconstruction. 	<ul style="list-style-type: none"> ➤ Document all expenditures.

PART 2: PROGRAM DESIGN AND IMPLEMENTATION

A. OBJECTIVES

The City of Huntington Park receives an annual allocation of HOME funds from the U.S. Department of Housing and Urban Development (HUD). HOME funds are designed to provide or preserve affordable housing for families at or below eighty (80 percent) percent of the Area Median Income ("AMI").

Under the HOME Program, the City of Huntington Park has elected to design and implement a **Single Family Matching Rehabilitation Loan, a Single Family Non-Match Rehabilitation Loan, a Mobile Home Match Loan, and a Citywide Homebuyer Loan Program (collectively, the "Programs")**. These programs are designed to meet the following objectives:

- Implement a City-wide program designed to serve very-low and low-income households,
- Provide a valuable service to qualified homeowners and residents,
- Preserve existing single-family homes, either detached, or attached, and mobile homes within the City limits.

GOALS

The Program's goals include:

1. Utilizing project selection criteria to establish criteria for determining which projects are chosen (i.e., the level of needed repair or ability of the owner to leverage other funds).

2. Assertively marketing Programs to ensure the program information is widely and fairly distributed.

ADMINISTRATIVE PLAN

The City's *insert staff title* will implement Programs tasks including:

1. Implementing the methods and criteria for selecting applicants;
2. Administrating and tracking the waiting list (how it will be administered);
3. Utilizing and updating the appropriate forms for assistance and criteria in determining

PROGRAM DESCRIPTIONS

HOME LOAN

The City provides a "silent second" deferred trust deed mortgage to fund the difference between the market sales price (up to a maximum sale price established by HUD) and a mortgage amount that will provide an affordable housing cost to low and moderate-income households. City loan is structured as a junior deferred loan to allow the borrower's repayment ability to be fully utilized under the primary loan. The City HOME loan will be recorded as a lien on the property and will be due upon sale or transfer of title or when the borrower no longer occupies the home as his/her principal residence as required under 24 CFR 92.254. Homebuyers will sign a HOME Agreement pursuant to §92.504(c)(5) of the HOME rule, which outlines the affordability restrictions and recapture guidelines, as well as a Promissory Note and Deed of Trust.

Affordability Requirements. The affordability period in connection with the resale of HOME-assisted units will be 30 years.

Recapture Provisions. Should the property cease to be the principal residence of the homebuyer, the City will recapture the full amount of HOME investment (HOME subsidy) to the extent where there are net proceeds following the sale of the property and repayment of non-HOME loan repayments and closing costs. Net proceeds are defined as the amount of sale proceeds remaining (if any) after payment of any superior loan(s) (non-HOME funds) and customary closing costs. This limitation applies regardless of the nature of the sale (voluntary sales including short sales, and involuntary sales including foreclosures). This indebtedness becomes due and payable upon sale or transfer of the property, prior to the expiration of the period of

affordability, to the extent where there are sufficient "net proceeds". If upon the voluntary or involuntary sale of the property prior to the expiration of the period of affordability there are insufficient net proceeds to pay the balance remaining of the City HOME loan, the Homebuyer is relieved from any further obligation to pay the indebtedness.

HOMEBUYER PROGRAM

The City loan is structured as a "Silent Second" loan (junior deferred loan) to allow the borrower's repayment ability to be fully utilized under the primary loan. The City HOME loan will be recorded as a lien on the property and will be due upon sale or transfer of title or when the borrower no longer occupies the home as his/her principal residence as required under 24 CFR 92.254. Homebuyers will sign a HOME Agreement pursuant to §92.504(c)(5) of the HOME rule, which outlines the affordability restrictions and recapture guidelines, as well as a Promissory Note and Deed of Trust.

Affordability Requirements. The affordability period in connection with the resale of HOME assisted units will be 30 years.

Recapture Provisions. Should the property cease to be the principal residence of the home buyer, the City will recapture the full amount of HOME investment (HOME subsidy) to the extent there are net proceeds following the sale of the property and repayment of non-HOME loan repayments and closing costs. Net proceeds are defined as the amount of sale proceeds remaining (if any) after payment of any superior loan(s) (non-HOME funds) and customary closing costs. This limitation applies regardless of the nature of the sale (voluntary sales including short sales, and involuntary sales including foreclosures). This indebtedness becomes due and payable upon sale or transfer of the property, prior to the expiration of the period of affordability, to the extent there are sufficient "net proceeds". If upon the voluntary or involuntary sale of the property prior to the expiration of the period of affordability there are insufficient net proceeds to pay the balance remaining of the City HOME loan, the Homebuyer is relieved from any further obligation to pay the indebtedness

REFINANCE ASSISTANCE

The City does not propose to provide refinancing with HOME funds as described under 24 CFR 92.206(b). However, when lending HOME funds for single-family dwellings, the City may find it necessary to allow refinancing to permit or continue affordability under § 92.254. If so, the City will amend its Consolidated Plan to describe refinancing guidelines that include the following refinancing general guidelines:

- Demonstrate the rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level habilitation per unit or a required ratio between rehabilitation and refinancing.
- Require review of management practices to demonstrate that disinvestment in the property has not occurred, that the long-term needs of the project can be met and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
- State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
- Specify the required period of affordability, whether it is the minimum 15 years or longer.
- Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area.
- State that HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

LOAN CONDITIONS

Both the City and the Applicant adhere to certain loan conditions as follows:

The City:

- The City will comply with the Fair Credit Reporting Act that stipulates and guarantees the applicant's privacy and right to have all information regarding the loan transaction kept in a confidential manner;
- The City shall not discriminate upon the basis of sex, age, race, creed, color, class, national origin, or ancestry in the awarding of financial assistance;

The Applicant(s)

- The Applicant shall use the financed loan to pay for the cost of rehabilitation as detailed on the work write-up or scope of work submitted by the program inspector;
- The Applicant shall permit City inspections of the property to be renovated for compliance with all Federal, State, and City building standards;
- The Applicant shall not award any contract for rehabilitation work to be paid in whole or in part with the proceeds of the loan to any general contractor who, at the time, is not on the City's approved contractors' list;
- The Applicant shall allow no member of the City who exercises any function of responsibility in connection with the administration of the PROGRAMS to have any interest, direct or indirect, in the proceeds of the loan, or in any contract entered into by the applicant for the performance of work financed, in whole or in part, with the proceeds of the loan;
- The Applicant shall not pay any bonus, commission or fee for the purpose of obtaining approval of the loan application;
- The Applicant shall occupy and maintain the housing unit for the term of loan;

NOTE: The Applicant shall maintain fire, liability, and hazard insurance coverage on the housing unit in an amount that is at least the value of the after rehabilitation appraised value of the property.

- The Applicant shall cause the City to be named a co-insured party on the fire, liability, and hazard insurance coverage.
- The Applicant shall keep property taxes current for the term of the loan;
- The Applicant shall not discriminate upon the basis of sex, age, race, creed, color, class, national origin, or ancestry in the awarding of the construction contract; and
- The Applicant shall utilize funds within sixty (60) days of loan closing unless granted a written time extension by the City.

DEFAULT

In the event that the Applicant fails to adhere to the conditions and restrictions contained within the Written Agreement between the Applicant and the City, the City reserves the right to terminate the individual's participation in the Program and/or demand full repayment of the loan.

B. ELIGIBLE APPLICANT

PROGRAMS is open to all applicants who meet the eligible household requirements provided above. The City, in recognition of the high proportion of elderly and special needs families that reside in substandard housing within the City, will provide a priority to owner occupants that are elderly and/or disabled.

An Applicant(s) owns and occupies the property where proof of ownership is established through a legal Deed of Trust. Assistance from the City shall be available only to Applicants who:

- Have the capacity and authority to competently enter into financial and contractual agreements;
- Whose household income that does not exceed 80% of the area median income adjusted by family size (See Qualifying Households);
- Agree to comply with any and all applicable permits, codes, and/or other City regulations;
- Agree to sign and abide by the Written Agreement and Promissory Note between the City and the Applicant(s); and
- Agree to vacate the property during the rehabilitation period at their own expense

NOTE: Elderly is defined as being above 55 years of age. Disabled is defined as having a recognized disability under the Americans Disabilities Act.

C. QUALIFYING HOUSEHOLDS

- The Program is targeted at owner-occupant households who have resided in their home for at least two (2) years, and
- That are at or below 80 percent of the LA MSA AMI

The income limits for the Program are:

Family Size	One Person	Two Person	Three Person	Four Person	Five Person	Six Person
Maximum income to Qualify						

NOTE: Income limits are adjusted annually.

- Owner-Occupants are all persons listed on the deed.

- A household includes all persons living in the unit at the time of application, except persons who are paid caregivers of elderly or handicapped individuals.
- All members of the Household must be U.S. Citizens or Resident Aliens.
- Each member of the household must provide a social security number at the time of application.

D. APPLICATION INTAKE/SCREENING/DETERMINATION OF HOUSEHOLD ADJUSTED GROSS INCOME

The City utilizes the Part V definition of Adjusted Gross Income as defined in the Technical Guide to Determining Income and Allowances for the HOME Program (Third Edition, January 2005).

In calculating adjusted gross income, the applicant's income and that of all other household members at the time of application shall be considered. The income of household members under eighteen (18) years of age will be excluded. The income of any persons who are paid caregivers of elderly or handicapped individuals will be excluded.

A household member is any person residing in the household at the time of application.

Income is defined as follows:

- The full amount before any payroll deductions of wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services;
- The net income from an operation of a business or profession, as calculated by averaging the net income as reported in their Federal Income Taxes for the past three years;
- Interest, dividends, and other net income of any type from the real or personal property (where the family assets are in excess of \$50,000, excluding property, adjusted gross income shall include the greater of the actual income derived from all assets or percentage of such assets based on the current passbook savings rate);
- The full amount of periodic payments received from social security, annuities, insurance policies, retirements funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment;
- Payment in lieu of earnings, such as unemployment, workers' compensation, severance pay, welfare assistance (NOTE: Such payments may be excluded by the lending institutions providing the first mortgage for purposes of underwriting, but shall be included in eligibility determinations for this Program);

- Periodic and determinable allowances, such as alimony and child support payment, and regular contributions or gifts received from persons not residing in the dwelling to the extent that such payments are reasonably expected to continue;
- All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the family, spouse, or other person whose dependents are residing in the unit;
- Any earned income tax credit to the extent it exceeds income tax liability;
- Any other income that must be reported for Federal and State income tax purposes; and,
- Gross Self-Employed income as reported on Schedule C, IRS 1040, will be adjusted to reflect deductions for necessary and reasonable business expense.

E. QUALIFYING PROPERTIES

In order to qualify for the PROGRAMS, properties must be:

- Located within the City limits;
- Be held in fee simple by the applicant(s) as defined herein;
 - a. Properties held in a life estate, cooperative units or properties that include residential or commercial rental property are not eligible for PROGRAMS.
- The property shall be free of negative encumbrances on title.
 - a. All trustees must sign all the appropriate documentation required by the City.
- Property taxes must be current on the property.
- The property must have a rehabilitation cost that does not exceed seventy-five percent (75%) of the after-rehabilitation value of the property as determined by the City;
- Total debt on the property, including the PROGRAMS loan, may not exceed 100% of the after rehabilitation appraised value of the property.

F. ELIGIBLE COSTS

The PROGRAMS funds are available for the cost of improvements that are physically attached and permanent in nature within the following scope of work:

- Appropriate remediation of Lead Based Paint as required;
- The correction of all code violations to the City Code;
- The correction of any deficiencies to meet the City's Rehabilitation Standard;
- The correction of incipient code violations.
 - o An incipient code violation is defined as a condition that is likely to occur within the first ten years of the loan term. For example, a fifteen (15) year

old roof will need to be replaced in year five (5) of the loan term and is therefore an incipient code violation.

- The addition of disability features to a property currently occupied by a disabled person or persons; and
- Improvements to the overall energy efficiency of the property.

INELIGIBLE COSTS

- The repair, purchase or installation of appliances that are designed and manufactured to be freestanding;
- The repair, purchase or installation of recreational items such as barbecues, bathhouses, greenhouses, swimming pools, saunas, television antennae, tennis courts;
- The repair, purchase or installation of luxury items such as burglar alarms, burglar protection bars, dumbwaiters, kennels, murals, ceiling fans, flower boxes, awnings, patios, decks and storage sheds/workshops; and
- The repair, purchase, or installation of other items deemed ineligible by the Director of Planning and Community Development or his designated representative.
- The relocation of family members during rehabilitation of the property.

G. STAFFING THE PROGRAM (STAFFING PLAN)

It is the intention of the City to administer the majority of the PROGRAMS in-house. However, to the extent necessary the City may utilize other agencies including, consultants, and private lenders.

City of Huntington Park Organization Roles and Responsibilities

For questions concerning the HOME Program, individuals may contact the Planning and Community Development's Economic Development Division staff directly by telephone, or e-mail. The mailing address is City of Huntington Park, CA, City Manager's Office, 6550 Miles Avenue Huntington Park, CA 90255 c/o City Manager, Room 205.

Exhibit 6, on the following page summarizes the City of Huntington Park staff roles and responsibilities in administrating the City's HOME Program.

EXHIBIT 6		
CITY OF HUNTINGTON PARK STAFFING PLAN		
Staff Members	Phone Number	E-Mail Address

INSERT STAFF TITLE AND JOB DESCRIPTION HERE

PROGRAMS PROCEDURES

The *Insert job title* with assistance from the *Insert job title* and/or the Administrative Secretary will complete the following procedures:

1. Provide the Borrower with the Housing Rehabilitation and Preservation Program application and other forms required by the Guidelines for participation in the Program.
 - The PROGRAMS Application Form shall be completed by everyone who lives in the home to be rehabilitated (single family).
 - The application for multifamily shall include rental property household member information forms and appropriate release of information forms.
2. Complete a title search to identify all persons on title.
3. Verify of Income of every member of the household above the age of 18, (unless enrolled full time in school), who earns any income.
4. Verify benefits and employment and make sure the forms are signed by the borrower(s).
5. Obtain the borrower's signatures on the Program application and all other appropriate application forms.
6. Review the borrower's most recent property tax information and identifying parcel number.
7. Verify borrower signature on Fair Lending Notice.
8. Verify borrower signature on Statement of Understanding (if applicable).
9. The *Insert job title* shall obtain a credit report for all persons on the title.

10. The Insert job title shall obtain a Limited Coverage policy of title insurance prior to closing any Program loan from a title insurance company doing business in Ventura County for all PROGRAMS loans.
11. The Insert job title shall obtain a standard CLTA Lender Guarantee policy of title insurance from such title company for all Owner-Investor loans.
12. Prior to closing an Program loan, the Insert job title shall review the condition of title and, based on that review, close the loan only if the title exception(s) disclosed do not materially affect the collateral given to secure the loan.
13. The Insert job title shall prepare an Environmental Review in the form approved by the City. Said Review shall describe any adverse environmental effects of the loan-funded improvements that are likely to occur.
14. The completed Environmental Review will be submitted to the City's Planning and Community Development Director for its review and approval prior to closing the loan.
 - a. The Insert job title will not approve any proposed loan if the loan funded improvements are likely to have a significant adverse impact on the environmental, as defined by the National Environmental Policy Act (NEPA).

APPLICATION REVIEW

- The Insert job title will review all loan application documents, and based on the documents shall make a determination of eligibility consistent with Programs Guidelines.
- If additional information or documentation is required to evaluate the proposed loan, the Insert job title shall request additional information from the borrower.
- The Insert job title will maintain confidentiality with respect to all financial information received from the borrower to the maximum extent permitted by law.
- Once the application package is complete, and provided the borrower, the property and the proposed improvements meet all the eligibility requirements set forth in the PROGRAMS Guidelines, the Insert job title will prepare a summary analysis of the loan request and make a recommendation to the Planning and Community Development Director.

- These recommendations will be reviewed by the Planning and Community Development Director based on the following criteria:
 - Priority will be determined:
 - according to the City's Program waiting list
 - "first come first serve bases,"
 - immediate need,
 - project readiness basis;
 - The borrower, property, and proposed improvements meet all eligibility requirements contained in Section 3 of these Guidelines.
 - The proposed loan meets the Loan Criteria contained in the PROGRAMS Guidelines.
 - The proposed loan meets all PROGRAMS loan underwriting conditions.
 - The proposed improvements comply with all local, state, and federal regulations, including but not limited to:
 - Land Use Zoning;
 - Design Review;
 - Building Permits;
 - California Environmental Quality Act (CEQA);
 - National Environmental Policy Act [NEPA];
 - Davis Bacon Prevailing Wage; and
 - Other regulations which may be applicable.
 - No borrower shall be excluded or discriminated against because of race, color, religion, ancestry, sex, age, national origin, physical handicap, or any other legally prohibited basis.

EXCEPTION/SPECIAL CIRCUMSTANCES

The following procedures shall be used when considering any action which would depart from policy and procedures developed in the PROGRAMS Guidelines:

1. Consideration of exceptional/special circumstances may be initiated by either the borrower, Insert job title, or the Planning and Community Development Director.
2. A report will be prepared by the Insert job title that will be included in the borrower's loan application file, along with all other loan documents.
 - This report will contain a narrative, including relevant information provided by the borrower and the recommended course of action.

3. The City's Planning and Community Development Director or his/her designated representative will review the report and make a determination regarding the exception/special circumstances.
4. The recommendation shall consider use of, HOME Program PROGRAMS Program loan funds, Community Development Block Grant (CDBG), or other potential funding sources which may be used to address the exception/special circumstances.

APPEAL

1. A borrower may appeal in writing the decision of the City with respect to the approval or denial of a PROGRAMS loan to the City Manager within 30 days of the decision.
2. The City Manager will review the matter and decide the appeal which shall be the final decision of the City and there shall be no further appeal from that decision.

CHAPTER 5: RENTAL HOUSING ACTIVITIES

(ONLY IF FUNDS ARE AVAILABLE)

PLACE HOLDER: To Be Determined

PART 1: HOME PROGRAM REQUIREMENTS

- A. ELIGIBLE ACTIVITIES**
- B. FORMS OF ASSISTANCE**
- C. ELIGIBLE COSTS**
- D. PROPERTY TYPE AND LOCATION**
- E. THE APPLICANT/BENEFICIARY**
- F. MONITORING AND INSPECTIONS**
- G. OTHER FEDERAL REQUIREMENTS**

PART 2: PROGRAM DESIGN AND IMPLEMENTATION

- A. SUBSIDY LAYERING**
- B. USING THE LOW-INCOME HOUSING TAX CREDIT WITH HOME FUNDS**
- C. REFINANCING GUIDELINES**
- E. LEASES**
- F. MANAGING FOR ONGOING COMPLIANCE**

CHAPTER 6: PROCUREMENT, CONSTRUCTION MANAGEMENT, ENVIRONMENTAL

A. PROCUREMENT

This chapter provides an overview of the HUD standards for Federal procurement requirements 24 CFR Part 85.36 and 24 CFR Part 84.40-48.

The City of Huntington Park needs to ensure that all applicable Federal requirements are followed throughout the process. While the City has its own procurement and contracting requirements, the use of Federal funding requires compliance with Federal regulations at a minimum. The primary purpose of the procurement procedure is to assure free and open competition is achieved.

The City of Huntington Park and its Recipients must follow procurement procedures as they pertain to the HOME Program:

1. **OMB Standards** - Materials shall be procured in accordance with the requirements of 24 CFR 84.40-48 and the procurement standards set forth in OMB Circular A-110, and shall subsequently follow the property standards, covering utilization and disposal of property, set forth in OMB Circular A-110.
2. **Use and Reversion of Assets** - The use and disposition of real property and equipment must be in compliance with the requirements of 24 CFR Part 84 and CFR 570.502, 570.503, 570.504, and HERA as applicable, which include but are not limited to the following:
3. Any HOME Program funds on hand and any accounts receivable attributable to the use of funds shall be transferred to the City of Huntington Park at the time of expiration, cancellation, or termination of the Agreement.
4. Real property under the "Recipients" control that was acquired or improved, in whole or in part, with funds under the Agreement shall be used to meet one of the HOME Program Activities.

PROCUREMENT TYPES

A. 1st Procurement Method: Small Purchases (Under \$100,000)

Relatively simple, informal procurement procedures will be used where the purchase of materials, supplies, equipment, professional consulting, environmental review, or planning will not cost in the aggregate more than \$100,000. City staff must obtain a minimum of three oral or written price or rate quotations from qualified sources. Documentation on all quotations received (whether oral or written) shall be made a part of the file. The award should be made to the lowest responsive and responsible source.

In general, the small purchases procedure should not be used in selecting construction contractors, but rather it is recommended that these selections occur under the sealed bid approach instead.

B. 2nd Procurement Method: Competitive Sealed Proposals (Formal Advertising over \$100,000)

This method of procurement is appropriate for all construction and material contracts exceeding \$100,000 and is *encouraged* for contracts under \$100,000, as well. Competitive sealed bids means sealed bids are publicly solicited through formal advertising and a formal bid opening is conducted. Competitive sealed bids can be used ONLY when the following criteria are met: (1) there are complete, adequate, and realistic specifications or purchase descriptions; (2) there are two or more responsible bidders who are willing and able to compete effectively; and (3) the procurement can be made on a firm fixed price contract and selection of the successful bidder can appropriately be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids.
- The advertisement for bids, including the specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the advertisement.
- All bids shall be opened publicly at the time and place specified in the advertisement for bids.
- A firm fixed-price contract award shall be made by written notice to the lowest responsible bidder whose bid conforms to the advertisement for bids. Where specified in the bid documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts shall only be used to determine low bid when prior experience indicates that such discounts are generally taken.
- Notwithstanding the above, any or all bids may be rejected when there are sound documented business reasons in the best interest of the City.

C. 3rd Procurement Method: Competitive Proposals

The technique of competitive proposals is normally conducted with more than one source submitting an offer. It is the appropriate method of procurement when cost is not the most important factor, but rather proposals from qualified vendors are also evaluated based on experience, personnel, and other pertinent factors. The most qualified is selected

subject to negotiation of fair and reasonable compensation. Some form of cost or price analysis shall be made and documented in connection with every procurement action. Additionally, this method may be used when formal advertising is not appropriate. Architectural and engineering services must be procured via requests for qualification statements; administrative consulting services must be procured via requests for proposals. Other professional services may also be procured by requests for proposals. The following procedures will be used for competitive negotiation:

- Requests for proposals (RFP's) or requests for qualifications (RFQ's) must be advertised in a local publication and be given sufficient time before they are due. All submittals will be honored and entered into the competition.
- The RFP/RFQ's shall identify the general scope of work and all significant evaluation factors and their relative importance or selection criteria.
- City staff (or committee, if one is designated) shall review all proposals and statements received and make a technical evaluation of each. This shall also include a written statement that identifies the basis upon which the selection was made.
- Contract award will be made to the responsible offeror whose submission is deemed most appropriate to the City with consideration for price, qualifications, and other factors set by the City. Unsuccessful offerors shall be notified in writing within ten working days of contract award. Documentation of notification shall be maintained in the contract selection file for the individual project.

D. 4th Procurement Method: Noncompetitive Proposals (Sole Source)

Procurement by noncompetitive proposals (sole source) shall be used when small purchase, competitive sealed bids, or competitive proposals are not feasible. Noncompetitive proposals will involve the solicitation of a proposal from only one source. This can also occur if solicitations under the competitive proposals procedures result in only one RFP or RFQ. In order to qualify for this type of procurement, one of the following circumstances must apply:

1. The item or service is available only from a single source;
2. It is determined that a public urgency or emergency exists and the urgency will not permit the delay

beyond the time needed to employ one of the other three methods of procurement.

3. After solicitation of a number of sources, competition is determined to be inadequate.

OTHER CONSIDERATIONS

Aside from selecting the method of procurement, there are several other considerations the City of Huntington Park adhere to when procuring goods or services with Federal funds including:

Contract Pricing

The City of Huntington Park shall perform cost or pricing analysis in connection with EVERY procurement action including contract modifications in accordance with the requirements of identified in the *Cost and Price Analysis for HUD Grantees and Funding Recipients* (Exhibit 4). Costs or prices based on estimated costs for CDBG projects shall be allowed only to the extent that the costs incurred or the cost estimates included in negotiated prices are consistent with federal cost principals. Cost reimbursement, fixed price, or a combination thereof may be utilized as appropriate.

A cost reimbursement type contract is most appropriate when the scope and extent of the work to be performed are not clearly defined. A cost reimbursement contract MUST clearly establish a cost ceiling which may not be exceeded without formally amending the contract, and must identify a fixed dollar profit that may not be increased unless there is a contract amendment that increases the scope of the work.

A fixed price contract is appropriate when the scope of work is very well defined and product oriented. A fixed price contract MUST establish a guaranteed price that may not increase unless there is a contract amendment that increases the scope of the work.

The "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting shall not be used.

Documentation

All source documents supporting any given transaction (receipts, purchase orders, invoices, RFP/RFQ data, and bid materials) will be retained and filed in an appropriate manner. Where feasible, source documents pertinent to each individual procurement shall be separately filed and maintained. Where it is infeasible to maintain individual procurement files, source documents will be filed and maintained in a reasonable manner (examples include

chronologically, by vendor, by type of procurement, etc.). Whatever form of documentation and filing is employed, the purpose is to ensure that a clear and consistent audit trail is established. At a minimum, source document data must be sufficient to establish the following:

- Basis for contractor selection;
- Justification for lack of competition when competitive bids or offers are not obtained;
- Basis for award cost or price (including the issue of reasonableness of cost); and
- Basis for payment.

Contract Administration

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. The City of Huntington Park shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

Small, Minority, and Woman Owned Business Enterprises

Positive efforts shall be made by the City of Huntington Park to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. The City shall take all of the following steps to further this goal.

- Ensure that small businesses, minority-owned firms, and women's enterprises are used to the fullest extent possible.
- Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
- Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
- Encourage, when practical, contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- Use the services and assistance, as appropriate and practical, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

Debarment and Suspension

No contract shall be made to the parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with Executive Order's 12549 and 12689, "Debarment and Suspension." Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

Contract Provisions

The City of Huntington Park shall maintain records sufficient to detail the history of the procurement. The records shall include the following contract provisions and conditions:

1. Contracts other than small purchase shall contain provisions that allow for administrative, contractual, or legal remedies if contractors violate or breach contract terms and provide for sanctions and penalties as appropriate.
2. All contracts in excess of \$10,000 shall provide for termination for cause and for convenience by the City of Huntington Park.
3. All construction contracts and subcontracts in excess of \$10,000 shall include provisions which require compliance with Executive Order 11246, Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented in Department of Labor (DOL) regulations (41 CFR Part 60) including the manner in which it will be done and the basis for settlement.
4. All contracts and subcontracts for construction or repair shall include a provision for compliance with the Copeland "Anti-Kick-Back" Act (18 USC 874) as supplemented by DOL regulations (29 CFR Part 3). All contracts or subcontracts in excess of \$2,000 for construction or repair shall include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-7) as supplemented by DOL regulations (29 CFR Part 5).
6. All construction or repair contracts or subcontracts in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment or mechanics or laborers, shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by DOL regulations (29 CFR Part 5).
7. All contracts or agreements for the performance of experimental, developmental, or research work, when funded in whole or part by monies derived from the Federal Government (either directly or indirectly), shall

provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Cooperative Agreements," and any implementing regulations issued by the City of Huntington Park.

8. All negotiated contracts shall include a provision that makes it possible for the City of Huntington Park, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, to have access to any books, documents, papers, or records of the contractor/firm that are directly pertinent to the contract, for the purpose of making audit examination excerpts and transcriptions. Further, the contract must include a provision that all required records will be maintained by the contractor/firm for a period of four years after the City of Huntington Park formally closes out each CDBG project or program.

9. All contracts, subcontracts, and subgrants in amounts in excess of \$100,000 shall contain a provision which requires compliance with the requirements of Section 306 of the Clean Air Act (42 USC 1857 h), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

10. All contracts for an amount above \$100,000, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall include a certification by the contracting parties that they have not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by the Byrd Anti-Lobbying Amendment at 31 U.S.C. 1352 and to further require disclosure of any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

CONSTRUCTION MANAGEMENT

In order to ensure HOME Program compliance and the overall success of projects, there are a wide number of critical tasks that the City must undertake to properly manage HOME-funded construction, including tasks such as formulating effective standards, managing inspections for quality, and the proper approaches to change orders, contingency funding, and periodic reporting by partners.

Part I of this section covers the applicable standards and codes while Part II addresses the City's HOME requirements related to the construction process and the procedures that the City has developed to effectively manage construction activities.

STANDARDS AND CODES RELATED TO CONSTRUCTION

PROPERTY STANDARDS (24 CFR 92.251)

Property standards are required in the HOME Program to achieve two major purposes:

1. Set a minimum standard for habitability/functionality, for purposes of inspecting and specifying necessary improvements listed in the scope of work; and
2. Establish materials, methods, and standards for any work to be performed.

The property standards that are applicable to the City's HOME Program are described briefly below.

Housing Codes/Standards

- Housing codes/standards specify the basic living and structural conditions for existing properties. They are used to determine if an existing residence is habitable and identify health and safety conditions.
- Housing codes/standards are used as the basis for initial inspections of existing properties to identify needed repairs and appropriate improvements. Their purpose is to ensure that existing housing is not occupied unless it is decent, safe, and sanitary.
- Waivers can be requested for rehabilitation developments if structural constraints prohibit adherence to the minimum design

standards. Waiver requirements are detailed as part of the City's Minimum Design Standards.

Building Codes

- Building codes are a series of requirements that specify how new construction or rehabilitation work is to be carried out. They inform contractors about how to do the work and are used by inspectors to check completed work.
 - The City of Huntington Park building codes are mandatory citywide. The City requires that, owners, and developers comply with the building codes adopted in the City's jurisdiction.
- A number of related codes, such as the fire code and plumbing code, are incorporated into the City building codes.
- Most work governed by building codes requires that licensed contractors obtain permits prior to starting the work.
- A building permit alerts building officials and inspectors to the fact that certain types of construction are about to begin and completed work must be inspected to determine if it meets requirements.

Rehabilitation Codes

- Rehabilitation codes provide specific guidance about applying building codes to guide repair, remodeling, and rehabilitation of existing structures. Appendix J of the International Residential Code provides the minimum requirements for existing structures being rehabilitated.
- They serve the same purpose as building codes, but are moderated to be reasonable approaches to existing conditions because it would be very expensive (perhaps impossible) to renovate an existing older building to meet the same standards for new constructed buildings.

Rehabilitation Standards

- A rehabilitation standard defines the quality of materials and workmanship that must be used when a particular repair is made. Rehabilitation standards (sometimes called construction standards) speak to the quality, durability, and aesthetics of the end product.
- They define what methods and materials are eligible for HOME payment.
- The City of Huntington Park has adopted written rehabilitation standards for rehabilitation of owner-occupied units, single-family and multi-family, whether the work is done by contractors, or nonprofits.

EXHIBIT 7 CITY OF HUNTINGTON PARK REHABILITATION STANDARDS

SECTION I: SITE IMPROVEMENTS

NOTE: All work requires review by the Building Division regarding need for plans/permits.

SITE IMPROVEMENTS – OUTBUILDINGS

REHABILITATION STANDARD: 75% or more salvageable

Minimum Life: 5 Years

Unsafe, illegal or unapproved structures, including outbuildings, additions and patio covers will be removed if it is not financially feasible (up to \$5,000) to complete rehabilitation required to make them structurally sound, leak free and building and zoning code legal.

REPLACEMENT STANDARD: No outbuilding shall be provided.

SITE IMPROVEMENTS – PAVING AND WALKS

NOTE: Any work may require a permit from the Engineering Division.

REHABILITATION STANDARD:

Minimum Life: 15 Years

Badly deteriorated, essential paving, such as front sidewalks, will be replaced to match. Deteriorated paving may be removed or replaced.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Essential walks and drives shall be replaced with 4" thick, 4% air entrained, 3000 PSI concrete with metal reinforcement.

SITE IMPROVEMENTS – LANDSCAPING

REHABILITATION STANDARD:

Site shall be graded to direct water to run away from foundation. Trees that are too close to the structure shall be removed.

REPLACEMENT STANDARD:

Only for-sale homes' front yards may be landscaped with a \$500 maximum allowance

SITE IMPROVEMENTS – FENCING/GATES

REHABILITATION STANDARD:

Minimum Life: 5 Years

Fencing shall be rehabilitated to meet the local code.

REPLACEMENT STANDARD:

When funding is sufficient for nonessential improvement, additional wood or wrought iron fencing may be installed to create defensible space in conformance with neighborhood/homeownership association requirements.

SITE IMPROVEMENTS – SWIMMING POOLS/HOT TUBS

REHABILITATION STANDARD:

Minimum Life: 3 Years

Beyond scope of federal financing. Pools may be filled.

REPLACEMENT STANDARD: N/A

SECTION II: EXTERIOR SURFACES

NOTE: All work requires review by the Building Division regarding need for plans/permits.

EXTERIOR SURFACES – EXTERIOR CLADDING

REHABILITATION STANDARD:

Minimum Life: 10 Years

Siding and trim will be intact and weatherproof. All exterior wood components will have a minimum of one continuous coat of paint, and no exterior painted surface will have any deteriorated paint.

REPLACEMENT STANDARD:

Minimum Life: 25 Years

Historically sensitive vinyl siding with 45-year material warranty.

EXTERIOR SURFACES – EXTERIOR PORCHES/BALCONIES

REHABILITATION STANDARD:

Minimum Life: 10 Years

Unsafe or unsightly porches and balconies will be rehabilitated to conform closely with porches in the neighborhood. Porch rehabilitation will be structurally sound, with smooth and even decking surfaces.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Deteriorated porches and balconies shall be replaced with preservative treated structural lumber and tongue and groove pine or synthetic deck material. Replace with concrete if economically possible.

EXTERIOR SURFACES – EXTERIOR RAILINGS

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Railings that do not meet the current code shall be removed and replaced with wrought iron or synthetic wood.

EXTERIOR SURFACES – EXTERIOR STEPS AND PATIOS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Steps, stairs and decks shall, be structurally upgraded to adopted building code; free from all significant deterioration.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Any replacement patio, deck or stoop shall be of a minimum functional size, design and construction.

SECTION III: FOUNDATIONS & STRUCTURE

NOTE: All work requires review by the Building Division regarding need for plans/permits.

FOUNDATIONS & STRUCTURE – FIREWALLS

REHABILITATION STANDARD:

Minimum Life: 15 Years

Party walls and garage ceilings shall be maintained without cracks and plaster deterioration and upgraded with 5/8" type X gypsum, glued and screwed to structure.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All party walls shall conform to the 2010 edition of the California Building Code's new construction requirements for fire separation at both walls and roofs.

FOUNDATIONS AND STRUCTURE – FOUNDATIONS

REHABILITATION STANDARD:

Minimum Life: 20 Years

Foundations shall be rehabilitated to be sound and water resistant if financially feasible.

REPLACEMENT STANDARD:

Foundation replacements above 25% are beyond the scope of the program and usually indicate an infeasible project.

FOUNDATIONS & STRUCTURE – STRUCTURAL WALLS

REHABILITATION STANDARD:

Minimum Life: 20 Years

All structural members shall be free from deterioration, rot and termite damage and be sized in conformance to building code. Any member not in conformance with code shall be re-supported as determined by a structural engineer.

REPLACEMENT STANDARD:

Minimum Life: 40 Years

Walls shall be 2" x 4", 16" on center with at least R-19 insulation and solid sheathing to match existing.

SECTION IV: WINDOWS AND DOORS

WINDOWS AND DOORS – INTERIOR DOORS PLACEMENT

REHABILITATION STANDARD:

Minimum Life: 10 Years

All bedrooms, baths and closets shall have operating doors. Privacy locksets on bath and master bedroom. All other doors shall have passage locks. Recycle doors when possible.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Doors may be solid core or composite in paint grade jambs.

WINDOWS AND DOORS – EXTERIOR DOORS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Exterior doors shall be 1 ¾ inch thick, solid core, insulated to minimum R-6, weather stripped, operate smoothly, including a peep site, a dead bolt, and an entrance lock set. Rod iron installations require review by the Building Division.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All replacement doors at the front of the property will be neighborhood sensitive, Energy Star, steel or fiberglass solid core doors with peep sight and deadbolt. Garage/house doors shall be 20 minute fire rated with self closing hinges. Energy Star, solid core doors with peep sight, dead bolt, and entrance locksets shall be installed at entrances not visible from the front street. Garage doors shall be R-5, embossed metal with a lockable assembly.

WINDOWS AND DOORS – WINDOW PLACEMENT

REHABILITATION/REPLACEMENT STANDARD: Bedrooms shall have all operable windows with a screen and meet egress requirements (one per room) per California Building Code.

WINDOWS AND DOORS – WINDOWS & SLIDING GLASS DOORS

REHABILITATION STANDARD:

Minimum Life: 10 Years

All windows and sliding glass doors shall be weather tight, include a locking device, and where required for egress, be fully functioning/operational.

REPLACEMENT STANDARD: Energy Star

Minimum Life: 20 Years

Double glazed, PVC or fiberglass, a minimum R-value of 2.8 (U=.33), SHGC of 0.30 and DP of 45.

SECTION V: ROOFING

ROOFING – FLAT AND LOW SLOPE ROOFING

REHABILITATION STANDARD:

Minimum Life: 10 Years

Rehabilitate roofing when cost is less than 30% of total replacement cost.

Built-up roofing, flashing and accessories shall be rehabilitated per California Building Code 2010 wherever a 5-year leak free warranty is available from a certified roofing company.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

The most cost effective Energy Star certified roof of: 3 ply hot built-up, T.P.O. or EPDM per California Building Code 2010.

ROOFING – PITCHED ROOFS

REHABILITATION STANDARD:

Minimum Life: 10 years with warranty

Rehabilitate when cost is less than or equal to 5% of total replacement cost.

Missing and leaking shingles and flashing shall be rehabilitated on otherwise functional roofs per California Building Code 2010. Concrete, metal and tile roofs shall be rehabilitated when at all possible. Antennae and communication disks shall be permanently removed.

REPLACEMENT STANDARD:

Moderate: Minimum Life: 30 Years

Fiberglass, asphalt, 3 tab, class A shingle weighing at least 235 and up to 270 lbs, architectural grade, 30-year warranty with ridge ventilation system per California Building Code 2010.

SECTION VI: INSULATION AND VENTILATION

INSULATION AND VENTILATION – ATTIC VENTILATION

NOTE: All new work requires permits from the Building Division.

REHABILITATION STANDARD:

Minimum Life: 5-Year

Any pre-installed ventilation shall be maintained or if powered and not functioning, replaced.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Attics will be ventilated with a minimum of one (1) square foot of free vent for each 150 square feet of roof area or be redesigned for integration with new insulation system. Solar powered roof vents may be used when possible.

INSULATION AND VENTILATION – BATH VENTILATION

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 10 Years

Energy Star, exterior ducted, 70 CFM, max 20 sones and separate switch or humidistat in all full and three quarter baths.

INSULATION AND VENTILATION – INFILTRATION

REHABILITATION/REPLACEMENT STANDARD:

Minimum Life: 5 Years

All exterior doors and attic hatches shall be weather stripped. All visible cracks shall be caulked.

INSULATION AND VENTILATION – INSULATION

REHABILITATION STANDARD: Not Applicable

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Attic insulation goal is R-30, crawls spaces R19. New walls will be insulated to capacity with blown cellulose, fiberglass or closed cell foam to cavity capacity. Attic access panel must be insulated to R-30 with rigid foam.

INSULATION AND VENTILATION – KITCHEN VENTILATION

REHABILITATION STANDARD: N/A

REPLACEMENT STANDARD:

Minimum Life: 5 Years

Energy Star, exterior ducted range hoods or exhaust fans with less than 10 sones, at least 120 CFM and capped with a functional back draft.

SECTION VII: INTERIOR STANDARDS

INTERIOR STANDARDS – INTERIOR RAILINGS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Handrails will be present on one side of all interior steps or stairways with more than two risers and around platforms over 30" above floor level with adequate structural attachment, in compliance with the California Building Code 2010.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Hand and guardrails shall be replaced with universal design standard material and construction in compliance with the California Building Code 2010.

INTERIOR STANDARDS – INTERIOR WALLS AND CEILINGS

REHABILITATION STANDARD:

Minimum Life: 5 Years

Walls shall be stripped of wallpaper, holes, cracks and deteriorated surfaces. All visual surfaces shall be patched and sanded as to create a smooth surface and recoated using premium, low VOC, vinyl acrylic paint.

REPLACEMENT STANDARD:

Minimum Life: 10 Years

Walls shall be plumb, ceiling level with a smooth finish on at least 1/2" gypsum with water resistant board in wet areas. 5/8" Type X over 16" on center studs installed per the American Gypsum Association. Kitchen tile backsplashes and wainscot in ceramic tile baths.

INTERIOR STANDARDS – HAZMAT TESTING AND TREATMENT

REHABILITATION STANDARD: SAFE PRACTICES

Low:

Minimum Life: 3 Months

Asbestos and lead paint hazards, when previously identified, shall be addressed in conformance with applicable local, state, and federal laws. Rehabilitated properties shall be cleaned to pass a Lead Dust clearance test to the levels prescribed by HUD regulations.

Moderate:

Minimum Life: 1 Year

All properties shall be visually inspected for asbestos and lead suspect materials. No friable asbestos and all interior and exterior lead suspect surfaces shall be repainted using premium acrylic latex. Properties shall pass HUD lead dust clearance standards prior to occupancy.

High: Minimum Life: 1 Year

All properties shall undergo visual "Risk Evaluations" by rehab supervisors and be treated with the most affordable interior, exterior and site clean-up to clearance standards.

REPLACEMENT STANDARD: IN PLACE MANAGEMENT & ABATEMENT

High: Minimum Life: 20 Years

After an inspection by an EPA Certified Inspector, all hazardous material shall be removed from all moving parts, floors and mouthable surfaces. Encapsulants and enclosures may be used.

INTERIOR STANDARDS – CLOSETS

REHABILITATION STANDARD:

Minimum Life: 10 Years

Existing closets will be maintained.

REPLACEMENT STANDARD:

Minimum Life: 10 Years

All bedrooms shall have a closet with a door, clothes rod, and shelf. Baths must include linen storage and coat hooks must be near the front door.

INTERIOR STANDARDS – FLOORING

REHABILITATION STANDARD:

Minimum Life: 10 Years

Ceramic tile flooring may be rehabilitated and wood floors sanded and refinished. Salvageable carpet may be cleaned. Minimum life for carpet is 5 years.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Stone, tile or vinyl flooring may be installed over reinforced cement underlayment in baths. Wood or laminate flooring may be installed in living and dining rooms and halls. Kitchen and utility to be ceramic tile. FHA approved carpet over 6 lb rebond underlayment is allowed in bedrooms when economically feasible.

INTERIOR STANDARDS – APPLIANCES

Assessment of existing appliances shall be made to determine if replacement is necessary.

REPLACEMENT STANDARD: Energy Star and Water Sense. The following appliances are eligible to be installed only when funding allows:

- Dishwasher: Energy Star rated;
- Washing Machine: Energy Star rated (required);
- Dryer: 7 CF with sensor dry system;
- Refrigerator: Energy Star rated (required);
- Range – Gas or electric, 4 burner;
- Garbage disposal – 1/2 hp, with minimum 3 year warranty;
- Microwave/Hood combination (if replacing current equipment); and
- Built-in Oven (to match) Energy Star rated.

INTERIOR STANDARDS – MINIMUM KITCHEN DESIGN

REHABILITATION/REPLACEMENT STANDARD:

Cabinet Storage: 2 bedroom – 8' minimum; 3 bedroom – 10' minimum; 4 bedroom – 12' minimum.

SECTION VIII: ELECTRIC

NOTE: All electrical work requires permits from the Building Division.

ELECTRIC – SPECIALIZED CIRCUITS

REHABILITATION STANDARD: Rehabilitate existing devices to operate.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Kitchen receptacles within 6 feet of a sink, all bath receptacles and at least one exterior receptacle shall be protected by a GFCI. Arc fault receptacles shall be installed in all bedrooms, family, dining, and living rooms, closets, hall walls, and recreation rooms per National Electric Code 2008.

ELECTRIC – KITCHEN ELECTRIC DISTRIBUTION

REHABILITATION STANDARD:

Minimum Life: 15 Years

Electric service may be supplied to trash compactors, microwave ovens, double ovens, range grills, and any appliance proposed for installation.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Permanently installed or proposed stoves, refrigerators, freezers, dishwashers and disposals, washer and dryers shall have separate circuits sized to N.E.C. Two separate 20 amp counter circuits are required with each kitchen area.

ELECTRIC – FIXTURES

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All halls, rooms necessary to cross to other rooms and stairways must be well lighted and controlled by a 3-way switch using concealed wiring. Attics must have utility fixtures. All fixtures shall be Energy Star. Replace all incandescent bulbs with fluorescent or LED bulbs. Exterior door lighting shall provide 100 lumens at ground level (motion detectors allowed). Garage doors shall be equipped with electric openers with laser safety devices. Bedrooms and living areas may receive Energy Star ceiling fans.

ELECTRIC – ALARMS

REHABILITATION STANDARD:

Minimum Life: 5 Year

Existing fire and smoke, CO shall be rehabilitated to operating condition. Security system may be rehabilitated as needed. Exterior doors shall be alarmed when pools are present.

REPLACEMENT STANDARD:

Minimum Life: 15 Years

Directly wired, battery back-up smoke detectors are required on each dwelling floor. Interconnected smoke detectors are required for special needs and wheelchair users homes. CO detectors are required with all fuel burning furnaces. Security systems may be installed at 1st floor doors and windows when economically feasible.

ELECTRIC – INTERIOR DISTRIBUTION

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All rooms shall be rewired to the 2008 Edition of the National Electric Code using affordable fixture allowances and Energy Star fixtures. Minimum of one 20-amp circuit per room.

ELECTRIC – SERVICE AND PANEL

REHABILITATION STANDARD:

Minimum Life: 15 Years

Distribution panels shall have a main disconnect, at least 10 circuit breaker protected circuits, a 100 amp minimum capacity and be adequate to safely supply existing and proposed devices. Electrical panel shall be replaced if not properly grounded, to local codes. All panel upgrades require approval by Southern California Edison.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Single Family: 200 amp service with a 24 circuit panel is allowed for homes of up to 1,800 SF. Homes larger than 1,800 SF or all electric require 200 amp service with a main disconnect panel containing at least 30 circuit breaker positions.

Two-Four Family: 100-150 amp service to each unit with a main disconnect panel containing at least 20-24 circuit breaker positions. All panel upgrades require approval by Southern California Edison.

SECTION IX: PLUMBING SYSTEM

NOTE: All plumbing work requires permits from the Building Division.

PLUMBING SYSTEM – DRAIN, WASTE, VENT LINES

REPLACEMENT STANDARD:

Minimum Life: 20 Years

ABS replacement lines shall be installed in accordance with the most recently approved version of the State of Illinois plumbing code.

PLUMBING SYSTEM – PLUMBING FIXTURES

REHABILITATION STANDARD:

Minimum Life: 5 Years

All fixtures and faucets when replaced will be retrofitted with low flow aerators: kitchen faucets with a maximum flow rate of 2.0 gal/min; bath faucets with a maximum flow rate of 1.5 gal/min. Tub and shower valves shall have thermostatic or pressure balance valves.

REPLACEMENT STANDARD: California Water Sense

Minimum Life: 20 Years

Single lever, low flow, 2.0 gal/min kitchen and 1.6 gal/min bath, metal faucets and 2.5 gal/min maximum shower diverters with lifetime drip-free warranty. White ceramic, 1.1 GPF ultra low flow toilets, double bowl stainless steel or

porcelain kitchen sinks, fiberglass tubs and surrounds and steel or porcelain enameled 5' tubs. Tub and shower valves shall have thermostatic or pressure balance valves.

PLUMBING SYSTEM – PLUMBING MINIMUM EQUIPMENT

REHABILITATION STANDARD: None

REPLACEMENT STANDARD:

Minimum Life: 10 Years

Every dwelling shall contain a double or single bowl kitchen sink, and a 3-piece bath.

PLUMBING SYSTEM – FIRE SPRINKLERS

REHABILITATION STANDARD: Rehabilitate all.

REPLACEMENT STANDARD: Required in homes for wheelchair bound populations when economically feasible.

PLUMBING SYSTEM – WATER HEATERS

REHABILITATION STANDARD:

Minimum Life: 5 Years

The minimum capacity for units with two bedrooms or less shall be 30 gallons, larger units shall have a minimum capacity of 40 gallons. Water heaters shall have pressure relief valves with drip legs that extend to within one foot of the exterior ground, in copper pipe. All water heaters shall have seismic strapping.

REPLACEMENT STANDARD:

Minimum Life: 12 Years

Energy Star, high efficiency, pilotless, Energy Star, gas fired or dual element electric (0.97) water heaters with at least R-7 insulation and a 12-year replacement warranty. 40 gallons electric for 1 and 2 bedroom units and 40 gallons gas or 52 gallons electric for 3 and 4 bedroom units. Install heat pump water heaters when feasible. All water heaters shall have seismic strapping.

PLUMBING SYSTEM – WATER SUPPLY

NOTE: No pipe, plumbing, fixture, fitting, or faucet intended to convey drinking or cooking water shall contain no more than .25 percent lead (AB 1953).

REHABILITATION STANDARD: 10 Years

Minimum Life:

All homes shall be tested to identify and eliminate all leaks. All fixtures must be supplied with 2 gallons per minute water flow and shut off valves must operate. Lead and galvanized pipe shall be replaced with copper, PVC or PEX, if local code allowed. All accessible hot water lines shall be insulated; maximum static pressure is 60 psi.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All fixtures shall have brass shut off valves. Exterior hose bibs with air gap are required.

SECTION X: HVAC

NOTE: All work requires permits from the Building Division.

HVAC – CHIMNEY/FIREPLACE REHABILITATION

REHABILITATION STANDARD:

Minimum Life: 20 Years

Unsound chimneys shall be rehabilitated or removed. When chimneys must be used for combustion ventilation, they shall be replaced.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

Replacement furnace flues when required shall be metal double or triple walled as recommended by the equipment manufacturer.

If the service life of the chimney is comparable to service life of heating plant, then no replacement is necessary. If the chimney needs replacing or a new liner, the chimney will be eliminated and replaced with a high efficiency, power vented unit.

HVAC – DISTRIBUTION/VENTILATION SYSTEM

REHABILITATION STANDARD:

Minimum Life: 5 Year

Central air conditioning shall be inspected, serviced and refurbished per diagnostic testing of unit and distribution system – per (BPI) technical standards for air conditioning and heat pump specialist as described in Chapter 6 of the Saturn Mechanical Systems Field Guide, 2006. Must meet 2008 Title-24 Standards.

REPLACEMENT STANDARD:

Minimum Life: 20 Years

All ductwork shall be insulated to R-4, seams sealed with Mastic and run in conditioned space within the building envelope. Air leakage and ventilation

may be brought into conformance to Chapter 4 of HPSWC. Must meet Title-24 Standards.

HVAC – CENTRAL EQUIPMENT

REHABILITATION STANDARD:

Minimum Life: 5 Years

Heating plants that are less than 5 years old and rated 65 AFUE efficiency or better shall be tested and tuned-upper BPI. Energy Star setback thermostats are required.

REPLACEMENT STANDARD:

Minimum Life: 20 years

Condensing gas furnaces rated over 86 AFUE and heat pumps over 13.5 SEER with 10 year warranty on parts and 5 years labor. Air to air heat exchangers are eligible for this program. HVAC system shall be sized to maintain 68°F measured 36" off the floor when the outside temperature is 84°F (the average yearly maximum), in all habitable and essential rooms. Interior design temperature used for heating and cooling load calculations per Title-24.

SECTION XI: SPECIAL CONSTRUCTION

SPECIAL CONSTRUCTION – ACCESSIBILITY FOR SPECIAL NEEDS CLIENTS

One of the following levels of accessibility shall be met dependent upon the clients' physical needs and financial resources:

Visitability:

1. No-Step Entry;
2. Adequate Doorways; and
3. Usable Bathroom.

Usable Home: If requested by a physically disabled tenant, home shall meet this level of accessibility when funding is available:

1. Accessible Route Into and Through the Dwelling Unit;
2. Accessible Switches, Outlets & Controls;
3. Reinforced Walls for Grab Bar Installation;
4. Usable Kitchens; and
5. Ground Floor Bedroom.

Full Accessibility:

1. Wheelchair turning space in kitchen, bath and hall areas;

2. Doors – maximize space and lever hardware throughout;
3. Kitchen – accessible to wheelchair bound;
4. Bathroom fixtures per universal design standard;
5. Accessible controls in all areas; and
6. Communication devices in bath and at front and rear door.

SPECIAL CONSTRUCTION – LEAD SAFE REGULATIONS

REHABILITATION STANDARD / REPLACEMENT STANDARD

In all federally-funded projects, the City shall follow the requirements listed on the attached "Summary of Lead-Based Paint Requirements (09/10).

International Energy Conservation Code

1. All new construction work must also conform to the International Energy Conservation Code (IECC) and applicable state or local energy conservation codes.
2. Additionally, the City requires that all new building construction complies with the State of California Energy Code.

Section 504 and Fair Housing

1. Section 504 and Fair Housing rules impact the design of your project by setting standards for the appropriate number and characteristics of accessible units in your project. The applicability of these standards depends on the size and type of the project.

CONSTRUCTION PROCESS REQUIREMENTS

In addition to the requirements related to property standards discussed in Part I above, the City of Huntington Park HOME program has requirements that relate to the following aspects of the construction process itself:

1. Inspection protocols;
2. Screening contractors;
3. Construction Scheduling;
4. Pre-construction conferences: who is included, what is covered;
5. Processing and tracking payments;
6. Change order management and payment processes; and
7. Monitoring reports from partner organizations

INSPECTIONS AND SPECIFICATIONS

The City shall follow inspection procedures as described below to ensure that all work is being completed on time and within stated quality guidelines.

1. **Initial inspections:** establish scope of work and must be allotted sufficient time for interviewing the owner or others, delving into the properties functional characteristics, and to develop thorough, articulate scopes specific to the job inspected.
 - a. The specifications must include detailed drawings and reference material as needed to fully explain all aspects of the scope, especially special conditions requiring unusual steps in the repair.
2. **Final approval of plans and specifications:** The City requires that plans and specifications are submitted for final review and approval. The following must be addressed prior to approval:
 - a. The final plans and specifications must be consistent with the scope of work defined in the Recipient's agreement with the City.
 - b. Note that advertisements for construction contract bids may not be published until plans and specifications for such contract have been unconditionally approved by the City.
 - c. Final construction cost estimates, including deductive alternatives, must be provided. Estimates for line item bids must include estimated quantities, unit costs, and total costs.
3. **Progress inspections::**
 - a. The City and HUD requires that inspections be documented and include the signature of the inspector and the date.
 - b. An inspection will determine if work completed corresponds to the work write-up, the construction contract, and the schedule before payment is made to the contractor;
 - c. It may address a need for a change order and intervene in owner/contractor disputes in a rehabilitation project;
 - d. It ensures that safety and security measures are being taken and that all necessary code inspections have occurred;
 - e. It allows the inspector to view the project at key construction points.

4. **Timing of inspections:** The construction schedule will determine the expected times for progress inspections.
 - a. Key points in the construction process would include inspections by qualified persons before work is concealed to determine that it is satisfactory and meets the work specifications and contract.
 - b. An inspection should occur when reinforcing bars are installed; wiring, plumbing, and insulation are in place.
 - c. An unscheduled inspection may reveal a great deal about work quality and progress, as well as answer concerns a property owner may have.
 - d. It may be necessary when a dispute arises between the parties involved.
5. **Final inspection:** A final inspection must be made by the appropriate professional and work must pass this inspection before the retainage is released to the contractor.
6. **Logistics:** Upon substantial completion of the project, the City must confirm that a final inspection is requested.
 - a. The City will schedule a final inspection to be attended by the owner, project administrator/consultant, contractor, and the City of Huntington Park Housing Inspector.
 - b. Notice of this inspection must be scheduled with the City at least 3-5 days prior to the scheduled date.
 - c. The final inspection shall consist of a field inspection to confirm that the project has been completed.

The following documents must be available at the final inspection:

- a. Punch List(s);
- b. Certificate(s) of Final Inspection; and
- c. Release of Lien Form for each contractor
- d. General items of discussion at the final inspection include
- e. Acceptance of work by all parties;
- f. Transfer of insurance coverage to the owner;
- g. Utility considerations;
- h. Establishment of warranty period; and
- i. Final payment (Disbursed by the City of Huntington Park 30 days from a successfully completed Final Inspection.)

7. **Punch list and close out:** Although a few punch list items may be pending at the time of the final inspection, all major problems should be resolved and a Certificate of Final Inspection should be issued at this time.
- a. The City requires that the project inspector and architect, if applicable, conduct a pre-final inspection to ensure that a comprehensive punch list is developed and that the project will be substantially complete at the time of the City's Final Inspection.
 - b. A schedule for completing these items should be negotiated with the contractor, and a corresponding percentage of the cost, plus retainage, should be held back until the punch list items are completed.
 - c. If an architect was used, he or she will issue a notice of substantial completion.
 - d. This notice verifies that the structure may be used for its intended purpose.
 - e. The notice of substantial completion may be issued either before or after punch list items are completed, depending on the situation and the extent of remaining items. In all cases, the Certificate of Final Inspection must be signed by the City prior to release of final retainage payment.
 - f. Even when an architect signs off on work, the city will conduct its own inspection to verify that work is complete and complies with programmatic and other federal requirements.
 - g. The final inspection must be performed by the City of Huntington Park Planning and Community Development staff.
 - h. After completion of the punch list items, and (if appropriate) the architect's notice, the City should see that the contractor provides:
 - i. Cost certifications;
 - ii. Warranties of work performed;
 - iii. Operations manuals (for furnaces and other systems);
 - iv. Guarantees from manufacturers of materials and systems installed; and
 - v. Release of liens by suppliers, all subcontractors, and the general contractor.
 - i. No final payment will be made until all documents are received and lien releases are verified.
 - j. An IDIS completion report must be completed to close out the project.
8. **Warranty inspection:** A one-year warranty period must be instituted for each contract completed to ensure that the workmanship and materials of the contractor(s) and subcontractor(s) have been sufficient.
- a. A final warranty inspection must be conducted by the City of Huntington Park staff eleven months after the initiation of the warranty period to finalize any adjustments needed to correct covered deficiencies.
 - b. Any such deficiencies shall be noted by the City or architect, if applicable, and provided to the contractor in writing and corrected.

EXHIBIT 8

Timing and Purpose of Property Inspections

When to Inspect:	Purpose
Preliminary – before work begins	<ul style="list-style-type: none">✓ Check existing conditions against drawings (for new construction) or against work write up/approve specification;✓ Review applicable codes and standards
During Construction	<ul style="list-style-type: none">✓ Determine adequacy of work completed;✓ Assess compliance with approved drawings or specifications;✓ Assess completed work against construction schedule;✓ Determine completed work that is eligible for payment;✓ Resolve any disputes among parties.
Final	<ul style="list-style-type: none">✓ Go over items in "punch list" to determine completion;✓ Document compliance with codes and standard
Warranty Inspection	<ul style="list-style-type: none">✓ Assess workmanship and materials used;✓ Document deficiencies

SCREENING CONTRACTORS: BIDDING AND CONTRACT AWARD PROCESS

The City of Huntington Park is expected pre-screen contractors and to use applications, bidding documents, agreements, and pre-bid/preconstruction conferences for screening contractors. In general, performance standards and consequences to meet them must be part of every construction program and must be covered in sufficient detail in bidding documents and the pre-construction conference. The City's specific requirements for the bidding and contract award process are detailed below:

Debarment and Suspension Policy (24 CFR 85.35).

The City of Huntington Park complies by the debarment and suspension policy pursuant to 24 CFR, 85.35 Part 5.

PROCEDURE

1. The City will verify that they and any or all persons, contractors, consultants, businesses, sub-recipients, etc., that are conducting business with the City are

not presently debarred, proposed for debarment, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction or in any proposal submitted in connection with the covered transaction.

2. The City will check the Excluded Parties Listing System at www.epls.gov, print and maintain evidence of the search results. In the event that the search results indicate, a prior or current debarment or suspension of the contractor, the City will include the printout in the application.
3. The City will certify that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any entity from a federally funded transaction. Any contractor that remains in a debarred or suspended condition will be prohibited from participation in the City of Huntington Park HOME Program as long as they are classified in this manner.
4. The City will **not** award any HOME Program funds to applicants that are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from the covered transaction.

The City takes the following steps to assure a contractor is qualified to work based on the California State Labor Board (CSLB) and the HUD debarment List:

1. If the contractor is NOT on the debarment list, the City makes a copy of the Debarment List and encloses the list in the contractor package.
2. If the contractor IS found on the debarment list, the contractor is disqualified further consideration.

Advertisements for construction contract bids.

The City of Huntington Park policy requires publication of advertisement for bids in a newspaper of citywide circulation one time in at least one newspaper of greatest general circulation in the City of Huntington Park (Huntington Park Comet) or posting by electronic media.

PROCEDURE

- a. The date of publication of the notice shall not be less than five (5) days nor more than 30 days before the date established for the receipt of bids.
 - b. In addition to citywide newspaper advertisement, the City may directly solicit prospective bidders and advertise in construction industry trade journals.
 - c. Note that advertisements may not be published until plans and specifications for such contract have been unconditionally approved by applicable agencies.
 - d. Additionally, wage determinations, if applicable, must be included as part of the contract documents for the project. The City requires to be contacted 10 days prior to the bid opening date.
- **Interpretations of plans and specifications.** All questions regarding interpretation of the plans, specifications, drawings, and other contract documents should be addressed only to the design architect. Questions specific to the content of the Sample Bid Package for City of Huntington Park funded projects should also be addressed to: Ernesto G. Hidalgo, *Insert job title*, City of Huntington Park, 1600 West Beverly Boulevard, Huntington Park, CA 90640-3932. www.cityofHuntingtonPark.com ehidalgo@cityofHuntingtonPark.com (323) 887-1403 Telephone.
 - a. Any inquiry or other action requiring written interpretation or instruction from the architect that will modify the plans and specifications and affect bidders (e.g., modified wage determination, redesigns, etc.) must be done so by addendum.
- NOTE: An addendum is written instruction issued prior to the opening of construction bids that modifies or interprets contract documents, drawings, and specifications by additions, deletions, clarifications, or corrections. All addenda must be approved by the City prior to issuance.
- b. An Addendum must be issued **by certified mail at least five days prior to the date of bid opening**. Failure to attain approval may result in disallowance of affected costs.
- **Receipt of all sealed bids** will be documented by date and time of receipt and the name of the submitting contractor. Bids received after the established deadline shall not be accepted.
 - **Bids in excess of project budget.** If the lowest base bid exceeds the amount of funds appropriated for project budget, then the application of deductive alternatives in numerical order will commence until the bid is within the appropriated amount.

- **Apparent low bidder.** Once the apparent low bidder is identified, the City will determine if he/she is responsible.

NOTE: All prime contractors are responsible for ensuring that the subcontractors they employ are not debarred or suspended.

- **Notification of bid award.** Once the apparent lowest responsive, responsible bidder(s) for each contract(s) is determined, the City will notify all bidders whether or not they were successful.
 - Successful bidders must be notified of acceptance of their bid within the time frame specified in the contract documents.
 - Such notification shall be made through issuance of a Notice of Award which requests the contractor to provide acceptable payment and performance bond(s) and certificates of insurance within 10 calendar days.
 - Upon reception of these documents, the City must determine if:
- The contractor has **sufficient bonding and insurance.** The insured amounts must be consistent with requirements of state law as specified in the contract documents, e.g., 100 percent payment and 100 percent performance bond(s) coverage and sufficient liability coverage amounts.
 - Contracts must be awarded within the time frame specified in the contract documents.
 - If the contract has not been awarded within 90 days of bid opening, the Recipient must notify the City's Planning and Development Department to determine if the wage determination (if applicable) is still valid. Any applicable modified or superseded wage determinations will apply to the project.

Note: Licensing and underwriting limitations of insurance companies in the State of California can be checked by referencing U.S. Department of the Treasury, Circular 570 Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies as updated in the Federal Register.

- **Post award requirements.** After all contract documents have been executed and sufficient bonding and insurance is confirmed, a fully executed set of contract documents must be submitted by the City of Huntington Park.

Pre-construction Conferences

A pre-construction conference can be valuable in providing direction to the parties involved and prevent potential misunderstandings.

PROCEDURE

1. The architect or Insert job title shall coordinate scheduling the preconstruction conference with all applicable parties.
2. At a minimum, the City shall give 10 days notice to persons who must attend the preconstruction conference, including:
 - a. City representative, if applicable
 - b. Executive Director of nonprofit entity, if applicable;
 - c. Developer/Owner,
 - d. Prime Contractors;
 - e. If applicable, the architect (especially the person representing the firm and the resident observer);
3. The preconstruction conference will be conducted in accordance with a Preconstruction Agenda and Report.
4. Signed copies of the report, with an attached attendance list, must be distributed to each of the parties identified above within five calendar days of the conference.
5. Location of the conference:

Working with Contractors

PROCEDURE

The Insert job title and the Rehabilitation Analyst shall:

1. Retain a qualified person in charge of the work who understands the business and the constraints faced by those in the building trades.
2. Clearly inform contractors about work expectations, program requirements as they impact the project, about the payment process, and seek their feedback after project completion.
 - a. Timing of a pre-construction conference will take place after an Environmental Review and Release of Funds (ROF) have been completed, and
3. Distribute communicate of the project to all team members on his or her role and responsibilities;
4. Identify deadlines and critical phases of the work;

5. Review the scope of work and schedule to prevent future problems;
6. Explain basic operating procedures, including reports, meetings and other communications required and expected during construction;
7. Review applicable programmatic and federal requirements, such as Davis-Bacon, labor standards, and Lead Safe Housing Rules;
8. Review procedures for:
 - a. Inspections – when they must occur and who initiates them;
 - b. Payment requests – when they should be submitted, who receives them, what they must include, when payment will be made if satisfactory;
 - c. Change orders – the process for requesting one; what would/ would not be considered in weighing the request;
 - d. Lien releases – the process and who is involved;
 - e. Monitoring of progress and reporting;
 - f. Dispute resolution; and
 - g. Closing out the project.
9. Review the construction contract and ensure all parties have read, understood, and signed it;
10. Confirm that subcontractors' names, addresses, and phone numbers are accurately listed;
11. For occupied structures:
 - a. Discuss the handling of service shut-offs and restricting access to bathrooms, kitchens, etc. during lead-paint work as well as other relevant rehabilitation work;
 - b. Define moving and relocation roles and schedules; and
 - c. Review/discuss safety and security measures during construction.
12. At the conclusion of the pre-construction conference and after the contractor has executed the construction contract, the City will issue a notice to proceed with work.
13. Construction should commence no later than 10 days after receipt of this Notice.

Construction Schedule

PROCEDURES

The Rehabilitation Analyst and/or the Insert job title will:

1. Maintain access to many information sources and have an understanding of construction methods, trades involved, and the sequence of tasks that must occur;
2. Retain knowledge of:

- a. The building materials required for the project, ordering and delivery methods and protocols;
- b. The various applicable building codes and standards.
- c. Anticipate the key points at which an inspection are required;
- d. Determine how weather variations can impact construction progress;
- e. Understand each development team member's roles and responsibilities; and
- f. Understand the development budget;
- g. costs can be paid from each source;
- h. When funds are available;
- i. How to request payment (including the form that will be used to request payments and the documentation to be provided.);
- j. Document each step in the process and list them sequentially, recognizing that some steps must occur simultaneously.

Timeliness and the Construction Schedule

PROCEDURE

1. Assure that construction will start within twelve months from the date of property or land acquisition;
2. Assure that funds will be expended within the required five year timeframe of the allocation;
3. Maintain a construction schedule that is realistic – and enforceable.
4. If a project is behind schedule, the City may attempt one of the following options:
 - a. Eliminate or redesign the critical path activities (which may reduce the scope of the project);
 - b. Rearrange critical path activities so that some are performed simultaneously; or
 - c. Reduce the duration of critical activities (if the critical path is shortened, other activity paths through the network may become critical.)
 - d. If none of these options can be accomplished, the project completion date must be adjusted; this will most likely have cost or timeliness ramifications and is highly undesirable.
5. Comply with timelines in the construction schedule to avoid severe consequences to the project:
6. Ensure that timelines are met, or that there is ample recourse to pursue if they are not, schedules must be enforceable including:
 - a. Reference the schedule in the written agreement between the City and the developer;
 - b. Reference the schedule in the contract with the general contractor and all subcontracts;
 - c. Reference it in the architect's contract.

7. Cover the schedule and stress its importance during the pre-construction conference.

Change Orders

PROCEDURE

1. Any changes to construction documents must be reviewed and approved by the City.
2. Contractors must submit change orders when there is:
 - a. A change to the project design or work specification;
 - b. An alteration, addition, or deletion to the approved scope of work;
 - c. An addition or change to the work schedule; or
 - d. A change in cost for any reason.
3. Change orders must be written and address its completeness and appropriateness and its effect on budget, timeframe to the City.
4. The City requires that a Written Change Order is submitted any time that contract documents are changed, including additions, deletions, modifications, and time extensions after bid opening.
5. In addition, all change orders must be reviewed and approved by the City prior to issuance.
6. Changes that have no cost implications (or reductions in costs) require a change order.
7. Change orders will be evaluated for their impact on the project cost, schedule, and scope of work before they are approved by the City.

Managing Payments

PROCEDURE

1. Payments will be reviewed by:
 - a. The City, the property owner and the contractor prior to signing a rehabilitation contract;
 - b. The developer and contractor for smaller, uncomplicated new construction projects at the pre-construction conference; or
 - c. The entire development team for larger new construction projects at the pre-construction conference.
2. For all projects, a portion of all payments will be retained at 10 - 15 percent until 30 days after completion of the work or satisfactory completion of the final punch list items.

3. The draw schedule will include in the overall construction schedule to establish clear expectations for when the contractor may request and can expect payments.
4. Payment requests for housing rehabilitation projects will be submitted to the City by the general contractor at the completion of each stage of the schedule.
5. Payment requests will be provided to the City's Rehabilitation Analyst, and the property owner.
6. The property owner will sign off on the request before the City processes it.
7. For new construction projects, the developer assembles the draw requests for both hard and soft costs from the general contractor and other professionals involved in the project. The invoice should include:
 - a. Total budget obligated;
 - b. Amount of previous payments received to date;
 - c. Cost for materials stored;
 - d. Costs incurred during the particular pay period;
 - e. Total costs incurred to date (includes previous and current expenses);
 - f. Percentage of work completed to date;
 - g. Remaining budget; and
 - h. Amount of payment retained until project completion.
 - i. No payment should be made when there have been changes to the original contract or scope of work without approval of a relevant change order.
8. All payment request documentation will be logged in as soon as it is received and recorded as soon as it is released.
9. The City's Insert job title and the Rehabilitation Analyst will review payment requests and approve them.
10. The documentation that must accompany a payment request, includes:
 - a. For all projects, an inspection report that supports satisfactory completion of work according to the work write-up, specifications, and/or construction schedule;
 - b. Lien waivers as appropriate;
 - c. If needed, approved change orders;
 - d. For projects subject to Davis-Bacon requirements, signed certifications that demonstrate compliance.
 - e. Once a payment request has been approved by the City, it should be paid promptly in accordance with the agreed-upon schedule.
 - f. If payment delays occur from participating in public programs and if payment is delayed according to the construction schedule (through no fault of the contractor), the contractor is allowed to stop work.
11. Final payment and release of retainage less any liquidated damages shall be made to the contractor after:

- a. Final inspection is completed;
 - b. A Certificate of Final Inspection is signed;
 - c. Certificate of Plumbing, Certificate of Electrical, Certificate of HVAC are signed;
 - d. Release of Liens are received, if applicable;
 - e. All punch list items are resolved; and
 - f. Final payrolls and equal employment opportunity data are accepted by the City, if applicable.
12. Contingency funds may be set aside for a project for which there is no known specific use at the beginning for unforeseen problems that may require funds.
- a. These funds may not be drawn or expended unless an appropriate written change order is executed.
 - b. Funding must be established at the beginning of project for unforeseen circumstances.
 - c. Set up is allowed but only work performed and documented through written change orders is paid.

Periodic Reporting

PROCEDURE

1. During the construction period, the City's Insert job title will require periodic status reports from partners such as contractors, private developers, and property owners.
2. The City will maintain a reporting system to track progress of meeting larger program goals, as well as tracking progress for individual projects.
 - a. The City's reporting system includes:
 - b. milestones that need to be measured in the construction process and the draws against the contract;
 - c. When the milestones need to be measured (e.g., the critical points in a housing rehabilitation or development project); and
 - d. Measure and review the milestones.
3. Request essential information to track including:
 - a. Performance milestones in the construction schedule or written agreement; or
 - b. Required documentation for IDIS or the CAPER reporting.
 - c. Provide clear, detailed report forms and instructions to those responsible for initiating the report.

4. Take immediate action if reports are late, inaccurate, or incomplete.
5. Inform partners that the information provided in reports is useful for:
 - a. Preparing reports for City of Huntington Park;
 - b. Identify performance and timeliness issues early;
 - c. Plan on-site monitoring visits;
 - d. Making future funding decisions; and
 - e. Developing descriptions of projects for elected officials and citizens.
6. Measure progress in individual projects; or
7. Compare progress in similar projects to identify slower performers and take further action.
8. Examine funding requests to evaluate the fiscal aspects of performance against the construction schedule or written agreement.
9. Identify any missed milestones and which projects have or may put the City at risk of failing to meet timeliness requirements in the HOME program.

Exhibit 9

Rehabilitation of Owner-Occupied Progress Reporting

What to Track How	How Often to report	How to Analyze information
Date of application	At application	Look for demand (or lack) by targeted population
Date of requested income verifications; date received	When requested	Check for follow up activity if not received
Date of proof of ownership established	At time of proof	Check for determination of eligibility for assistance
Date of initial inspection	At time of initial inspection	Look for "fail" items and LBP
Date, name of contractor selected	At time of selection	Check for compliance with City's approved system
Date of Pre-construction conference	At time of conference	Look for subjects covered, who were present, notes taken

Date of Proceed Order	At time of order	Check against approved procedures
Date of initial progress inspection	At time of inspection	Note items passed or failed
Pass/fail items in inspection	Same as above	Note for payment requests or change orders
Date of initial payment request; subsequent payments requested	Date of request	Check for adequate documentation to support request
Date payments made	Date payments made	Check for time elapsed; is it late or on time
Date of final inspection	Date of inspection	Check against inspectors report of satisfactory work
Punch list items completed	Date of punch list	Check for completed work
Final release of liens received	Release date	Look for presences' of all releases
Final payment	Date of payme	Check for timing; adequate documentation
Project closed	Date of close-o	Check for completion report and Interir reports in IDIS

C. ENVIRONMENTAL REQUIREMENTS AND PROCEDURES

OVERVIEW

The purpose of this chapter is to provide guidance on the environmental review process required under federal HOME regulations. These regulations (24 CFR §92.352) require a formal assessment of possible environmental effects for each activity carried out with HOME funds. This assessment must be done according to requirements found in 24 CFR Part 58. This chapter provides current rule requirements, and clarifies review responsibilities of the City of Huntington Park, and Community Housing Development Organizations (CHDOs), with regard to the environmental review process.

The U.S. Department of Housing & Urban Development (HUD) places restrictions on project activities in accordance with 24 CFR §58.22, *Limitations on activities pending clearance*. Completion of the environmental review process is mandatory *before* taking physical action on a site, or making a commitment or expenditure of HOME or non-HOME funds for property acquisition (purchase), rehabilitation, conversion, lease, repair, or construction activities. "Non-HOME funds" means any Federal, state, local, private, or other funds.

Since funds for a project will not be released until the environmental review has been completed and approved, the City will begin the environmental review process at the earliest possible time so that potential conflicts between program procedures and environmental requirements are identified at an early stage.

The Environmental Checklist in the Uniform Application submitted, as part of a competitive HOME grant application does **not** meet HUD requirements for an environmental review. The purpose of the checklist is to assist the City to initially evaluate environmental circumstances that may affect the proposed project and to raise awareness of possible problems if the grant is awarded.

This chapter details the HUD environmental review rules and related Federal laws and authorities that are applicable to all projects and activities receiving HOME assistance. It describes:

1. The roles and responsibilities of the City of Huntington Park and its Recipients, who have the primary responsibility for conducting environmental reviews;
2. The role of CHDO's and nonprofit organizations as project partners in the environmental review process;
3. The primary procedures and operating principles that guide the environmental review process; and
4. The categories of environmental review that are required for various HOME funded activities and projects.

Roles and Responsibilities of City of Huntington Park

As outlined in 24 CFR Part 58, units of local government are required to assume Federal environmental review responsibilities for compliance with the National Environmental Policy Act (NEPA), and related Federal laws and authorities. HUD's environmental review regulations identify states and units of general local government as the "responsible entity" (RE) ---those entities having legal authority to assume this role because they exercise control over planning,

permitting, and supplying infrastructure to support HUD-assisted projects for their jurisdictions. For the HOME Program, the City receives a formula allocation of HOME funds directly from HUD. In addition, through a written agreement with the City of Huntington Park, assumes responsibility for compliance with NEPA and Part 58.

In cases where the City of Huntington Park does not have the technical capacity or administrative capability (§ 58.12) to assume the role of RE or an applicant (e.g., CHDO, or nonprofit or for profit organization) has applied directly to the City for HOME grant assistance, then the City of Huntington Park will take on this role of RE. In most cases the City of Huntington Park assumes the RE role.

In the role of responsible entity (RE), the City not only assumes the responsibility for environmental review, decision-making, documentation, and mitigation (if necessary), but also the legal responsibility for compliance with NEPA and all other applicable laws, regulations, and authorizations.

Whenever Recipients have assumed the role of RE, then the City is responsible for overseeing compliance with HUD's environmental review procedures, as well as providing assistance to those Recipients in meeting their compliance responsibilities under Part 58. The City's role in this capacity is to conduct post-review monitoring of the Recipient's Environmental Review Records (ERR); enforcing violations of Part 58; receiving certifications of compliance from the Recipients; accepting objections from the public or other agencies; and other responsibilities related to the release of funds process (§ 58.18 and Subpart H).

When the City assumes the role of RE, then HUD performs the oversight responsibilities described in the paragraph above (24 CFR 58, Subpart H).

ENVIRONMENTAL REVIEW PROCEDURES

Actions Triggering the Requirements of Part 58

Once a project participant (i.e., CHDO's, developers, owners, sponsors of housing, and third party contractors) has submitted an application for HOME funds to the City or the City has designated funds for a specific project in its Consolidated Plan or Annual Action Plan ("AAP"), Part 58 requirements are applicable to the project. At this point, the City *must* request the participant to:

1. Cease all project activity until the environmental review (ER) has been completed. Part 58 prohibits further project activities and actions from being undertaken prior to completion of the ER and the determination of environmental clearance. Projects in violation of this prohibition risk the denial of HOME funds.

Where a project participant has begun a project in good faith as a private project, the City is not precluded from considering a later application for Federal assistance for the project, but must request the third party applicant to:

2. Cease further actions on the project until the environmental review process is completed. Project participants may proceed with the project upon receiving approval from the City, after the environmental review process has been completed for the project.

There are certain kinds of activities that may be undertaken without risking a violation of requirements of Part 58. For example, the act of either hiring a consultant to prepare a Phase I Environmental Site Assessment (an investigative study for environmental hazards), or hiring a consultant to complete an engineering design study or plan, or a study of soil and geological conditions.

Activities that have physical impacts or which limit the choice of alternatives cannot be undertaken, even with the project participant's own funds, prior to obtaining environmental clearance to use HUD funds. This process may include public notification and approval from HUD. If prohibited activities are undertaken prior to receiving approval from the City, the applicant is at risk for the denial of HOME assistance. Such actions include:

1. Purchasing real estate;
2. Demolishing structures or buildings;
3. Excavating or dredging soils;
4. Placing fill dirt on the site;
5. Rehabilitation or converting a new building; and
6. New construction.

NOTE: Undertaking any of these actions interfere with the City's ability to comply with NEPA and Part 58. If prohibited actions are taken prior to environmental clearance, then environmental impacts may have occurred in violation of the Federal laws and authorities and the standard review procedures that ensure compliance. Below is further discussion of issue under the heading, "Limitations Pending Environmental Clearance."

Limitations Pending Environmental Clearance

According to the NEPA (40 CFR 1500-1508) and Part 58, the City is required to ensure that environmental information is available before decisions are made and before actions are taken. The City may not commit or expend resources, either public or private funds (HUD, other Federal, or non-Federal funds), or execute a legally binding agreement for property acquisition, rehabilitation, conversion, repair or construction pertaining to a specific site until environmental clearance has been achieved. In other words, the City must avoid any and all actions that would preclude the selection of alternative choices before a final decision is made—that decision being based upon an understanding of the environmental consequences, and actions that can protect, restore, and enhance the human environment (i.e., the natural, physical, social, and economic environment.)

In order to achieve this objective, Part 58 prohibits the commitment of HOME funds by the City of Huntington Park until the environmental review process has been completed by the City and HUD approves the release of funds.

NOTE: until the City has completed the environmental review process (including receipt of HUD approval), neither the City nor project participant may commit non-HUD funds or undertake an activity if that action would have an adverse environmental impact or limit the choice of reasonable alternatives.

For the purposes of the environmental review process, "commitment of funds" includes:

1. Execution of a legally binding agreement;
2. Expenditure of HOME funds;
3. Use of non-HUD funds on actions that would have an adverse impact - e.g., demolition, dredging, filling, excavating; and
4. Use of non-HUD funds on actions that would be "choice limiting"- e.g., acquisition of real property; leasing property; rehabilitation, demolition, construction of buildings or structures; relocating buildings or structures, conversion of land or buildings/structures.

NOTE: The standard for what constitutes a commitment of HOME funds for compliance with Part 58 is different from the HOME funds commitment and the CHDO reservation deadlines applicable under the HOME Program regulations in 24 CFR Part 92.

Prior to completion of the environmental review process and receiving HUD approval, the City may enter into a non-binding agreement to conditionally commit HOME funds---i.e., a contractual agreement between the City and project participant to use a specific amount of HOME funds to produce affordable housing, or an executed written agreement reserving a specific amount of funds to a CHDO. The conditional commitment must incorporate language that will ensure the project participant does not have a legal claim to any amount of HOME funds to be used for the specific project or site until the environmental review process is satisfactorily completed. In addition, the agreement must explicitly state that the agreement to provide funds to the project is conditioned on the City's determination to proceed with, modify, or cancel the project based on the results of a subsequent environmental review. (See CPD Notice 01-11, page 10 for suggested agreement language.)

Other types of actions that are not considered a commitment of funds for purposes of Part 58 compliance are statements of funding reservation, e.g., approval of Consolidated Plan or Annual Action Plan or planning for and reserving non-HUD funds, including tax credits for the project for HUD funding.

If the City is considering an application from a prospective participant and is aware that the participant is about to take an action within the jurisdiction that is prohibited by Part 58, then the City must take appropriate action to ensure that its objectives and procedures of NEPA and Part 58 are achieved [§ 58.22(c)].

The City of Huntington Park has established internal controls to enforce compliance with NEPA and Part 58.

CONTEMPLATE" AND "COMMITMENT" DEFINITION FOR THE ENVIRONMENTAL REVIEW

Once the City *contemplates* assisting a project or activity with HUD funds, (§ 58.32), neither HUD funds nor non-HUD funds may be *committed* (§ 58.22) until compliance with Part 58 has been achieved and documented. The following guidance is provided to clarify the meaning of the terms *contemplate* and *commitment* as these apply to the environmental review process.

Contemplated HUD assisted action:

1. The City is considering an application from a prospective owner or beneficiary.
2. The City has identified a specific activity or project in its application.

Commitment of funds:

1. Execution of a legally binding agreement—e.g., awarding construction contracts, entering into project agreements with developer, etc.
2. Expenditure of HUD funds—e.g., purchase of materials by a force account crew, hiring a consultant to prepare a Phase I Environmental Site Assessment, etc.
3. Use of HUD funds or non-HUD funds on "choice limiting actions":
 - a. Actions having an adverse impact—e.g., demolition, dredging, filling, excavation.
 - b. Actions limiting the choice of reasonable alternatives—e.g., real property acquisition, leasing, rehabilitation, demolition, related site improvements, relocating buildings or structures, conversion of land or buildings/structures.

A commitment of funds **is not:**

1. Statements of funding reservation—e.g., approval of an application, CHDO reservations, planning for and reservation of non-HUD funds (including tax credits for the project for HUD funding.)
2. Non-legally binding agreements—e.g. An agreement with language such as, "Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by Recipient's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review.

AGGREGATION OF PROJECT ACTIVITIES

To determine the appropriate level of environmental review for a project, the City must group together (aggregate) all related project activities, whether or not the project is funded entirely by HOME funds, or only certain portions of the project will be funded by HOME funds. An environmental review must evaluate all activities that are geographically or functionally related, or part of a multi-year project. The appropriate level of environmental review for an aggregated project will be determined by whichever activity or activities being undertaken by the City or its partners will have the greatest environmental impact. For example, real property acquisition will have less of a physical impact on the human environment than newly constructing 30 units of affordable housing.

Geographically related project activities, for example, might include a proposal to acquire four units for rehabilitation and resale to first time homebuyers. All the related activities are occurring on a single site. In aggregation, all these activities must be evaluated in a single review, regardless of the fact that HOME funds may only be used for rehabilitation. One activity cannot occur without the others, and therefore all the associated environmental impacts must be evaluated together. The environmental review for the acquisition of the properties cannot be separated from the environmental review for the rehabilitation of the properties.

Multi-year aggregation is a process that addresses phased project activities. For instance, consider a three-year project, during which, real property will be acquired in the first year, infrastructure improvements will be installed in years two and three, along with several phases of affordable housing construction. Again, a single environmental review must be completed for all phases of the project before any of the activities may be undertaken. Only one request for release of funds (covering all project phases) needs to be submitted to HUD for approval. After HUD approval is received, no other approval or environmental action is required, unless circumstances arise that require the City to re-evaluate its original environmental findings.

SOURCE DOCUMENTATION FOR ENVIRONMENTAL REVIEWS

FIELD OBSERVATION – A visit to the project site to make observations of the general site conditions.

1. There should be written documentation of the conditions observed.
2. Include the name and title of the observer and the date of the site visit.

PERSONAL CONTACT – Personal contacts are useful only when the individual contacted is an accepted authority on the subject or subjects. Documentation should include:

1. The name and title of the person contacted,
2. The date of the conversation, and brief notes of the key points.
3. Whenever the person that was contacted cites reports, records, or other document, the title, date, and source of the report should be noted.
4. Contacts can include staff experienced in a particular area (e.g., engineer, planner, historian, etc.).

PRINTED MATERIALS – Printed materials that are useful sources of detailed information may include:

1. Comprehensive land use plans, maps, statistical surveys, and studies are useful sources of detailed information.
2. The material must be current and reflect accepted methodologies.
3. Complete citations for all material must be included.

REVIEWER'S EXPERIENCE – Professional judgment by City staff is acceptable if their expertise is relevant to the compliance issue. For example, a reviewer's knowledge may include:

1. Reviewing previous projects in the same area.
2. Professional finding of the reviewer in subjects where he or she has the background to make judgments about a specific factor, or
3. Reviewers that have the expertise to evaluate soil conditions, while others will need to consult an engineer or other specialist.

SPECIAL STUDY – This is a study conducted for a particular project performed by qualified personnel using accepted methodologies. Some tests are relatively simple to perform but others may require elaborate equipment or personnel with additional expertise. The reviewer is responsible for obtaining assistance from others in order to have the appropriate tests or studies conducted. Examples of tests and/or study's include:

1. Archeological reconnaissance surveys,
2. biological assessment concerning threatened and endangered species, or
3. Phase I Site Assessments to determine site contamination.

See HUD Handbook 1390.2,
http://www.hudclips.org/sub_nonhud/cgi/hudclips.cgi

Sources of Compliance Documentation

There are several types of resources necessary to demonstrating compliance with NEPA and the Federal laws and authorities. These resources provide written documentation in the environmental review record that is credible, traceable, and supportive of the conclusions reached by the RE.

A. CATEGORIES OF ENVIRONMENTAL REVIEW

One of the primary purposes that the environmental review process serves is to require the City to include environmental impacts as part of the overall deliberation process surrounding proposed projects.

The HUD environmental review requirements at Part 58 were written so as to best strike a balance between the imposition of reasonable requirements upon the City (i.e., expediting the decision process for activities that clearly have no physical impact and requiring sufficient analysis for those that will alter environmental conditions), while ensuring that project decisions are well-documented.

Therefore, the environmental review requirements are divided on the basis of the level of impact that a proposed project might be anticipated.

There are four (4) levels of environmental review identified in Part 58. The criteria for these levels span the range of possible impacts, from none whatsoever to significant physical impact. The levels under Part 58 include:

1. Exempt (§ 58.34);
2. A. Categorically Excluded *subject* to (§ 58.35);
B. Categorically Excluded *not* subject to § 58.5
3. Environmental Assessment (§ 58.36 and Subpart E); and
4. Environmental Impact Statement (§ 58.37 and Subparts F and G).

NEPA and the implementing regulations at 40 CFR 1500-1508 establish direction for these review levels. The bases for these review levels, and categorizing various HOME-funded activities into the review levels is to determine if there is potential to cause significant impact on the human environment (i.e., natural resources, ecosystems, aesthetic, historic, cultural, social, economic, health, etc.).

1. Exempt

HUD has determined that exempt activities will have neither a physical impact, nor potential for altering any environmental conditions. Therefore, these actions are exempt from compliance with NEPA and the Federal laws and authorities cited at § 58.5.

According to 24 CFR 58.34, the following types of activities have been categorized as exempt from NEPA and other environmental laws and authorities:

- a. Environmental and other studies, resource identification, and the development of plans and strategies;
- b. Information and financial services;
- c. Administrative and management activities;
- d. Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, child care, health, drug abuse, education, counseling, energy conservation, and welfare or recreation needs;
- e. Inspections and testing of properties for hazards or defects;
- f. Purchase of insurance;
- g. Engineering or design costs;
- h. Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters or imminent threat to public safety including those resulting from physical deterioration; and
- i. Any of the categorical exclusions listed in § 58.35(a) provided there are no circumstances that require compliance with any other Federal laws and authorities cited in § 58.5.

NOTE: Under HOME program rules, 24 CFR 92, in order to qualify as project costs, these activities must be associated with a specific project. Otherwise, they are considered administrative costs.

Content of ERR – Exempt Activities

1. The City must document in writing its determination that an activity meets the conditions for exemption. The City does not have to issue a public notice or request release of funds (RROF) [§ 58.34(b)].
2. In addition to making a written determination of exemption, the City must also determine whether the activity triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway clear zones.]

2. Categorical Exclusions

This term refers to a category of actions that do not individually or cumulatively have potential for significant effect on the human environment (40 CFR 1508.4). Therefore, neither an environmental assessment (EA) nor environmental impact statement (EIS) is required to comply with NEPA.

Although these actions are categorically excluded under NEPA, a determination must still be made as to whether they would alter any environmental conditions that would require a review or compliance determination under the Federal laws and authorities cited in § 58.5.

The laws and authorities cited in § 58.5 are freestanding from NEPA, such as the National Historic Preservation Act of 1966, the Executive Orders on Floodplain Management and Wetlands Protection, and several regulations specific to HUD concerning the health and safety of project occupants, to name a few.

The City *must* certify that it has complied with the requirements under these laws and consider the criteria, standards, policies, and regulations of these laws and authorities. The section on "Compliance with NEPA and Related Federal Laws and Authorities" provides guidance on this.

However, HUD has determined that certain kinds of categorical exclusions, because of the nature of the actions, would never alter any environmental conditions to create circumstances requiring compliance with these laws and authorities. Therefore, §58.35 identify two types of categorical exclusions:

1. Categorical exclusions subject to §58.5, and
2. Categorical exclusions not subject to § 58.5.

3. Categorical Exclusions subject to §58.5

Categorical exclusions *subject* to §58.5 are excluded from compliance with NEPA, but must comply with the other related Federal laws and authorities cited in §58.5. It is generally evident from the nature and magnitude of such activities they do not have potential to have a significant impact on the human environment however, these types of activities are physical in nature and will alter environmental conditions that could, for example, affect historic properties, floodplains, wetland areas, and endangered species. Actions in this category include:

1. Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities (other than buildings)-e.g., replacement of water or sewer lines where the capacity is not changed more than 20 percent, reconstruction of curbs and sidewalks, and repaving of streets;
2. Removal of material and architectural barriers restricting the mobility of and accessibility to elderly and disabled persons;
3. Rehabilitation and improvement of single family (one-to-four unit) dwellings provided:
 - a. The unit density is not increased beyond four units,
 - b. The land use is not changed, and the footprint of the building is not increased in a floodplain or wetland;
4. Rehabilitation and improvement of multifamily dwellings provided:
 - a. the unit density is not increased more than 20 percent,
 - b. it does not change residential use to non-residential use,
 - c. and the estimated cost of rehabilitation is less than 75 percent of the replacement cost;
5. An individual action on one to four dwelling units where there is a maximum of four units on any one site. The term "individual action" refers to new construction, development, demolition, acquisition, disposition, or refinancing;
6. An individual action on five or more housing units developed on scattered sites when the sites are more than 2,000 feet apart and there are not more than four units on any one site;
7. Acquisition (including leasing) or disposition of, or equity loans on, an existing structure provided the structure acquired, financed, or disposed of will be retained for the same use; and

8. Any combinations of the above activities.

Content of ERR – Categorical exclusions *subject to § 58.5*

The City of Huntington Park will complete the *Certification of Categorical Exclusion (subject to 58.5)* and the *Statutory Checklist* forms to document its environmental findings. Such documentation must support the City's determinations related to compliance with the Federal laws and authorities cited in § 58.5. (Guidance on compliance is provided below in "Compliance with NEPA and Related Federal Laws and Authorities".)

Upon completion of the checklist, the City will make one of three environmental findings in writing:

1. The project converts to exempt and *does not* require public notification or approval from the City [§ 58.34(a)(12)];
2. The project invokes compliance with one or more of the laws and/or authorities and, therefore, *requires* public notification and approval from the City before funds are committed or spent; or
3. The unusual circumstances of the project may result in a significant environmental impact and, therefore, compliance with NEPA is required. Therefore, an environmental assessment (EA) must be completed.

The ERR must also contain:

4. *Supporting documentation used to prepare the review (See Source Documentation for Environmental Reviews).*
5. *If the project did not convert to exempt, a copy of public Notice of Intent to Request Release of Funds that was issued.*
6. *Copy of the Request for Release of Funds and Certification (HUD form 7015.15); and*
7. *Copy of Authority to Use Grant Funds (HUD form 7015.16), issued by the City of Huntington Park (or HUD).*

In addition to making a written determination of categorical exclusion, subject to § 58.5, the City must also determine whether the activity triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway clear zones. [See *Compliance Documentation Checklist (58.6)* form and discussion in "Other Requirements (§ 58.)6].

4. Categorical Exclusions not subject to § 58.5.

The activities that are categorically excluded *not subject to § 58.5* have been determined by HUD not to have potential for altering any environmental conditions where a review or determination of compliance with the Federal laws and authorities would be required. Actions in this category include:

1. Tenant-based rental assistance;
2. Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction---e.g., closing costs, down payment assistance, interest buydowns, and similar activities that result in the transfer of title;
3. Affordable housing pre-development costs with no physical impact---e.g., legal consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which do not have a physical impact; and
4. Approval of supplemental assistance (including insurance or guarantee) to a project previously approved under Part 58, if the approval is made by the same RE that conducted the environmental review on the original project and re-evaluation of the environmental findings is not required under § 58.47.

Content of ERR – Categorical exclusion *not subject to § 58.5*

The City will document in writing its determination that an activity meets the conditions for categorical exclusion not subject to § 58.5, and complete the *Certification of Categorical Exclusion (not subject to 58.5)* form to document designation of a HOME project or activity in this category. The City does not have to issue a public notice or request release of funds (RROF) [§ 58.34(b)].

In addition to making a written determination of categorical exclusion, subject to § 58.5, the City *must* also determine whether the activity triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway

clear zones. [See *Certification of Categorical Exclusion* (not subject to 58.5) form and discussion in "Other Requirements (§ 58.6)]

5. Environmental Assessment.

Environmental Assessment (EA) refers to a category of actions which, either individually or cumulatively, have potential for significant effect on the human environment (40 CFR 1508.4). Therefore, the potential environmental impacts on the human environment resulting from the proposed activity must be analyzed and evaluated according to NEPA procedures, as well as the other Federal laws and authorities cited at §58.5.

The environmental assessment (EA) is a public record that, upon completion, documents the City's findings and conclusions about environmental effects, and the reasons for its decision concerning those effects, as well as compliance with Federal laws and authorities.

Actions that may be funded by HOME and that fall into the category requiring an Environmental Assessment (EA) would include, but are not limited to:

1. New construction of five or more residential units on a single site;
2. New construction of five or more single family units on scattered sites that are less than 2,000 feet apart;
3. Major rehabilitation or reconstruction of residential units that increases or decreases the unit density more than 20 percent;
4. Expanding the footprint of a single family unit into the floodplain or wetland area;
5. Conversion of a non-residential structure to create a residential use;
6. Acquisition of land for development of a housing subdivision; and
7. Categorical exclusions with "extraordinary circumstances"-i.e., actions that are unique or without precedent, actions that are substantially similar to those that normally require an Environmental Impact Statement (EIS), actions that are likely to alter existing HUD policy or HUD mandates, or action that, due to unusual physical conditions on the site or in the vicinity, have the potential for a significant impact on the environment or in which the environment could have a significant impact on users of the facility.

Content of ERR – Environmental Assessment (EA)

The City will complete a written determination that the project falls within this category. The EA includes the following information and analysis, according to NEPA regulations (40 CFR 1500-1508):

1. Determination of existing conditions;
2. Identification, analysis, and evaluation of all potential impacts on the human environment (i.e., social, economic and natural resources);
3. Examination and recommendation of feasible ways to eliminate or minimize adverse environmental impacts;
4. Examination of alternatives to the proposed action;
5. Compliance determination for all other Federal laws and authorities cited in §58.5; And Determination as to a finding of no significant impact (FONSI) or a finding of significant impact (FSI), which requires the execution of an Environmental Impact Statement (EIS).

The City will use the *Environmental Assessment* form in evidence of compliance with NEPA and the Federal laws and authorities cited in § 58.5.

Upon completion of the environmental assessment, the City will make either a finding of no significant impact (FONSI), or a finding of significant impact (FOSI) determination. In the event that a FONSI is made, the City *must* issue *two* public notices, submit a release of funds request and certification to HUD, and receive a release of funds from HUD before funds are committed or spent.

The ERR must also contain:

1. Supporting documentation used to prepare the review.
2. Copy of public Notice of Intent to Request Release of Funds, if project did not convert to exempt.
3. Copy of the *Request for Release of Funds and Certification* (HUD form 7015.15); and
4. Copy of the *Authority to Use Grant Funds* (HUD form 7015.16) issued by the City of Huntington Park (or HUD.)

In addition, the City *must* also determine whether the project triggers any of the other requirements at 24 CFR 58.6, which are the Flood Disaster Protection Act; the Coastal Barriers Resources Act; and HUD's requirement for disclosure of properties located in airport runway clear zones.

6. Environmental Impact Statement (EIS)

It is not typical for a HOME project to trigger the Environmental Impact Statement requirements. If the City believes that a project it is contemplating as a possible HOME project may in fact trigger these requirements, it should consult with HUD immediately before taking any further action.

COMPLIANCE WITH NEPA AND RELATED FEDERAL LAWS AND AUTHORITIES

The following section provides guidance to assist the City in compliance with NEPA and the related Federal laws and authorities cited at § 58.5.

1. Historic Preservation (36 CFR Part 800)

Section 106 of the National Historic Preservation Act requires the City to:

- a. Consider the effects of their undertakings on historic properties; and
- b. Provide the Advisory Council on Historic Preservation with a reasonable opportunity to comment with regard to such undertakings.

Compliance with Section 106 is achieved by initiating procedures the Advisory Council on Historic Preservation has outlined at 36 CFR Part 800. Section 800.2(a) recognizes the City's certifying officer as having authority to carry out these procedural responsibilities.

The focus of Part 800 is on the City making a determination whether a proposed project will affect buildings, structures, or places that are listed on or are eligible for listing on the National Register of Historic Places (NR). In making this determination, the City *must* follow a detailed review process in consultation with the State Historic Preservation Officer (SHPO). This process also provides an opportunity for interested persons, agencies, and Indian tribes to be part of the City's decision concerning historic properties that may be affected.

It is important to remember that before approval is given to proceed with HOME-funded projects, the environmental review record *must* show the Part 800 consultation process was completed.

Basic steps for compliance with the Section 106 Review Process (36 CFR Part 800) include:

1. Determine whether the project is an undertaking, or has no potential to cause effects on historic properties;
2. Define the area of potential effects (APE) for the undertaking;
3. Identify and evaluate historic properties in the APE;
4. Determine the effect of the undertaking;
5. Assess the effects on listed and/or eligible properties; and
6. Resolve any adverse effects.

Compliance Documentation Required – Historic Preservation

The ERR should contain one of these types of documentation:

1. Letter from SHPO that *no historic properties* will be affected;
2. The City adequately documented its finding of *no historic properties affected* and SHPO does not object within 30 days;
3. City documents that the project meets stipulations of a *Programmatic Agreement* executed with the SHPO; or
4. *Memorandum of Agreement* has been executed between the City and SHPO regarding mitigations measures that will be implemented to resolve adverse effects.

2. Floodplain Management (Executive Order 11988 and 24 CFR Part 55)

The purpose of Executive Order 11988 is to require the City to consider alternatives to developing projects in floodplains when other alternatives are available that achieve the same objective. This is to avoid risking lives and loss of property that results from occupying a floodplain, and to avoid losing the beneficial values of floodplains. Naturally vegetated floodplains can provide a broad area to spread and slow floodwaters, thereby reducing velocities and flood peaks. Slower floodwaters help maintain water quality because the slowed runoff allows sediments to be deposited. Floodplains are also important for recharging groundwater. Rainwater and surface water infiltrate through the generally porous soil of the floodplain into the groundwater.

The City of Huntington Park is required to avoid floodplain development whenever there are *practicable alternatives* to development in the floodplain. According to HUD regulation 24 CFR Part 55, floodplains are those land areas identified on maps published by FEMA as 100-year floodplain (Zones A or V). If the project is a "critical action," the regulation also applies to areas in the 500-year floodplain (Zone B). Coastal high hazard areas are subject to high velocity waters, such as hurricane wave wash. FEMA maps designate these as Zones V1-30, VE, or V.

Most, if not all, communities in the U.S. have been mapped by FEMA. However, if a community has not been mapped by FEMA, the City must establish whether or not the area is subject to one percent or greater chance of flooding in any given year [Section 6(c) of the Executive Order]. The City *must* research the best available information to determine whether buildings or structures could be damaged by floodwaters because of their location.

The City may contract to have a special study completed or, use the following sources of information:

1. U.S. Corps of Engineers;
2. Community Flood Administrators;
3. U.S. Geological Survey Maps;
4. U.S.D.A. Natural Resources Conservation Service (formerly Soil Conservation Service); state departments of water resources;
5. county public works; or
6. Local flood control or levee districts.

The City of Huntington Park *must* follow and comply with the Basic steps for compliance with floodplain management requirements located at Section 55.20, which identifies the "eight-step" decision making process.

Executive Order 11988:

- Step 1 Determine whether the proposed action is located in a 100-year floodplain;
- Step 2 If the project is in a floodplain, publish notice of the proposal to consider an action in the floodplain (15 calendar day comment period);
- Step 3 Evaluate practicable alternatives to locating the proposed action in a floodplain ("Practicable" means capable of being done within existing constraints);

- Step 4 Identify the potential impacts associated with occupancy and modification of the floodplain;
- Step 5 Design or modify the action to minimize adverse impacts and preserve the beneficial values of the floodplain;
- Step 6 Reevaluate whether the proposed action is practicable;
- Step 7 If the RE decides to proceed with the project, it must publish a notice of the decision, addressing why there is "no practicable alternative", the alternatives that were considered, and the mitigation measures being adopted. (Seven calendar day comment period.); and
- Step 8 Implement the proposed action with mitigation measures.

HUD has determined that certain activities are **excluded** from the 8-step decision-making process, including:

- 1. HUD assistance for purchasing,
- 2. mortgaging or refinancing one-to four family properties, and
- 3. minor repairs or improvements on one-to four-family properties [§ 55.12].

NOTE: Part 55 is not applicable if FEMA has issued a Letter of Map Revision (LOMR) or Letter of Map Amendment (LOMA) for the subject site in a floodplain.

Compliance Documentation Required – Floodplain Management

The ERR should contain one of these types of documentation:

- 1. Evidence the proposed action is not within a special flood hazard area mapped by FEMA (i.e., 100-year floodplain or 500-year floodplain for critical actions);
- 2. Documentation of the decision making process is not applicable (§ 55.12); or
- 3. The 8-step decision making process was completed and a decision made that there is *no practicable alternative*

3. Wetlands Protection (Executive Order 11990)

The purpose of the Executive Order 11990 (Wetlands Protection, May 24, 1977) is to:

1. Avoid, if possible, any long and short-term adverse impacts associated with destruction or modification of wetlands; and
2. To avoid direct or indirect support of new construction in wetlands whenever there is a practicable alternative.

Compliance Requirements for Wetlands Protection

1. If new construction or conversion of vacant land is being proposed in a designated wetland, the RE should follow the decision making process in § 55.20 (24 CFR Part 55) and conclude whether there is a practicable alternative to destroying or modifying the wetland.

NOTE: A permit from the U.S. Army Corps of Engineers *is required* if the wetland is within or adjacent to navigable waters of the U.S. or within the jurisdiction of the Corps.

Compliance Documentation Required – Wetlands Protection

The ERR should contain one of these types of documentation:

1. The proposed action does not include new construction or expanding the footprint of a building;
2. Evidence the new construction will not occur in a designated wetland or expand the footprint of a building into a wetland; or
3. There is *no practicable alternative*, according to the completed 8-step decision making process. (U.S. Army Corps of Engineers has issued a permit where they have wetland jurisdiction.)

4. Endangered Species (Endangered Species Act and 50 CFR 402)

Section 7 of the Endangered Species Act requires that, when Federal assistance is used for a project, a determination must be made whether continued existence of *Federally-listed* endangered or threatened species is likely to be affected, and whether it will result in their Critical Habitats being destroyed or adversely modified. The regulation implementing compliance with the Act is 50 CFR 402, issued by the Departments of Interior (U.S. Fish and Wildlife Service) and Commerce (U.S. National Marine Fisheries). The regulation also covers species or critical habitat that is *proposed for Federal-listing* and is likely to be jeopardized by the project.

Compliance Documentation Required – Endangered Species

The ERR should contain one of these types of documentation:

1. Evidence the habitat will not be altered or species affected.
2. If the proposed action may affect species or their habitat, there is evidence the USFWS or NMFS has reviewed the biological assessment and agrees with the findings of *no effect*.
3. If the proposed action will likely adversely affect species or their habitat, the USFWS or NMFS has issued either a “no jeopardy” or “jeopardy” biological opinion.

5. Coastal Zone Management Act

If the City chooses to use HOME funds for physical changes to properties or land within or adjacent to the coastal zone, the City *must* make a determination whether the project is *consistent* with the state's approved coastal management program.

Compliance Documentation Required – Coastal Zone Management

1. The ERR should contain a general location map or statement establishing there are no coastal zone management areas in the community or State of California, or use other documentation that may be available.

6. Sole Source Aquifers

Aquifers are underground geological formations that yield a significant amount of water to a well or spring. The regulations at 40 CFR Part 149 requires the City to:

1. Determine whether a project is within a Critical Aquifer Protection Area designated by EPA; and
2. Whether project activities have the potential to contaminate the aquifer. For example, drilling water wells and constructing water treatment and industrial facilities have the potential of contaminating aquifers.

Compliance Documentation Required – Sole Source Aquifers

The ERR should contain one of these types of documentation:

1. Documentation the proposed action is not within the boundaries of an EPA designated SSA;
2. Documentation the action is not a regulated activity within the boundaries of a SSA; or
3. Documentation that EPA has reviewed and commented on the proposed action within a SSA.

7. Wild and Scenic Rivers Act

Entire river systems or portions of rivers may be designated wild, scenic, or recreational and included in the National Wild and Scenic Rivers System (NWSRS) either by Act of Congress, or may be designated by a state or states if the U.S. Secretary of Interior finds it meets the criteria established by the Act.

In order to be in compliance with this Act, the City must:

1. Determine whether any river listed in the NWSRS, or that is designated for inclusion in the NWSRS, would be directly and adversely affected by development activities associated with the project; and
2. If the project is located above or below a listed river, the City must determine whether the project will impact the river management area or could unreasonably diminish the scenic, recreational, and fish and wildlife values present in the area.

Compliance Documentation Required – Wild and Scenic Rivers

The ERR should contain one of these types of documentation:

1. Evidence the proposed action is not within *one mile* of a designated Wild, Scenic, or Recreational River (<http://www.nps.gov/rivers/wildriverslist.html>); or
2. Documentation that contact was made with the Federal (or State) agency that has administrative responsibility for

management of the river and that the proposed action will not affect river designation.

8. Clean Air Act

The Clean Air Act is a Federal law; however, the states do much of the work to carry out most of the Act. Each state develops state implementation plans (SIP) that contain its objectives and regulations for carrying out the Clean Air Act.

The purpose of an implementation plan is to ensure that ambient concentrations of any of six air pollutants are within the established levels of the National Ambient Air Quality Standards (NAAQS). The six pollutants are:

1. ozone,
2. carbon monoxide,
3. particulate matter,
4. sulfur dioxide,
5. lead, and
6. nitrogen

Sources for pollutants include transportation vehicles, industrial facilities, and farming operations.

Asbestos removal and abatement is a part of the Clean Air Act. Refer to 40 CFR 61, Subpart M, National Emission Standards for Hazardous Air Pollutants (NESHAP.)

Compliance Documentation Required – Clean Air Act

The ERR should contain one of these types of documentation:

1. A resource expert has determined the proposed action is not of a type that would contribute air pollution;
2. The proposed action is within an area in *attainment* with the NAAQS for all six pollutants; or
3. The proposed action is within a *non-attainment* area for one or more of the pollutants but is in conformance with the State Implementation Plan (SIP).

9. Farmland Protection Policy Act (7 CFR Part 658)

The purpose of the Farmland Protection Policy Act is to minimize the effect of Federal programs on the unnecessary and irreversible conversion of farmland to nonagricultural uses. The Act does not apply to lands already in, or committed to, urban development (i.e., 30 structures per 40 acres or water impoundment). However, land that meets the definition of prime or unique farmlands, or is determined to be of statewide or local significance (with concurrence by the U.S. Secretary of Agriculture) is subject to the Act.

If the City cannot determine whether or not the land is classified as prime or unique, it should request the USDA Natural Resources Conservation Service (NRCS) to make the determination by submitting Form AD-1006, the Farmland Conversion Impact Rating form. These forms are available at NRCS offices.

Compliance Documentation Required – Farmland Protection

The ERR should contain one of these types of documentation:

1. Evidence the current zoning classification is not for farmland use (i.e., residential use, commercial use, etc.);
2. Information from NRCS that shows the site is not prime or unique farmland; or
3. Evidence from NRCS shows the site is classified prime or unique agricultural land, and the RE completed and submitted form AD-1006 to NRCS and received its comments.

10. Environmental Justice (Executive Order 12898)

The Executive Order on Environmental Justice directs each Federal agency, and in the case of Part 58 the RE, to make achieving environmental justice part of its mission by "identifying and addressing as appropriate disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations." Presently, there aren't any regulations for implementing the Executive Order. However, HUD has issued a Strategy Plan for Implementing Environmental Justice, which it uses as guiding principle in deciding whether the project could result in disproportionate high and adverse effects on these populations.

During the environmental review process, health and environmental issues may arise concerning the suitability of the project site for its intended use, particularly its suitability for human habitation. The City should document how the Executive Order was given consideration in its final decision.

Compliance Documentation Required – Environmental Justice

The ERR should contain ALL these types of documentation:

1. The proposed action is compatible with surrounding land uses;
2. The site or surrounding neighborhood does not suffer from adverse environmental conditions;
3. The proposed action would not create a negative environmental impact or aggravate an existing impact.

11. Site Contamination from Hazardous and/or Radioactive Materials [§ 58.5(i)(2)]

Section 58.5(i)(2) states that all properties receiving HUD assistance must be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances that *“could affect the health and safety of the occupants of conflict with the intended utilization of the property.”*

Properties having clear health risks for the occupants or inhabitants should be rejected. For multifamily housing (5 or more dwelling units) compliance with this policy requires efforts to identify any hazardous substances and radioactive materials that may be on site or off site that could harm inhabitants, as well as an evaluation of previous uses of the properties.

Compliance Documentation Required – Site Contamination

The ERR should contain one of these types of documentation:

1. Evidence the site is not contaminated (For multifamily housing projects this includes on site and off site contamination and previous uses of the site);
2. Evidence supporting a determination the hazard will not affect health and safety of the occupants or conflict with the intended use of the site

12. Explosive/Flammable Operations (24 CFR 51, Subpart C)

The purpose of this HUD regulation is to ensure there is an *acceptable separation distance* between people and buildings from stationary aboveground storage tanks more than 100 gallons in size and that contain materials that are explosive or flammable in nature (e.g., gasoline, fuel oil, kerosene, crude oil, propane). This is to prevent injury to people and damage to property from industrial accidents.

The City *must* determine if there are hazardous liquids and gases being stored ***within one mile of the project***, and ***within line-of sight of the project***.

The regulation does not apply to rehabilitation of buildings that will not increase residential densities, convert buildings for habitation, or makes vacant buildings habitable (§ 51.201).

Neither does the regulation apply to individual fuel supply for one to four family housing units (Memorandum from Office of Environment and Energy, HUD, October 3, 1992).

Compliance Documentation Required – Stationary Aboveground Storage Tanks

The ERR should contain one of these types of documentation:

1. Document the proposed action does not meet the definition of a "HUD assisted project" (§ 51.201);
2. Field review documentation or aerial photos show no aboveground tanks within *one mile*;
3. If tanks are within one mile:
4. There's an effective barrier;
5. There's an *acceptable separation distance* for people and buildings;
6. The people and buildings can be protected with mitigation measures.
7. Noise Abatement and Control (24 CFR 51, Subpart B)

13. Noise Abatement and Control (24 CFR 51, Subpart B)

The purpose of this HUD regulation is to encourage suitable separation between noise sensitive lands uses, particularly housing, and major noise sources (i.e., roadways, railroads, and military and civilian airports).

The City must determine whether there are any major roadways with 1,000 feet, railroads within 3,000 feet, and military or civilian airports (regulated by the Federal Aviation Administration) that are within 15 miles of the project.

HUD's noise standards are based on the Day-Night Average (DNL) Sound Level System—a system of calculating noise exposure instead of measuring it with instruments. This system is a 24 hour average sound level (expressed in decibels), with an additional 10 decibels added for nighttime noise. The calculation is based upon projected conditions that are expected at least 10 years beyond the project approval date.

Noise is considered *Acceptable* when the exterior noise level is 65 DNL or less. Otherwise, attenuation measures must be incorporated into construction plans (66-75 DNL, *Normally Unacceptable*). If the exterior noise level is above 75 DNL (*Unacceptable*), the project requires special approval from the certifying officer, or it should be disapproved [24 CFR 51.104(a)(2)].

The City must determine whether the exterior noise level at the project site is within HUD's standard for acceptability, or whether noise attenuation is required or another site should be selected for the project. Making this determination may require completing a noise calculation for roadways, railroads, and/or airports according to guidelines provided in The Noise Guidebook [HUD-953-CPD(1)]. This guidebook is issued by and available from HUD online.

Compliance Documentation Required – Noise Abatement and Control

The ERR should contain one of these types of documentation:

1. Documentation the proposed action is not;
2. A *noise sensitive land use*, according to [§ 51. 101(a)(2)] (i.e., housing);
3. Within 1000 feet of a major roadway, 3,000 feet of a railroad, or 15 miles of a military or FAA-regulated civil airfield.
4. If within those distances, documentation shows there's an effective noise barrier;
5. If within those distances, documentation shows the noise level is *Acceptable* (at or below 65 DNL);
6. Documentation shows the noise generated by the noise source(s) is *Normally Unacceptable*, and noise attenuation requirements are identified and will bring the interior noise level to 45 DNL and/or exterior noise level to 65 DNL.

14. Airport Clear Zones (24 CFR 51, Subpart D)

Clear Zones, Runway Clear Zones, and Accident Potential Zones are designated areas at the end of airport runways where the greatest number of airplane accidents occur (about 75 percent). This HUD regulation prohibits using HUD assistance for:

1. New construction; and
2. Major or substantial rehabilitation and modernization activities if projects are located within a Clear Zone or Runway Clear Zone.

It also prohibits using HUD assistance for these activities in an Accident Potential Zone, if such activities would:

1. Change the current use of the facility;
2. Significantly increase the density or number of people at the site; or
3. Introduce explosive, flammable, or toxic materials to the area.

However, this prohibition does not apply to the purchase, sale, or rental of existing properties, nor to minor rehabilitation/modernization or emergency assistance activities.

NOTE: (Minor rehabilitation/modernization would mean, for Clear Zones and Runway Clear Zones, it does not significantly prolong the physical or economic life of a building. for Accident Potential Zones, it does not change its use, increase density, or introduce explosive, flammable, or toxic materials. See § 51.302.)

Compliance Documentation Required – Airport Clear Zones

The ERR should contain one of these types of documentation:

1. Documentation there are no FAA-regulated airports within 2500 feet and/or Department of Defense airfields within 15,000 feet (about 2.8 miles) of the proposed project;
2. There's documentation the rule is not applicable to the proposed project (i.e., acquisition of an existing building, "minor" rehabilitation, or emergency action);
3. The project is within the specified distances, but the map of the airport/airfield shows the proposed action is not located within a Runway Clear Zone, Clear Zone, or Accident Potential Zone.

Compliance with NEPA

The focus of NEPA is on addressing potential impacts related to the human environment (i.e., social, economic and natural resources). So, not only must the Environmental Assessment (EA) address compliance with the Federal laws and authorities (§ 58.5) that were previously

discussed in this chapter, but the City must also address additional environmental factors.

The City *must* determine the effects of the proposed project on the character, features and resources of the project area. Determinations of impact should be based on:

1. site observations,
2. information from relevant documents and reports,
3. special studies, or
4. correspondence with the appropriate government agencies.

The City of Huntington Park will visit the project site to assess or determine the presence/absence of the following factors included in the *Environmental Assessment Checklist* that includes:

1. Unique and natural features;
2. Site suitability, access, and compatibility with the surrounding environment;
3. Soil stability, erosion, and drainage;
4. Nuisances and hazards (manmade or built); and
5. Commercial/retail and transportation.

The City *must* contact the appropriate local agencies to assess the impact that the project will have on the areas listed in the checklist. Detailed guidance is provided in the HUD publication entitled *Environmental Review Guide for Community Development Block Grant Programs* under Title I of the Housing and Community Development Act of 1974, as Amended (HUD-CPD-782(2), September 1991).

A summary of some of this guidance is includes:

1. **Unique and natural features.** To supplement the determination of unique and natural features, contact your state agency that deals with natural resources to determine if any designated Natural Areas or Rare Species Habitats will be affected by the project.
2. **Site suitability, access, and compatibility with the surrounding environment.** To supplement the determination of site suitability, accesses, and compatibility with the surrounding environment, contact the local planning agency or board.
3. **Soil stability, erosion, and drainage.** To supplement the determination of soil stability, erosion and drainage, refer to the Natural Resource Conservation Service (NRCS) County Soil Survey to determine if engineering restraints are indicated. The Soil Survey may be obtained by contacting the local NRCS

office. Provide comments from the site engineer or local development department if engineering restraints are indicated based on the Soil Survey. Where applicable, a review of a geologic map produced by the state geological surveys may be required.

4. **Water supply/sanitary sewers.** To assess water supply/sanitary sewers, contact the local public works department.
5. **Solid waste disposal.** To assess solid waste disposal, contact the local public works department.
6. **School services.** To assess school services, contact the local school board.
7. **Parks, recreation, and social services.** To assess parks, recreation, and social services contact the local planning department, parks and recreation department, and social services department.
8. **Emergency health care, fire and police services.** To assess emergency health care, fire, and police services contact the local fire department, police department, and emergency management organization.
9. **Transportation.** To assess transportation contact the state or city transportation department.

Once determinations have been made, the appropriate impact code must be entered from the list provided in the EA that signifies:

1. No impact anticipate;
2. Potentially beneficial;
3. Potentially adverse;
4. Requires mitigation; and
5. Requires project modification.

The City *must* note names, dates of contact, telephone numbers and page references as well as any mitigation measures required. Attach additional source documentation to the EA as appropriate.

1. OTHER REQUIREMENTS (§ 58.6)

The following section outlines other Environmental Review requirements.

A. Flood Insurance

Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) requires that Federal funds shall not be provided to an area

identified by the Federal Emergency Management Agency (FEMA) as having special flood hazard areas unless:

1. The community is participating in the National Flood Insurance Program, or it has been less than a year since the community was designated as having special hazards; and
2. Flood insurance is obtained.

The City of Huntington Park is responsible for ensuring that property owners receiving HOME assistance take flood insurance on properties located in a 100-year floodplain. Flood insurance must be taken for the life of a loan, or the useful life of an improvement funded by a grant.

B. Coastal Barriers

HUD Assistance may **not** be used for HOME assisted activities proposed in the Coastal Barrier Resource System. The Act prohibits Federal assistance for development or improvement of barrier islands that are subject to frequent damage by hurricanes and high storm surges.

C. Runway Clear Zone or Clear Zone

1. The City *must* advise buyers of existing property whether the property is located in a runway clear zone or clear zone.
2. The City *must* inform the buyer of the implications of such a location, and that there is a possibility that the property may, at a later date, or be acquired by the airport operator.
3. The buyer *must* sign a statement acknowledging receipt of this information. (A copy of this disclosure statement, *Notice to Prospective Buyers of Properties Located in Runway Clear Zones and Clear Zones/Accident Potential Zones*, is contained in the EA form.)

2. RELEASE OF FUNDS AND APPROVAL PROCESS

The City of Huntington Park will adhere to the following steps related to the release of funds and approval process.

Public Notification

The public notification process is an integral part of the environmental review process that allows the public, interested persons, and agencies to voice their opinions about the project's potential environmental impact and the City's environmental findings.

Public notices are required when the City determines that:

1. a project which is categorically excluded subject to § 58.5 cannot convert to exempt, or
2. when the City prepares an environmental assessment (EA) or environmental impact statement (EIS).

A. Categorical Exclusions That Cannot Convert to Exempt

The City *must* issue a *Notice of Intent to Request Release of Funds* if:

1. the proposed activity triggers compliance with any of the Federal laws and authorities, and
2. There is documentation supporting the finding, Publish or post/mail a *Notice of Intent to Request Release of Funds* (NOI/RROF), according to §§ 58.45 and 58.70.

Public Comment

1. A minimum of 7 calendar days must be allowed for public comment if the notice is published in a newspaper of general circulation in the affected community, or
2. A minimum of 10 calendar days if the notice is posted and/or mailed, according to established citizen participation procedures.

NOTE: If the notice is published, it only needs to appear once in the newspaper and does not have to be published again for each of the 7 days of the comment period. If posted, the notice must be maintained in place until after the public comment period has expired.

3. The public comment period begins at 12:01 a.m. local time on the day following the publication or posting/mailing date of the notice (§ 58.21).

The City must consider and respond to any comments received, and resolve any outstanding issues before signing and submitting a *Request for Release of Funds and Certification* to HUD.

4. A copy of the public notice *must* accompany this request.
5. HUD has 15 calendar days from the date it receives the City's request (or 15 days from the date that it appears in the notice, whichever is later) before it may approve release of funds, (*Authority to Use Grant Funds* is issued).

Additionally, the City *must* when publishing or posting/mailing the notice, at minimum distributes a copy of the notice, to:

1. individuals and groups known to be interested in the project/activities,
2. to the local news media,
3. to the appropriate tribal,
4. local, state and Federal agencies, and
5. Regional Office of the Environmental Protection Agency having jurisdiction, and to HUD (§ 58.45).

Environmental Assessments

Upon completion of the EA, the City will make either:

1. A finding of no significant impact (FONSI), or
2. A finding of significant impact (FOSI) determination.

In the event hat a FONSI is made, the City *must* issue two public notices:

1. *Finding of No Significant Impact (FONSI)* and
2. *Notice of Intent to Request Release of Funds (NOI/RROF)*.

NOTE: These notices may be published concurrently.

When there is a combined FONSI/NOI-RROF notice:

1. A minimum of 15 calendar days must be allowed for public comment if the notice is published in a newspaper of general circulation in the affected community, or
2. A minimum of 18 calendar days if the notice is posted and/or mailed, according to established citizen participation procedures.

NOTE: If the notice is published, it only needs to appear once in the newspaper and does not have to be published again for each of the 15 days of the comment period. If the notice is posted, it must be maintained in place until after the public comment period has expired.

The public comment period begins at 12:01 a.m. local time on the day following the publication or posting/ mailing date of the notice (§ 58.21).

1. The City *must* consider and respond to any comments received, and resolve any outstanding issues before signing and submitting a *Request for Release of Funds and Certification* to HUD.
2. A copy of the public notice must accompany this request.
3. HUD has 15 calendar days from the date it receives the City's request (or 15 days from the date that appears in the notice, whichever is later) before it may approve release of funds, (*Authority to Use Grant Funds* is issued.)

In the event that a FOSI is made:

1. The City *must* initiate an Environmental Impact Statement (EIS) in accordance with Subparts F and G of Part 58.

An EIS has additional public involvement and notification requirements.

Additionally, the City must at minimum when publishing or posting/ mailing the notice distribute a copy of the notice, to:

1. Individuals and groups known to be interested in the project/activities, to the local news media,
2. To the appropriate tribal,
3. Local, state, and Federal agencies,
4. To Regional Office of the Environmental Protection Agency having jurisdiction, and to HUD (§ 58.45).

NOTE: All projects involving the rehabilitation of existing buildings or structures must be free of friable asbestos. Testing by a state-certified asbestos testing company or individual for the presence of friable asbestos must be conducted before HOME assistance can be approved.

EXHIBIT 10 SUMMARY OF ENVIRONMENTAL REVIEW ACTION BY ACTIVITY

Activity	Action	Documentation/Form	Notes
Administration	Exempt § 58.34 (a)	Complete <i>Certification of</i>	Under HOME rules, funds must be associated with a

Exemption				specific project to be considered a project cost rather than an administration cost.
TBRA	Cat. Ex. Not subject to § 58.35 (b)(1)	Complete Certification of <i>Categorical Exclusion</i> (not subject to § 58.5)	Public notification and HUD approval is not required.	
Homeowner-Rehabilitation	Cat. Ex. Subject to § 58.35 (a)(3)(i)	Complete Certification of <i>Categorical Exclusion</i> (subject to 58.5), <i>Statutory Checklist</i> , and <i>Compliance Documentation Checklist</i> (58.6)	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.	
Homeowner-Reconstruction	Cat. Ex. Subject to § 58.35 (a)(4)(ii)	Complete Certification of <i>Categorical Exclusion</i> (subject to 58.5), <i>Statutory Checklist</i> , and <i>Compliance Documentation Checklist</i> (58.6)	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.	
Homebuyer Acquisition existing unit	Cat. Ex. Subject to § 58.35 (a)(5)	Complete Certification of <i>Categorical Exclusion</i> (subject to 58.5), <i>Statutory Checklist</i> , and <i>Compliance Documentation Checklist</i> (58.6)	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.	
Homeowner-New Construction development (single family 1-4 units)	Cat. Ex. Subject to § 58.5	Complete Certification of <i>Categorical Exclusion</i> (subject to 58.5),	If project does not convert to exempt, public notification and	

		Statutory Checklist, and Compliance Documentation Checklist (58.6)	HUD approval is required prior to committing and expending funds.
New Construction development (5 or more single family units on scattered sites: <ul style="list-style-type: none">• The scattered sites are more than 2,000 feet apart, and• No more than 4 units per site	Cat. Ex. Subject to § 58.5 § 58.35 (a)(4)(ii)	Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.
Acquisition, Rehabilitation and Resale (single family 1- 4 units)	Cat. Ex. Subject to § 58.5	Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)	If project does not convert to exempt, public notification and HUD Approval is required prior to committing and expending funds.
Rental Acquisition existing building (single family 1-4 units or multifamily)	Categorically Excluded Subject to § 58.5	Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.
Rental Rehabilitation (multi-family 5 or more units): <ul style="list-style-type: none">✓ Unit density will not change more than 20% as a result of rehab;✓ Current use will not changed from✓ residential to nonresidential; and/or	Categorically Excluded subject to § 58.5	Complete Certification of Categorical Exclusion (subject to 58.5), Statutory Checklist, and Compliance Documentation Checklist (58.6)	If project does not convert to exempt, public notification and HUD approval is required prior to committing and expending funds.

<ul style="list-style-type: none"> ✓ Estimated cost of rehab is less than ✓ 75% of replacement cost after rehab 				
Vacant Land Acquisition for New Construction (Rental or Single Family, 5 or more units on a site)	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds	
New Construction development (5 or more single family units on scattered sites): <ul style="list-style-type: none"> ✓ The scattered sites are less ✓ than 2,000 feet apart, and/or ✓ There are more than 4 units per site 	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds	
Homeowner-Rehabilitation <ul style="list-style-type: none"> ✓ Footprint of building is increased in a floodplain or wetland. 	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds	
Rental Rehabilitation (multi-family 5 or more units): <ul style="list-style-type: none"> ✓ Unit density is changed more than 20% as a result of rehab; ✓ Current use will be changed from 	Environmental Assessment	Complete <i>Environmental Assessment</i> (which includes NEPA and related Federal laws and authorities at § 58.5, as well as § 58.6 requirements)	Public notification and HUD approval is required prior to committing and expending funds	

residential to
nonresidential or
vice versa; and/or
✓ Estimated cost of
rehab is more than
75% of
replacement cost
after rehab

NOTE: Except for administrative costs, combinations of activities above that make up a project must be evaluated in a single environmental review. Whichever of the project activities requires the highest level of review dictates the type of review required for the entire project.

PROCEDURE

1. The City of Huntington Park City Manager is the designated Certifying Official. The City Manager will sign all appropriate HUD certifications and the like.
2. The City's environmental review process will be completed by the Planning and Community Development Department Director and/or his/her designator.
3. The City will ensure the proper classification, completeness, and accuracy of the environmental review preparation.
4. The Insert job title will execute the request of release of funds (RROF), and submitting it to HUD, which issues the environmental clearance, if applicable.
5. By the City's Certifying Official (CO) signing the RROF, he/she is certifying the City:
 - a. *Request of Release of Funds and Certification*, Has carried out its responsibilities for environmental review, decision-making and action pertaining to the proposed HOME-funded project
 - b. Has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969 (NEPA), as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR §58.5; and also agrees to comply with the authorities in 24 CFR §58.6 and applicable State and local laws.
 - c. Has, after considering the type and degree of environmental effects identified by the environmental review completed for the proposed project, found that the proposal did not require the preparation and dissemination of an environmental impact statement (EIS). (Note: If

it is an EIS is needed, contact the HOME Program immediately for further guidance.)

NOTE: In certain limited instances, a project that is considered Categorically Excluded, and Subject to 24 CFR Part 58.5, may convert to Exempt after the Statutory Checklist has been completed (see instructions for the Statutory Checklist, <http://housing.mt.gov/content/HM/docs/HMAdminManual/Chap2/2011/HMChap02Exh2G2CESTInstruct.doc> for further guidance Exhibit xxx).

- d. Has disseminated and/or published in the manner prescribed by 24 CFR §§58.43 and 58.55 a notice to the public in accordance with 24 CFR §58.70 and evidenced by the copy (copies) or evidence of posting and mailing procedure attached to the environmental review package submitted to the HOME Program.
- e. Is in compliance with procedures and requirements of 24 CFR Part 58 relating to the dates for all statutory and regulatory time periods for review, comment, or other action.
- f. Has, in accordance with 24 CFR §58.71(b), advised the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.
- g. As the duly designated certifying official of the responsible entity, the CO is also certifying that:
 - i. He/she is authorized to and consents to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR §58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making, and action that have been assumed by the responsible entity.
 - ii. He/she is authorized to and accepts on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in his/her capacity as certifying officer of the responsible entity.

CHAPTER 7: ADMINISTRATIVE REQUIREMENTS

PART 1: GENERAL REQUIREMENTS

A. ELIGIBLE ADMINISTRATIVE AND PLANNING COSTS

The City of Huntington Park will implement the following general administrative procedures:

1. Charge no more than the allowed maximum of 10 percent of the HOME allocation for reasonable administrative and planning costs including staff costs as well as other administrative costs.
2. Charge no more than the 10 percent cap for certain soft costs incurred that is project-related.
 - If a consultant is used the consultant fee, if any, must be included in an amount not to exceed ten percent (10 percent) of the requested HOME Program allocation in the proposed development budget.
 - If a consultant is not used the amount must not exceed ten percent (10 percent) of the requested HOME Program allocation as reimbursement of project delivery costs.
 - The HOME Program allocation may not include both a consultant fee and a project delivery cost reimbursement.
3. Utilize **ONLY** one of the two following options when charging eligible administrative and planning costs that include expenditures for salaries, wages, and related costs of City staff responsible for the HOME Program administration:

Option 1: Include the entire salary, wages, and related costs of each person whose primary responsibility involves program administration assignments.

OR

Option 2: Determine the pro rata share of salary, wages, and related costs of each person whose job includes any program administration assignments for each person.
4. Restrict charging other planning and administrative costs to include:
 - Goods and services necessary for administration (utilities, office supplies, etc.);
 - Administrative services under third party agreements (e.g., legal services);
 - Administering a tenant-based rental assistance (TBRA) program;

- Providing public information;
 - Fair housing activities;
 - Indirect costs under a cost allocation plan prepared in accordance with applicable Office of Management and Budget (OMB) Circular requirements and approved by the City of Huntington Park ; and
 - Complying with other Federal requirements.
5. Restrict charges of eligible project-related soft costs to include Staff and overhead costs: incurred by the City or a third party contractor that are directly related to carrying out specific HOME **projects** that include:
- Appraisals;
 - Preparation of work specifications;
 - Loan processing and underwriting;
 - Construction inspections and oversight;
 - Inspections for the presence of lead hazards or defective paint;
 - Advisory and other relocation services;
 - Project-specific environmental reviews; and
6. Administrative costs charged to the project will not be included in the loan to the project owner.
7. If the project does not go forward, project costs must be charged as administrative costs.

For further guidance, refer to HUD Notice CPD 06-01 "Administrative Costs, Project-related Soft Costs, and Community Housing Development Organization (CHDO) Operating Expenses under the HOME Program," which is available online at <http://www.hud.gov/offices/cpd/affordablehousing/lawsandregs/notices/>.

B. UNIFORM ADMINISTRATIVE REQUIREMENTS Sub-part K (24 CFR 92.500 - 92.509)

The City of Huntington Park will comply with the following administrative requirements pertaining to the financial management and audit standards.

1. OMB Circular A-87 "Cost Principles for State, Local, and Indian Tribal Governments": This circular establishes principles and standards to provide a uniform approach for determining allowable costs under Federal grants and other agreements with states and local governments and Indian tribal governments.
2. Certain provisions in 24 CFR Part 85: These regulations set forth uniform requirements for financial management systems, procurement, reports and records, and grant close-outs for Recipients of Federal grant funding.
3. OMB Circular A-133 (Audit Requirements): Audit thresholds and requirements are outlined in OMB Circular A-133.

4. OMB Circular A-122, "Cost Principles for Non-Profit Organizations," or, for institutions of higher education, OMB Circular A-21 "Cost Principles for Educational Institutions": This circular establishes principles for determining allowable costs under grants, contracts and other agreements with nonprofit organizations.
5. Certain provisions of 24 CFR Part 84: The regulations at 24 CFR Part 84 implement OMB Circular A-110 and set forth uniform requirements for nonprofit organizations, including financial management systems, property standards, procurement standards, reporting and record-keeping. Attachment 3-1 lists the applicable provisions.
6. The requirements at 24 CFR 84.21, "Standards for Financial Management Systems" applies to CHDOs who are acting as an owner, developer or sponsor of HOME assisted housing.

C. WRITTEN AGREEMENTS

Written agreements are important legal documents that assist the City of Huntington Park to protect investments and enforce HOME Program rules, for verifying compliance and monitoring performance, and methods of enforcing program requirements.

The City of Huntington Park's written agreement will serve as a concise statement of the relationship between the City and a funded entity/beneficiary of HOME funds. It will also clearly state the conditions under which the HOME funds are provided.

1. Required provisions

The City of Huntington Park HOME agreements will include at minimum provisions based on the Final Rule (24 CFR Part 92) that details the specific HOME provisions that must be included in written agreements for beneficiaries that may receive HOME funds. The provisions are:

- **Use of funds:** Description of tasks to be performed, schedule for completing tasks, a budget in sufficient detail to effectively monitor performance and the period of the agreement. (For nonprofit and for-profit housing owner, sponsor, or developers, the duration of the agreement will be in a separate clause.)
- **Reversion of assets/program income requirements:** States whether program income, unexpended funds, or other assets will be returned to the City.

- **Uniform administrative requirements:** Compliance with applicable Federal administrative requirements (OMB Circular A-87 and applicable provisions of 24 CFR Part 85 for governmental entities, or OMB Circular A-122 and applicable provisions of 24 CFR Part 84 for non-profit entities).
- **Other Federal requirements:** Requirements regarding non-discrimination and equal opportunity; affirmative marketing and minority outreach; environmental review; displacement, relocation and acquisition; labor standards; lead-based paint; and conflict-of-interest.
- **Affirmative marketing:** Requirements for affirmative marketing in projects of five or more HOME-assisted units.
- **Requests for disbursements of funds:** Requirement that HOME funds may not be requested until funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. Program income must be returned to the City of Huntington Park before any new funding requests will be provided.
- **Records and reports:** Enumeration of records that must be maintained, and information and reports that must be submitted.
- **Enforcement of the agreement:** This provision is in the agreement with all parties, including owners, and is the means of enforcing the provisions of the written agreement.

2. Template agreements

- The City's template contracts, agreements and other legal documents as provided by the City's Planning and Community Development staff must be used.

3. Duration of agreements

- The agreement must specify the duration of the agreement. If the housing assisted under the agreement is rental housing, the agreement must be in effect through the affordability period required by the City of Huntington Park. If the housing assisted under this agreement is homeownership housing, the agreement must be in effect at least until the completion of the project and transfer of ownership to a low-income family.

4. Amending the documents

- Written agreements may be amended by mutual agreement of the parties when regulations and requirements change, or when adjustments to funding levels or other conditions related to a specific project are needed.

EXHIBIT 11

WRITTEN AGREEMENT REQUIRED PROVISIONS

REQUIRED PROVISION (§92.504)	SUBRECIPIENTS	OWNERS, SPONSORS, DEVELOPERS (CHDOS)	CONTRACTORS	HOMEOWNERS
Use of HOME Funds	✓	✓	✓	✓
Affordability (§92.252 or §92.254)		✓		
Program Income	✓			
Uniform Administration requirements (§92.505)	✓			
Project requirements (as applicable in Subpart F)		✓		2.254 only
Property Standards (§92.251 and §92.355)		✓		
Other Program Requirements (Subpart H except (§92.252 and §92.357)	✓	✓	Except 92.505, 92.506, 92.352	
Affirmative Marketing (§92.351)	✓	✓		
Requests for Disbursement of Funds	✓	✓		
Reversion of Assets	✓	✓		
Records and Reports	✓	✓		
Enforcement of the Agreement (§92.252 and 24 CFR Part 85 as applicable)	✓	✓		
Duration of the Agreement		✓	✓	
CHDO Provisions (§92.300 and §92.301)		✓		

Suggested Provisions (not HOME Requirements)	✓		
Roles and Responsibilities	✓	✓	
Description of the Project	✓	✓	
Performance Standards	✓	✓	
Conflict of Interest	✓	✓	✓
Monitoring	✓	✓	
Close-out Requirements	✓	✓	
Non-Compliance	✓	✓	✓

PROCEDURE:

1. **Before any City of Huntington Park HOME funds are committed or disbursed** the City will enter into a written agreement.
2. For all development activities, the City of Huntington Park will select and/or approve a closing entity to provide closing services for all HOME Program transactions using the City's approved documents.
3. The City of Huntington Park Planning and Community Development staff will provide closing instructions for all HOME Program funded transactions to the closing entity.
4. The City of Huntington Park will be responsible for payment of costs associated with closing the HOME Program portion of the transaction on both homeowner and rental activities.

The City's PROGRAMS Agreement is detailed on the following page (Exhibit 12):

EXHIBIT 12

HOME PROGRAM AGREEMENT AND CITY AFFORDABILITY AGREEMENT BETWEEN THE CITY OF HUNTINGTON PARK AND THE APPLICANT FOR THE OWNER OCCUPIED HOUSING REHABILITATION PROGRAM

HOMEOWNER NAME(S) & PHONE NO.:	PROPERTY ADDRESS:	CONTRACTOR NAME, ADDRESS, PHONE NO.:

This HOME Investment Partnerships Program Housing Rehabilitation Agreement ("Agreement") is entered into by the City of Huntington Park, California ("the City") and _____ (hereinafter called "Homeowner" whether one or more persons). This Agreement applies only to the Homeowner and dwelling unit ("Property"), as identified above. This Agreement describes the HOME Program rules and the City affordability requirements that pertain to the assistance provided through the City's HOME Housing Preservation Program (HHPP). The duration of the HOME portion of this Agreement is thirty (30) days from the date of completion of rehabilitation work as defined herein. The duration of the City's affordability period and the deed of trust shall continue until a change in title occurs, as defined herein.

By initialing the items listed below, Homeowner and Contractor confirm that each item has been read and Homeowner and Contractor understand and agree to comply with each item, as applicable:

1. USE OF HOME PROGRAM FUNDING

_____ The City will provide HOME Program funding in the amount of \$_____ as a deferred loan with a HOME compliance period of thirty (30) days;

- _____ A City imposed affordability period will run concurrent to the HOME compliance period and extend forward until there is a transfer of title for any of the following reasons: The property is sold; the property is foreclosed on; the property is refinanced; the property is leased; the applicant(s) fail(s) to occupy the property as their primary residence;
- _____ In the event that one of the Homeowner's dies, ownership as stipulated by California Real Estate law transfers to the surviving individual. This procedure is not a transfer of title. Consequently, the remaining Homeowner will assume the loan pursuant to the original terms of the loan.
- _____ At the time Homeowner is approved for HOME Program assistance, Homeowner has an ownership interest in and occupies the Property to be rehabilitated as his/her principal residence. Homeowner agrees to continue to occupy the Property as his/her principal residence for the HOME Compliance Period and the City's Affordability Period.
- _____ At the time Homeowner is approved for the HOME Program assistance, the Homeowner qualifies as a low-income household with a gross household income that does not exceed 80% of the area median income as established by the U.S. Department of Housing and Urban Development for the Ventura MSA adjusted for household size, and as updated annually.
- _____ The City Affordability Period will be secured by a promissory note and recorded subordinate deed of trust (no lower than second position). Monthly payments will not be required on this portion of the assistance. This assistance will be provided at 0% interest,
- _____ If, during the City's Affordability Period, the Homeowner sells or transfers title to the Property, rents or leases the Property, refinances the Property, or if Homeowner no longer lives in the Property as his/her principal residence, all of the deferred payment loan will be due and payable to the City. However, in the event the Homeowner sells the Property, and the net proceeds after repayment of the first mortgage and the costs of sale of the Property are less than the amount of City's loan, the amount due shall be reduced to the amount available.
- _____ Housing rehabilitation work will provide general rehabilitation necessary to bring the structure into compliance with the City's applicable building codes; the City's adopted property standards (if applicable); the City's housing

rehabilitation program standards; and applicable lead-based paint (LBP) regulations (24 CFR 92.251 & 92.355). Rehabilitation work to be completed will only be as specified in the approved written work specification for the Property and fully executed and approved change orders. All codes, standards, and regulations noted are incorporated herein by reference.

_____ The maximum after-rehab value of Property must not exceed the current 203(b) FHA Mortgage Limits for a single unit structure in the Ventura Metropolitan Statistical Area.

The estimated after-rehab value is: \$ _____

The 203(b) Mortgage limit is: \$ _____ as of (Insert Date)

Estimated Start Date: _____

Estimated Completion Date: _____

_____ After the notice to proceed is issued by the City, the Homeowner has a three (3) day Right of Rescission Period. If Homeowner does not exercise their Right of Rescission, the Contractor has ten (10) calendar days to begin work;

_____ Upon completion of rehabilitation work, the Contractor shall furnish warranties as fully described in Section XV of the Housing Rehabilitation Program Policies (incorporated herein by reference).

2. DISBURSEMENT OF FUND

_____ Funds will be disbursed on a reimbursement basis and only.

_____ During the course of the work if any partial or in-progress payments are made, the Contractor shall furnish fully executed and dated lien releases/waivers for the specified amount(s) paid to himself/herself AND from all subcontractors receiving proceeds from such partial or in-progress payments.

- _____ Upon completion of the rehabilitation work, final inspections, and a qualified building official inspection, the Contractor will submit a written invoice for the amount of the contract, plus change orders, less ten percent (10%) retainage.
- _____ Upon completion of rehabilitation work, the Contractor shall furnish fully executed and dated lien releases/waivers for the specified amount(s) paid to himself/herself AND from all subcontractors receiving proceeds from the final payment/draw.
- _____ Retainage funds will be held for twenty (20) days. After twenty (20) days, the Contractor will submit a written invoice for the final payment accompanied by the required *Bill Paid Affidavit* and a fully executed *Release of Lien* for his/her ten percent (10%) retainage. Upon approval by the City and the Homeowner the final ten percent (10%), payment will be made to the Contractor.

3. ROLES AND RESPONSIBILITIES

- _____ Roles and responsibilities of the Homeowner include, but are not limited to: Submission of true and accurate financial and other eligibility documentation; selection of the contractor; review and execution of the work write-up, contract, and associated documents; and accommodating the schedules of the Contractor and the City to facilitate timely completion of rehabilitation work and inspections.
- _____ Roles and responsibilities of the Contractor include, but are not limited to: Communicating with Homeowner and the City regarding status of the work during the construction period; notifying the City, in writing, including a justification delineating and supporting the need for any change orders (including itemized cost information); completing any items identified on the final inspection prior to execution of the *Certificate of Completion*; and providing and adhering to warranty agreements in a timely manner.
- _____ Roles and responsibilities of the City, include, but are not limited to: Ensuring payment to Contractor as set forth in the rehabilitation contract; communicating with the Homeowner and Contractor regarding all administrative procedures that affect completion of rehabilitation work; advising the Homeowner regarding city property standards, building code requirements, local property standards and housing rehabilitation standards

which may affect the prioritization of work items; and documenting project files in compliance with all applicable HUD regulations.

- _____ Roles and responsibilities of the City, the Homeowner, and the Contractor are more specifically outlined in the City's HOME Policies and Procedures, incorporated herein by reference.
- _____ Homeowner has responsibility to select the contractor to complete the rehabilitation work from any eligible bid, as long as the price quoted is within a range of no more than ten percent (10%) below or ten percent (10%) above the cost estimate of scope of rehabilitation work prepared by the City. Eligible bids may be obtained from a list of City pre-approved contractors or other contractor selected by Owner. The selected Contractor and his/her subsequently selected subcontractors must not be debarred or suspended from the Housing Rehabilitation Program, federally funded programs, or state funded programs; must carry the required insurance; submit or have submitted a completed Contractor Information Form to the City and a statement of non-use of lead-based paint; pass a criminal background check; and all other program requirements of the PROGRAMS as outlined in the program policy, incorporated herein by reference.

4. PROPERTY STANDARDS

- _____ All rehabilitation work will be completed in compliance with the Housing Rehabilitation Program's locally written and adopted property standards and all applicable written local building and property codes and standards.
- _____ Housing rehabilitation assistance will only be provided to cover the cost of rehabilitation necessary to bring the property in compliance with locally adopted, written building and property standards, Rehabilitation Program standards and, applicable Federal and State building and property standards.

5. WRITTEN AGREEMENT PROVISIONS

- _____ Homeowner will enter into a written agreement with the Homeowner-selected, qualified Contractor for the completion of rehabilitation work. The written agreement shall include the scope of work, the cost of the work to be completed, and the time frame during which the scope of work must be

completed, all of which have been reviewed and approved by Homeowner, City, and Contractor at the preconstruction conference. Said written agreement, work specifications, and any subsequent change orders are incorporated herein by reference.

- _____ Except for the purpose of affording protection against any emergency endangering life or property, no modification of the written agreement shall be made except by written instrument, signed by the Contractor, approved by Homeowner, and accepted and dated in writing by City. Change orders may be authorized for necessary work items that were initially overlooked or which could not be determined until the course of the rehabilitation or reconstruction work had already begun. Change orders must be requested prior to commencement of the proposed changed work in order for such costs to be reimbursable.
- _____ Homeowners or Contractors with concerns about the administration or operation of the Housing Rehabilitation Program should communicate these concerns to the City. If concerns cannot be negotiated or resolved successfully between the parties, they may file an appeal with the ("INSERT APPROPRIATE LOCAL AUTHORITY").
- _____ Homeowner agrees to abide by the HOME regulations as set forth in 24 CFR Part 92 which is incorporated as a part of this agreement by reference. A copy of the regulation in its entirety can be accessed at: <http://www.hud.gov/offices/cpd/affordablehousing/lawsandregs/regs/finalrule.pdf>.

By signing below, Homeowner and Contractor acknowledge receipt of this document and understanding of its contents.

Homeowner

Date

Homeowner

Date

Contractor

Date

Director of Planning and Community Development
Date

D. CONFLICT-OF-INTEREST

The City of Hzntrington Park will comply with the following conflict-of-interest provisions:

1. 24 CFR Parts 84 and 85, and CFR 85.36 and 24 CFR 84.42.
2. Provisions not covered by 24 CFR Parts 84 and 85, set forth in the HOME regulations. Additionally, the HOME regulations include conflict of interest provisions for nonprofit, for-profit owners/developers/sponsors and CHDOs.
3. no employee, officer, agent of the city shall participate in the selection, award or administration of a contract supported by HOME if a conflict-of interest, either real or apparent, would be involved;
4. City employees, officers and agents not accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub-agreements; and
5. Enforce provisions for penalties, sanctions or other disciplinary actions for violations of standards.
6. no person who exercises or has exercised any functions or responsibilities with respect to HOME activities or who is in a position to participate in decisions or gain inside information:
 - May obtain a financial interest or benefit from a HOME activity; or the City of Huntington Park HOME Program Operations;
 - Have an interest in any contract, subcontract, or agreement for themselves or for persons with business or family ties.

NOTE: This requirement applies to covered persons during their tenure and for one year after leaving the Recipient entity.

7. Include the conflict-of-interest provision in written agreements and other documents with owners, developers, and sponsors.
8. Monitoring of projects will include necessary actions to ensure that the conflict of interest provision is adhered to.

HOME Provisions for Nonprofit and For-Profit Owners, Developers, CHDOs, and Sponsors

The City of Huntington Park will comply with the HOME Final Rule that includes a conflict-of-interest provision applicable to for-profit and nonprofit owners, developers, and sponsors of HOME-assisted housing. This provision states that:

1. No owner, developer, or sponsor of HOME-assisted housing, including their officers, employees, agents, consultants, or elected or appointed officials, may occupy a HOME-assisted unit in a development.

NOTE: This provision **does not** apply to:

- a. An individual receiving HOME funds to acquire or rehabilitate his/her principal residence, or,
- b. An individual living in a HOME-assisted rental housing development where he/she is a project manager or a maintenance worker in that development.

Exceptions: Exceptions to this conflict-of-interest provision (governing owners, developer, and sponsors of HOME-assisted housing) may be granted by the City after obtaining a waiver from HUD on a case-by-case basis based on the following factors as set forth in the regulations:

- Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of assisted housing, and the exception will permit him or her to receive generally the same interests or benefits as are being made available or provided to the group as a whole;

- Whether the person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted housing in question;
- Whether the tenant protection requirements of CFR 92.253 (prohibited lease terms, termination of tenancy and tenant selection) are being observed;
- Whether the affirmative marketing requirements are being observed and followed; and
- Any other factor relevant to the City's determination, including the timing of the requested exception.

E. RELIGIOUS ORGANIZATIONS

HOME funds **may** be provided to primarily religious organizations for any activity, excluding inherently religious activities.

1. As of the September 30, 2003 Final Rule for 24 CFR Part 92, HUD identified regulations for eight programs, including the HOME Program, to eliminate barriers and ensure that these programs are open to all qualified organizations regardless of their religious character.

F. HOME INVESTMENT TRUST FUND ACCOUNT

The HOME Investment Trust Fund Account is the account established by the U.S. Treasury and managed through HUD's Integrated Disbursement and Information System for the Program.

1. Establishment

The Secretary shall establish for each participating jurisdiction a HOME Investment Trust Fund, which shall be an account (or accounts as provided in section 12749(c) of this title) for use solely to invest in affordable housing within the participating jurisdiction's boundaries or within the boundaries of contiguous jurisdictions in joint projects which serve residents from both jurisdictions in accordance with the provisions of this part.

2. Line of credit

The Secretary shall establish a line of credit in the HOME Investment Trust Fund of each participating jurisdiction, which line of credit shall include:

- a. funds allocated or reallocated to the participating jurisdiction under section 12747 of this title, and
- b. any payment or repayment made pursuant to section 12749 of this title.
- c.

3. Reductions

A participating jurisdiction's line of credit shall be reduced by:

- a. funds drawn from the HOME Investment Trust Fund by the participating jurisdiction,
- b. funds expiring under subsection (g) of this section, and
- c. any penalties assessed by the Secretary under section 12754 of this title.

4. Certification

A participating jurisdiction may draw funds from its HOME Investment Trust Fund, but not to exceed the remaining line of credit, only after providing certification that the funds shall be used pursuant to the participating jurisdiction's approved housing strategy and in compliance with all requirements of this subchapter. When such certification is received, the Secretary shall immediately disburse such funds in accordance with the form of the assistance determined by the participating jurisdiction.

5. Investment within 15 days

The participating jurisdiction shall, not later than 15 days after funds are drawn from the jurisdiction's HOME Investment Trust Fund, invest such funds, together with any interest earned thereon, in the affordable housing for which the funds were withdrawn.

6. No interest or fees

The Secretary shall not charge any interest or levy any other fee with regard to funds in a HOME Investment Trust Fund.

7. Expiration of right to draw funds

If any funds becoming available to a participating jurisdiction under this subchapter are not placed under binding commitment to affordable housing within 24 months after the last day of the month in which such funds are deposited in the jurisdiction's HOME Investment Trust Fund, the jurisdiction's right to draw such funds from the HOME Investment Trust Fund shall expire. The Secretary shall reduce the line of credit in the participating jurisdiction's HOME

Investment Trust Fund by the expiring amount and shall reallocate the funds by formula in accordance with section 12747(d) of this title.

8. Administrative Provision

The Secretary shall keep each participating jurisdiction informed of the status of its HOME

Investment Trust Fund, including the status of amounts under various stages of commitment.

a. In general

Any repayment of funds drawn from a jurisdiction's HOME Investment Trust Fund, and any payment of interest or other return on the investment of such funds, shall be deposited in such jurisdiction's HOME Investment Trust Fund, except that, if the jurisdiction is not a participating jurisdiction when such payment or repayment is made, the amount of such payment or repayment shall be reallocated in accordance with section 12747(d) of this title.

b. Assurance of repayment

Each participating jurisdiction shall enter into an agreement with the Secretary ensuring that funds invested in affordable housing under this part are repayable when the housing no longer qualifies as affordable housing. Any repayment under the previous sentence shall be for deposit in the HOME Investment Trust Fund of the jurisdiction making the investment; except that if such jurisdiction is not a participating jurisdiction when such repayment is made, the amount of such repayment shall be reallocated in accordance with section 12747(d) of this title.

c. Availability

The Secretary shall take such actions as are necessary to ensure that any repayments deposited in a HOME Investment Trust Fund in accordance with this section shall be immediately available to the participating jurisdiction for investment subject to the provisions of this part that apply to funds that are allocated under section 12747 of this title. Actions authorized under the preceding sentence may include authorizing the establishment for a participating jurisdiction of a HOME Investment Trust Fund account outside of the Federal Government that,

under arrangements satisfactory to the Secretary, shall be used solely to invest in affordable housing within the participating jurisdiction's boundaries in accordance with the provisions of this subchapter. Such accounts shall be established in such a manner that repayments are not receipts or collections of the Federal Government.

G. HOME PROGRAM INCOME

Program income is defined as any revenue received by the City directly generated from the use of HOME funds or matching contributions. Program income includes, but is not limited to:

1. Proceeds from the sale or long-term lease of real property acquired, rehabilitated or constructed with HOME funds or matching contributions;
2. Income from the use or rental of real property owned by a Recipient that was acquired, rehabilitated or constructed with HOME funds or matching contributions, minus the costs incidental to generating that income;
3. Payments of principal and interest on loans made with HOME or matching funds, and proceeds from the sale of loans or obligations secured by loans made with HOME or matching contributions;
4. Interest on program income; and
5. Any other interest or return on the investment of HOME and matching funds.

Note: The City of Huntington Park requires that all program income is returned to the City.

H. PRE-AWARD COSTS

With the publication of the Final Rule, the City may incur eligible costs prior to the effective date of its annual HOME Investment Partnership Agreement, subject to certain conditions:

1. Both administrative/planning and project costs may be incurred. Only costs eligible under the HOME Program rules in effect at the time the costs are incurred are included.
2. Expenditures must meet all regulatory requirements, including environmental review regulations.

I. HOME PROGRAM DRAWS

HOME funds are available on a reimbursement basis only based on documentation of incurring the expense and payment of the expense.

PROCEDURE

1. The City of Huntington Park will reimburse funds based upon information submitted by the Recipient. Any expenditures occurring after the effective date of the contractual agreement between the City of Huntington Park and the Recipient are eligible for reimbursement.
2. Expenditures must be consistent with the approved budget as stated in the contractual agreement between the City of Huntington Park and the Recipient. Only eligible expenses will be reimbursed.
3. Payments will be adjusted by the City in accordance with program income balances available in sub-recipient accounts, if applicable.
4. In order to ensure accurate billing and fund management sub-recipients should keep track of the following information for activities funded:
 - a. Funds budgeted.
 - b. Funds received in City of Huntington Park .
 - c. Reimbursements to-date.
 - d. Funds obligated in the most recent period and to-date.
 - e. Funds expended in the most recent period and to-date.
 - f. Cash on hand (including program income identified as such), *if applicable*.
 - g. Previous reimbursements requested but not yet received, *if applicable*.
5. All requests for final reimbursements must be submitted to the Planning and Community Department Division within 15 days after the last date of the contract.

To request reimbursement:

1. The "Reimbursement Request" form must be completed and signed by either the Planning or Planning and Community Development Director or another authorized personnel.

2. Provide original invoices for all expenditures to be reimbursed.
3. Payment receipts, copies of checks, and/or all documentation proving that payment has been made prior to requesting reimbursement.
4. For salary reimbursement, time sheets must include total time worked and a breakdown of funding sources covering the salary and benefits associated.

All reimbursements will be made within thirty (30) days of receipt of the request, if proper documentation has been submitted. Please be advised that the City of Huntington Park will not provide reimbursements if quarterly reports have not been submitted within the time limits stated in the contractual agreement between the City of Huntington Park and the Recipient.

PART 2: FINANCIAL MANAGEMENT:

INTERNAL CONTROLS, RECORD-KEEPING, REPORTING, MONITORING

A. INTERNAL CONTROLS

The City of Huntington Park internal controls include a combination of procedures, specified job responsibilities, qualified personnel, and records that together create accountability in an organization's financial system and safeguard its cash, property, and other assets. The City's internal controls make sure that:

1. Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies,
2. Resources are protected against waste, mismanagement, or loss, and
3. Reliable information on source, amount, and use of resources are secured up-to-date, and recorded.

Additionally, internal controls will ensure that no one individual has authority of an entire financial transaction.

Specifically, that the City has a separation of power for the following three responsibilities:

1. Authorization to execute a transaction,
2. Recording of the transaction, and

3. Custody of assets involved in the transaction. This type of separation of responsibilities will create a system of checks and balances for grant and general organization expenditures.
4. The City will periodically reconcile its financial records to actual assets and liabilities which will safeguard resources as well as detect instances of fraud or misuse.

B. RECORD-KEEPING

OVERVIEW

The HOME Program has recordkeeping and reporting requirements to document that HOME funds are used appropriately and that HOME Program objectives are being met.

Under the HOME Program regulations, the City of Huntington Park is required to meet certain record-keeping and reporting requirements that are designed to:

- a. Ensure consistency with HOME program requirements;
- b. Clarify the record retention periods; and
- c. Include new records that exercise any of the three new options allowed in the Final Rule (i.e., multi-family refinancing, presumption of affordability for homebuyer assistance, and locally-established 95 percent of area median purchase price limits).

PROCEDURE

1. The City of Huntington Park will maintain records that include:

- a. Program records;
- b. Project records;
- c. CHDO records;
- d. Financial records;
- e. Program administration records; and
- f. Records concerning other Federal requirements.

2. **Maintain PROGRAM RECORDS that include:**

- a. Written agreement with the City of Huntington Park and documentation of compliance with the written agreement;
- b. A copy of the application originally submitted to the City of Huntington Park ;
- c. Forms of assistance used;

- d. Procedures for establishing 95 percent of median value;

3. Maintain Project Records that include:

- a. Location (with a map),
- b. Form of assistance,
- c. Number and identification of units or tenants associated with HOME.
- d. Source and application of funds;
- e. Compliance with maximum per-unit subsidy limits and subsidy layering guidelines;
- f. Compliance with property standards and lead-based paint requirements;
- g. Compliance with income-eligibility requirements;
- h. For rental projects, compliance with income targeting, affordability and lease requirements;
- i. If multi-family or single-family refinancing is provided, compliance with established guidelines and/or requirements;
- j. If multi-family new construction, results of the site and neighborhood standards review conducted;
- k. For homeownership projects, compliance with maximum property value and affordability requirements; and
- l. If pre-award costs, compliance with applicable requirements.

4. Maintain CHDO records that include:

- a. Written agreement with the City of Huntington Park ;
- b. Documentation of qualification as a CHDO, including
 - Documentation of nonprofit status;
 - Current board list that identifies low-income representation;
 - Documentation of low-income community input (e.g. minutes from community meeting);
 - Documentation of organizational capacity (e.g. resumes of staff members);
- c. Documentation of uses of CHDO set-aside funds, including funds for capacity-building (if applicable); and
- d. Current project descriptions.

5. Maintain Financial Records that include:

- a. Source and application of funds;
- b. Treasury and local HOME accounts;

- c. Source and application of program income, repayments and recaptured funds; and
- d. Budget control measures, including periodic account reconciliations.

6. Maintain Program Administration Records that include:

- a. Compliance with written agreements;
- b. Compliance with applicable uniform administrative requirements; and
- c. Inspections, monitoring reviews and audits, and resolution of any findings or concerns.

7. Maintain Documentation Records that include:

- a. Equal opportunity and fair housing;
- b. Affirmative marketing and minority/women's business outreach;
- c. Environmental review;
- d. Acquisition, relocation, displacement, and replacement of housing;
- e. Labor standards;
- f. Lead-based paint;
- g. Conflict-of-interest; and
- h. Debarment and suspension.

8. RETAIN RECORDS FOR a period is five (5) years including:

- a. **Housing Rehabilitation:**
 - General records must be kept for five years after project completion
- b. **Rental:** For rental housing records:
 - General records must be kept for five years after project completion; and
 - Tenant income, rent and inspection information must be kept for the most recent five years, until five years after the affordability period ends.
- c. **Homeownership:** Homeownership records must be kept for:
 - i. Five years after project completion; and
 - ii. For resale/recapture records, five years after the affordability period ends.
- d. **Written agreements:** Generally, all written agreements must be maintained for five years after the agreement ends.

- e. **Displacement and acquisition:** Displacement and acquisition records must be kept for five years after final payment to displacees.

9. ACCESS TO RECORDS

- a. Provide citizens and other interested parties with reasonable access to records. Access will be consistent with applicable state and local laws regarding privacy and obligations of confidentiality.
- b. Provide citizens, public agencies and other interested parties with reasonable and timely access to information and records relating to the City's Consolidated Plan and the use of assistance under Programs covered by the Consolidated Plan.
- c. Provide access to HUD and the Comptroller General of the United States, or any of their representatives, to any records for auditing, excerpt, or transcript purposes.

C. REPORTING REQUIREMENT

OVERVIEW

HOME Program regulations require the City of Huntington Park to submit an annual report, called the Consolidated Annual Performance and Evaluation Report (CAPER), to HUD within 90 days of the close of City's program year. This is in accordance with the Consolidated Plan regulations at 24 CFR Part 91. The CAPER incorporates not only HOME Program information, but also the reporting requirements for the Community Development Block Grant (CDBG), Housing Opportunities for Persons with AIDS (HOPWA) and Emergency Shelter Grants (ESG) programs.

1. The City of Huntington Park HOME Program is required to meet certain reporting requirements, which are outlined below, in order to support the City in meeting its annual HOME Program reporting requirements.
2. The CAPER must include:
 - A summary of resources and programmatic accomplishments; and
 - The status of actions taken during the year to implement the overall strategy, which includes a self-evaluation of progress during the past year in addressing priority needs and specific objectives.

PROCEDURE

1. The Insert job title will complete a Semi-Annual Status Report as well as Project Set Up and Completion Reports for all projects.
2. The Insert job title will complete a Semi-annual Status Report for all open projects. This report will include, at a minimum, the following sections:
 - Narrative. A narrative section outlining project milestones achieved;
 - Funding. A funding status update including all draws; and
 - Issues/Concerns. The report should outline any issues or concerns that may require the assistance.
3. The Insert job title will complete a Project Setup and Completion Form with request for retainage payment. The forms used differ by activity (Homeowner Rehab, Rental, and/or Homebuyer).
4. The Insert job title will enter the data into the IDIS system and report completed projects to HUD.

D. MONITORING

OVERVIEW

To meet reporting requirements, the City must monitor its HOME Program activities for compliance and document the results.

PROCEDURE

The Insert job title will maintain and implement the following:

1. Maintain monitoring reports in each project file.
2. Monitor the HOME Program based on the individual activity.
 - a. Owner Occupied Projects (Homeowner Rehabilitation and Homebuyer (if applicable): the City will monitor owner occupied projects for principal residency throughout the affordability period.
 - b. Rental Projects(if applicable): the City will monitor rental projects for the following factors:
 - Occupancy (income requirements);
 - HOME Rents; and
 - Property standards (units must meet HQS.)

HOME PROGRAM RISK ANALYSIS, MONITORING PROCESS, AND PLAN

The Risk Analysis and Monitoring Process

It is the policy of the City of Huntington Park HOME Program to monitor all HOME-projects for risk analysis, program compliance, and long-term sustainability. The City's Monitoring plan will address three HOME components:

1. The structures and infrastructures financed with HOME funds;
2. The actual beneficiaries of HOME program expenditures; and
3. The actual documentation that describes the actions and intentions of program participants (whether subrecipient, developer, or contractor).

PROCEDURE

The City's Monitoring Procedure will include the review of three general areas:

1. Administrative and Financial Monitoring
 - This monitoring will address program compliance and cross-cutting requirements;
2. Program Monitoring
 - This monitoring will address overall HOME program performance;
3. Project Monitoring
 - This monitoring will address specific HOME project compliance.

The goal of the City's monitoring process is to conduct a risk analysis to determine which program areas and specific HOME-funded projects should receive intensive monitoring in a given year. While attention will be paid to "higher risk" projects, the HOME Program will, at a minimum, conduct a "desk monitoring review" of all funded HOME projects on an annual basis.

To the greatest degree possible, the City's monitoring checklists will incorporate the questions and concerns outlined in the CPD Monitoring Handbook 6509.2, Rev-6, Chapter , 7 Program exhibits on the following page:

CPD Monitoring Handbook 6509.2, Rev-6, Chapter 7:

Exhibit 7 - 1	HOME Participating Jurisdiction Pre-Monitoring Information Sheet
Exhibit 7 - 2	Guide for Review of Overall Management Systems
Exhibit 7- 3	Guide for Review of Homeowner Rehabilitation Projects

Exhibit 7-4	Guide for Review of Homeowner Rehabilitation Programs
Exhibit 7 - 5	Guide for Review of Homebuyer Projects
Exhibit 7 - 6	Guide for Review of Homebuyer Programs
Exhibit 7 -7	Guide for Review of Rental Projects
Exhibit 7 - 8	Guide for Review of Rental Programs
Exhibit 7 - 9	Guide for Review of Tenant-Based Rental Assistance (TBRA) Projects
Exhibit 7 - 10	Guide for Review of Tenant-Based Rental Assistance (TBRA) Programs
Exhibit 7 - 11	Guide for Review of Community Housing Development Organization (CHDO) Qualifications and Activities
Exhibit 7 - 12	12 Guide for Review of Community Housing and Development Organization (CHDO) Procedures
Exhibit 7 - 13	Guide for Review of Match Requirements
Exhibit 7 - 14	Guide for Review of Beneficiary Written Agreements
Exhibit 7 - 15	Guide for Review of Contractor Written Agreements
Exhibit 7 - 16	Guide for Review of Owner, Developer, Sponsor Written Agreements
Exhibit 7 - 17	Guide for Review of State Recipient Written Agreements
Exhibit 7 - 18	Guide for Review of Subrecipient Written Agreements
Exhibit 7 - 19	Guide for Review of Subrecipient Management

Exhibit 7 - 20	Guide for Review of Financial Management Attachment: Attachment to Exhibit 7-20 Reviewer's Guide for Financial Management Review of HOME Participating Jurisdictions (PJs)
Exhibit 7 - 21	Guide for Review of Cost Allowability
Exhibit 7 - 22	Guide for Review of Procurement
Exhibit 7 - 23	Guide for Review of Equipment and Equipment Disposition

PROCEDURE

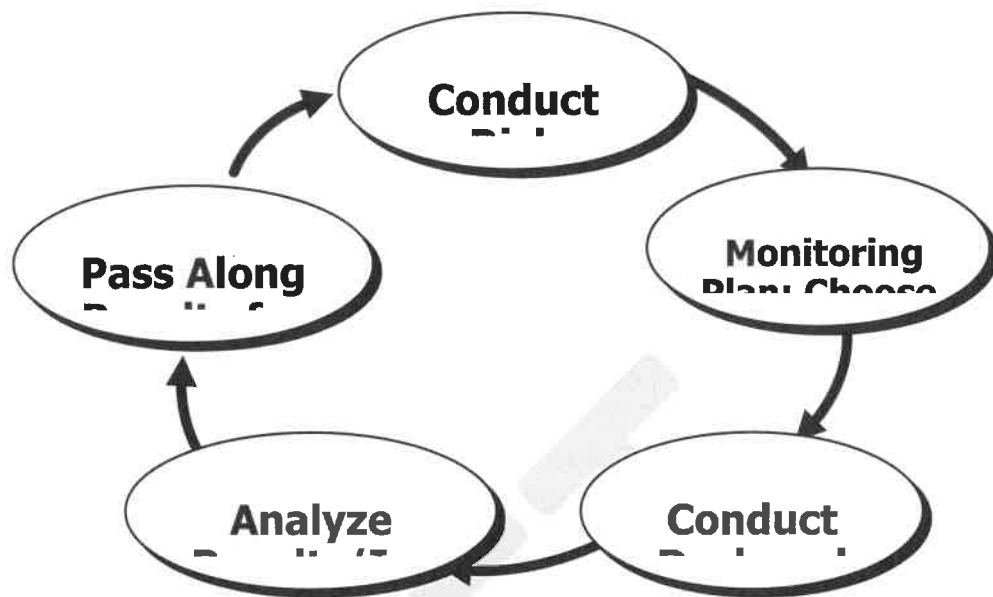
Note: While the City of Huntington Park does not operate all HOME program activities, they are listed here in the possibility that the City of Huntington Park may decide to operate such in the future.

A. Timing of HOME Monitoring

It is the policy of City of Huntington Park to conduct HOME monitoring as an ongoing process. The City will conduct on-going monitoring in three phases:

1. Initial review, analysis, and feasibility of project eligibility during threshold reviews
2. Monitoring during project development , implementation and operation
3. Monitoring for long-term sustainability and project completion

The on-going monitoring process is outlined in the following graphic:



B. Monitoring Objectives

C. At a minimum, the objectives of the City's HOME Monitoring process will include the following:

1. Identify and track HOME program and project results;
2. Identify technical assistance needs for HOME, Subrecipient, developer and contractor staff;
3. Ensuring timely and appropriate expenditures of HOME funds;
4. Documenting compliance with all HOME and federal cross-cutting requirements;
5. Guaranteeing that federal funds are spent on eligible, allowable, and allocable costs; and
6. Making programmatic changes as necessary to safeguard the HOME program for the future.

It is the policy of City of Huntington Park to guarantee that all HOME program participants, whether Subrecipients, developers, contractors, or other HOME-funded entities, will comply with all HOME monitoring policies and objectives.

D. Risk Assessment Process

The City of Huntington Park's monitoring process is based on risk analysis that attempts to quantify certain factors that can diminish the

productivity and compliance of a funded HOME activity. To determine the relative risk of a specific HOME funded activity, the City of Huntington Park will use the following HOME Risk factors to help determine those HOME projects and activities that receive both immediate monitoring preference (including on-site visit, greater than normal staff attention) and possible program interventions.

E. HOME Risk Assessment Criteria, City of Huntington Park

The City of Huntington Park has adopted the following criteria to be used in determining the relative risk of a HOME project or activity is found on the following page.

DRAFT

The remainder of this page was intentionally not used

EXHIBIT 13 HOME Project Risk Assessment

Risk Factor	Type of Risk Factor	Risk Criteria		Comments
Project Complexity	Type of Program	Homeowner Rehab		
		Rental		
		CHDO-setaside		
		Other (Specify)		
	Number of units	How many?		
	Number of beneficiaries	How many?		
	Multi-year project	Yes or No?		
	Multi-financed project	HOME only?		
# of lenders:				
Capacity of Subrecipient or Developer	Project staff turnover	Last year?		
	Past staff HOME experience	List projects		
	Projects completed			
	Current awards	\$ _____		
	Project Completion	Est. date _____		
	Meeting all timelines	Yes or No?		
	Spending timeliness	Yes or No?		
	Changes in organization	Within last year?		
Project Capacity	Amount of contract	\$ _____		
	Duration of contract	# days:		
	Development Team findings	Outstanding findings?		
Documentation	Timely Reports	Any outstanding?		
	Audit submissions	Always timely?		
		Any audit findings?		
	Project documentation	Documents missing?		
	Regulatory compliance	Outstanding issues?		

Other Concerns	Regulatory Knowledge	Yes or no?		
	Outstanding issues	Yes or no?		
	Beneficiary complaints	Yes or no?		
	General Comments	Yes or no?		

F. Monitoring Schedule and Strategy

Based on the risk analysis factors outlined above, the City will conduct HOME monitoring in the following manner:

1. **Desk Reviews** are conducted throughout the program year as reimbursement requests are submitted and quarterly when status reports are submitted. Desk reviews will include an analysis of all submitted reports, IDIS reports, draw requests and invoices and the risk factors outlined below. When desk reviews trigger "high risk" projects, the City will schedule on-site monitoring. A desk review should pay particular attention to the HOME application and executed HOME written agreement.
2. **On-site Monitoring** will involve a site visit to the project to conduct an on-site document review and a physical assessment of any structural expenditure paid for with HOME funds at commencement of construction, completion of project, or when warranted by risk assessment. The on-site monitoring process will include the following steps and sample formats for letters of notification may be found in Exhibit 1:
3. **Pre-site Visit Preparation** is prepared by the HOME staff for the on-site visit by reviewing the following in-house information:
 - a. HOME funding application
 - b. HOME written agreement
 - c. HOME progress reports
 - d. Draw requests and supporting documentation
 - e. IDIS reports
 - f. Any HOME project correspondence
 - g. Any previous monitoring reports
 - h. The most recently submitted financial audits
4. Pre-Visit Letter prepared by the HOME staff to the project staff outlining the date, agenda, information to be available, staff to

be accessible, and any specific areas that the staff plans to monitor on-site.

5. **Monitoring Checklist** will be provided by the HOME staff will provide the appropriate project monitoring checklists from Exhibit 16, which will be utilized during the site visit. As necessary, HOME staff will use exhibits from the CPD Monitoring Handbook, Exhibit 7, HOME Program.

6. **Conducting the Monitoring Visit**

At a minimum, the on-site monitoring visit will consist of the following steps:

1. Entrance conference: to reiterate the purpose and goals of the visit
2. On-site data documentation and research
3. Visits with staff and beneficiaries
4. Exit conference: to present preliminary conclusions and "next steps"

7. **Post-site Visit Follow-up**

Within two weeks of the exit interview, the HOME monitor will follow-up with the monitoring visit with a follow-up letter that outlines:

- a. Projects monitored
- b. Monitoring staff who conducted the visit
- c. Date(s) of the monitoring visit
- d. List of documents reviewed
- e. List of individuals interviewed
- f. Any conclusions reached from the visit
- g. Strengths and weaknesses of the project
- h. Any specific areas of non-compliance or findings
- i. Suggested corrective actions to "cure" any findings

8. **Corrective Actions (if necessary)**

The HOME Monitor will establish a date specific for a response to the monitoring letter, for all corrective actions to be completed, and for the City to respond to the corrective actions.

9. Subsequent Follow-up

The City reserves the right to revisit the project to determine compliance and when corrective actions are not undertaken, to use any and all remedies outlined in the HOME written agreement and HUD rules and regulations to enforce compliance.

In the final analysis, the results of City HOME monitoring will be a factor in determining funding in future year's HOME competition for funding.

EXHIBIT 14 – Sample Monitoring Visit Letters

NOTICE TO SUBRECIPIENT OR DEVELOPER OF COMPLIANCE REVIEW

(Date)

John Doe

35 Street Road

Huntington Park , CA

Dear Mr./Ms. Doe:

Subject: Compliance Review HOME Program

We are planning to conduct a compliance review of your HOME project. This review will cover all aspects of your project administration and operations.

The review will take place on _____, _____, 20____, at _____a.m. The review will be conducted by _____, our HOME analysts.

It would be appreciated if you and members of your staff could give _____ whatever assistance is required to conduct the review. Should timing or scheduling pose a problem, however, _____ can be contacted by calling _____

Sincerely,

Ernesto Hidalgo

HOME Administrator

cc: Michael Huntley

Planning and Community Development Director

City of Huntington Park

SAMPLE COMPLIANCE REVIEW

(Date)

John Doe

35 Street Road

Huntington Park , California

Dear Mr./Ms. Doe:

Subject: Compliance Review HOME Program

Reference is made to our letter of _____, in which we requested your assistance in our review of compliance under your HOME program. As a result of our review, we have noted the following items which we feel should be brought to your attention. These items are based on our review of _____ projects.

- A. Projected Analysis
- B. Major Findings

Our review of _____ projects has revealed the following major problems:

- *designated corrective action*

Should you have any questions concerning our review, please contact _____, _____ at (_____).

Sincerely,

Ernesto Hidalgo

HOME Administrator

cc: Michael Huntley

Planning and Community Development Director

City of Huntington Park

EXHIBIT 15- Monitoring Checklists

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informat ion Source	Comments (Attached)
1. Design program, establish goals and objectives, establish eligibility criteria, and identify tasks to be accomplished.			
2. Establishment of program files including:			
a. Contract file			
b. Equal opportunity file			
c. Applicant file			
d. Service recipient file (clients)			
e. Financial file (audit, HOME funds by year, ESPR's etc.) Files for other funding sources, expenditures.			
f. Quarterly Status Report files			
g. Correspondence file			
h. City Information Memo to Subrecipients (CIMS) file			
i. Monitoring file			
3. Solicitation for clients			
4. Program delivery			

5. Have the types of assistance/services to be provided been identified?			
6. Has a target area been established?			
7. Is there a standardized applicant selection process?			
8. Does the organization maintain records on recipients to include data on ethnicity, female head of household?			
9. Have applicant eligibility criteria been established using HUD income levels? Other criteria?			
10. Does the organization require a certification of income eligibility?			
11. Other:			

RECORDS CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applicable/ Not Reviewed	Information Source	Comments (Attached)
1. Payroll:			
a. Are payroll records maintained?			
b. Are signed time and attendance records maintained?			
c. Are there time distribution records by program?			
d. Are employee payroll deductions reflected?			
2. Are leases maintained?			
a. Are lease agreements maintained?			
3. Reports to the City: Expenditure Summary and Payment Requests (ESPR's) and Quarterly Status Reports (QSR's)			
a. Are reports on time?			
b. Are reports complete?			

c. Are reports accurate?			
4. Are there records on beneficiary income verification?			
5. Are there records on minority, sex, handicapped status of beneficiaries?			
6. Are there records/reports of progress against goals?			
7. Is there a procurement policy on file?			
8. Is the most recent audit on file?			
a. Are there any outstanding findings?			
9. Are contracts with contractors maintained?			
10. Are there supporting documents with ESPR's?			
11. Other:			

ACQUISITION/RELOCATION CHECKLIST (FOR HOME, ADDI AND/OR HOME PROJECTS) (Page 1 of 2)

Questions to be asked/answered:	Yes/No/ Not Applicable/ Not Reviewed	Information Source	Comments (Attached)
1. Are there separate files for each parcel acquired?			
2. Is there a real estate acquisition policy?			
3. Are there contracts with independent appraisers?			
4. Are there contracts with independent negotiators?			
5. Does the appraisal include:			
a. Description of subject parcel?			
b. Description of comparable parcels?			
c. Description of comparable parcels?			
d. Description of appraisal methods?			
e. Definition of "Fair Market Value"?			

f. Description of appraiser's qualifications?			
g. Evidence of property owner involvement?			
h. Date of valuation?			
i. Conflict of interest statement?			
j. Opinion of fair market value?			
6. Have the following steps been taken?			
a) Identify site.			
b) Site Inspection and environmental approval.			
c) Preliminary notice of intent to purchase / preliminary title report.			
d) Ordering of appraisal.			
e) Obtaining a review appraisal.			
f) Establishment of just compensation.			
g) Delivery of either "Notice not to purchase" or "Purchase offer" (cities only).			

ACQUISITION/RELOCATION CHECKLIST 2)

(Page 2 of

Questions to be asked/answered:	Yes/No/Not Applicable/ Not Reviewed	Information Source	Comments (Attached)
h) Open escrow.			
i) Close escrow.			
j) Close file.			
7. Are the following dates on record:			
a. Date of official determination to acquire?			
b. Date of notice of intent to acquire?			
c. Date of initial negotiations?			
d. Date owner accepted offer?			
e. Date of final firm contract?			
f. If condemnation, date condemnation proceedings began?			
g. If condemnation, date just compensation deposited with court?			

h. Date title vested in public agency?			
i. Date of 90 day notice to vacate?			
8. Is there evidence of compliance with the real property acquisition policy act of 1970?			
a. Is there a listing of all persons occupying the property at each of the following time periods: (1) initial submission of application for assistance and (2) the date applicant obtains site control;			
b. Is there documentation in the file for tenants that will not be displaced but elect to relocate permanently to support the reason for their decision?			
c. For displaced persons, is there a separate case file for each person including documentation as required in Section 6-3 of HUD Handbook 1378?			
d. For tenants being temporarily displaced does communication specify they are able to return to the same or comparable unit?			

CITIZEN PARTICIPATION CHECKLIST

Questions to be asked/answered:	Yes/No/N ot Applicabl e Not Reviewed	Information Source	Comments (Attached)
Is there a record of public notice of availability of RFP and/or funds?			
Are there minutes of citizens' planning meetings?			
Is there a direct mailing list for RFPs and announcements?			
Is there documentation for the offer of technical assistance to citizen groups?			
Is there documentation for the type/date of technical assistance to citizen groups?			
Were display ads posted?			
Is there a record of the location of display ads posted?			
If a large number of non-English speaking people were involved, was an interpreter provided?			
Are written complaints and grievances responded to in writing within 15 days?			

How are documents made available for citizen review?			
Is there a record of persons attending meetings and hearings?			
Are copies of any material prepared for citizens maintained on file?			
Is there evidence of efforts to secure minority, female or low-income participation?			
Are copies of citizen complaints/comments maintained?			
Is there a citizen participation timetable?			
<p>Was a display ad published? If yes, did it contain;</p> <ul style="list-style-type: none"> - Notice of availability of HOME funding? - Information on the public hearing process? - Encouragement of citizen input? 			

CONSTRUCTION/PUBLIC IMPROVEMENTS CHECKLIST (Page 1 of 3)

Questions to be asked/answered:	Yes/No/ Not Applica ble	Comments
<u>Architectural and/or Engineering (A/E)</u> A/E solicitation <ul style="list-style-type: none">- RFP, solicitation letter or notice- Statement of required qualifications- Ensure professional's eligibility		
Are the following documents on file: <ul style="list-style-type: none">- Selection criteria document and/or selection procedure- Acceptable review of proposals/qualifications		
Contract provisions <ul style="list-style-type: none">- General administrative provisions- Scope of services- Method of compensation- Federal compliance standards provisions		
A/E Documents <ul style="list-style-type: none">- Executed A/E contract- Verification of Qualifications- Records of payments and supporting documentation- Contract amendments, if any		

- Correspondence		
<u>Bid Document and Bid procedural documents</u>		
Copy of bid document on file?		
Bid document contents: Technical bid specifications Copy of applicable Federal Wage Determination Schedule Section 3 requirements and form		
Procedural documents on file Copy of Invitation to bid (or advertisement) on file? Letter of Bid Opening Letter of Award or Notice to Proceed		
<u>Pre-Construction Conference:</u> Was a pre-construction conference held? Date? Attendance list (sign-in sheet)? Minutes of the pre-construction conference?		
<u>Construction Contract:</u> Is there an executed contract in the file (with signed certifications)?		
Contract contents Specification documents (could be Bid Package) HUD 4010 "Federal Labor Standards		

Provisions"

Applicable DOL Federal Wage
Determination Schedule (or reference)

CONSTRUCTION/PUBLIC IMPROVEMENTS CHECKLIST

Page 2 of

3

Questions to be asked/answered:	Yes/No/ Not Applica ble	Comments
Contract contents (continued) <ul style="list-style-type: none">- Records retention clause- Contract termination clause- Cost information- Timetable including payment schedule- Bonds (Performance, Labor/Materials, etc.)- Insurance- Change order policy		
<u>Prime Contractor Documents</u> Are the following Prime Contractor items on file? <ul style="list-style-type: none">- Prime Contractor's eligibility (verification)- Contractor's authorization form on file for payroll signature?- Certification of Understanding and Authorization" for unauthorized persons to sign payrolls		

<ul style="list-style-type: none"> - Applicable Federal Wage Decisions (if any) Form HUD-4230A <p>“Report of Additional Classification and Rate” (if any)</p> <ul style="list-style-type: none"> - Certification for Applicable Fringe Benefit Payments for non- <p>State/Federal deductions” (“Other”, if any) signed by</p> <p>employee</p> <ul style="list-style-type: none"> - Section 3 Reports 		
<p>Payroll Documents:</p> <ul style="list-style-type: none"> - Form WH-347 “Certified Payrolls” on file - Form WH-348 “Statement of Compliance” (signed) - Are the payrolls numbered? - Is there evidence of staff review and initials? 		
<p>Do the payrolls include:</p> <ul style="list-style-type: none"> - Name - Address (required on first payroll only) - Social Security Number (required on first payroll only) - Correct classification - Hourly rates of wages paid - Daily and weekly number of hours worked - Deductions made - Actual wages paid 		

Is there a correspondence file containing wage dispute information, violations, and wage restitution?		
<u>Apprentices</u> Are all apprentices' part of a registered apprentice/trainee program verified by documentation?		
Do the apprentice/trainee ratios and wage rates comply with programs?		

CONSTRUCTION/PUBLIC IMPROVEMENTS CHECKLIST

Page 3 of

3

Questions to be asked/answered:	Yes/No/ Not Applica ble	Comments
<u>Employee interviews</u> Were employee interviews conducted? Are Form HUD-11 "Employee Interview" on file? Are forms complete? Were sufficient employee interviews conducted? (One per sub contractor; 10% of classification, etc., which are representative of trades and workers.)		
<u>Job site inspections</u> Are there records of job site inspections for required signage, i.e., EEO posters, wage		

determination, etc?		
Pictures of job site verifying signage and posters?		
<u>Project Documents:</u> Change Orders: <ul style="list-style-type: none"> - Are copies of all change orders on file? - Are change order approval letters on file (or evidence of approval)? 		
Construction management documents: <ul style="list-style-type: none"> - Payment records? - Proof of payment (copies of checks, etc.)? - Milestone records? - Notice of completion? 		
Project Completion documents: <ul style="list-style-type: none"> - Final Inspection and Acceptance - Completion of Compliance Files - Close-out Procedures (if any) - Completion Letter to HUD 		

ENVIRONMENTAL CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
Is the project in compliance with federal labor standards provisions?			
Have environmental reviews been cleared?			
Has the City and HUD issued formal approval to proceed?			
Is there evidence of compliance with CEQA?			
Is the project consistent with Citywide environmental goals?			
Has the project been reviewed for: - Categorical exclusion? - Applicability of prior environmental reviews?			
Does the environmental review process include: - Assessment of project environmental effects? - Assessment of cumulative impacts?			

<ul style="list-style-type: none"> - Assessment of mitigations? - Implementation decisions? - Follow-up monitoring and inspection? 			
<p>Does the file contain:</p> <ul style="list-style-type: none"> - A notice of release of funds? - A request for release of funds and certification? - State and local environmental analysis and reports? 			
Is there evidence of compliance with NEPA?			

FINANCIAL/ACCOUNTING CHECKLIST**(Page 1 of 3)**

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
Does the organization operate on a basis of: - Cash - Accrual			
Does the organization maintain: - A double entry accounting system? - A general ledger?- A cash receipts journal? - A cash disbursements journal? - A payroll ledger?			
In the cash journal, is the following included: - Date? - Receipt number: - Cash debit columns? - Income credit columns?			
Do income credit columns (above) identify: - Organization/city payments?			

<ul style="list-style-type: none"> - Contributions? - Other income? - Description? 			
<p>In cash disbursements journal, is the following included:</p> <ul style="list-style-type: none"> - Date? - Check number? - Cash (credit) column? - Expense account name? - Description? 			
<p>Does the General Ledger include:</p> <ul style="list-style-type: none"> - Assets? - Liabilities? - Fund balances? - Expenditures? - Revenues? 			
<p>Does the Payroll Ledger include:</p> <ul style="list-style-type: none"> - Name? - Position? - Social Security Number? - Payment records, including: <ul style="list-style-type: none"> Accrual period? Gross pay? Itemized deductions? 			

Check number?			
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FINANCIAL/ACCOUNTING CHECKLIST

(Page 2 of 3)

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
Does Petty Cash include: - Record of disbursements? - Supporting receipts?			
Are checks filed numerically?			
Are invoices filed by date?			
Are invoices filed by vendor name?			
Are vouchers filed numerically?			
Are timecards filed by date?			
Are timecards filed alphabetically?			
Are purchase orders on file?			
Are ESPRs on file?			
Are encumbrances/obligations recorded against HOME funds?			
Do the following seem reasonable and necessary:			

<ul style="list-style-type: none"> - Salaries and related costs? - Administrative services? - Contracts? - Travel expenditures? - Other administrative costs? 			
Is there program income?			
<p>If program income, is there evidence of:</p> <ul style="list-style-type: none"> - Revenue accounts? - Revenue procedures? 			
Is program income in accordance with contract?			
Are any and all advances maintained in interest-bearing accounts?			
<p>Do financial records allow for the following kinds of disclosure of financial results:</p> <ul style="list-style-type: none"> - Current? - Accurate? - Complete? 			
Is there effective control over funds?			

FINANCIAL/ACCOUNTING CHECKLIST**(Page 3 of 3)**

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
Is there effective accountability for funds?			
Are costs exceeding the budget?			
What procedures are used to allow changes to the original budget?			
How effective are the financial management systems?			
Is there fiscal integrity of all financial transactions?			
Is there a procedure to ensure the timely and appropriate response to and resolution of audit findings?			
Is there analysis of and explanation for cost overruns?			
Is there analysis of and explanation for high unit costs?			

Is there a need for change in the budget estimates?			
FOR PROJECT ACCOUNTS ONLY: <ul style="list-style-type: none"> - Are separate account numbers maintained for each project activity? - Can project costs be broken out on a line item basis? - Can budget line items be compared against incurred cost? 			
Are there regular financial status reports?			
Are there appropriate controls for accountability?			
Is there an approved budget for the project?			
Is there reconciliation of financial data and quarterly status reports?			
Is there program income?			
Is there evidence of internal monitoring?			
Is source documentation collected prior to any disbursements?			
Are independent audits conducted?			

IDENTIFICATION OF GOALS/ELIGIBILITY CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
<p>Has the organization identified:</p> <ul style="list-style-type: none"> - A scope of services? - The number of people to be served? - The time period in which the project is to be completed? - Its intended client group? - The number and percentage of persons of lower/moderate income? 			
What are the measurable goals of this project?			
What are the measurable accomplishments of the project to date?			
What are the reasons for goals not having been met?			
Was a needs assessment conducted?			
How adequate was the project proposal?			
What are the project's strengths?			

What are the project's weaknesses?			
Is there evidence of compliance with HOME primary objectives?			

PROCUREMENT CHECKLIST

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
Is there an established method for procurement?			
Does the procurement method include: <ul style="list-style-type: none"> - Small purchases? - Competitive sealed bids? - Competitive negotiation? 			
Are there bonding and insurance requirements listed?			
Is there a procedure to encourage contracting with: <ul style="list-style-type: none"> - Section 3 businesses - Small businesses? - Minority-owned businesses? - Women-owned businesses? 			

- Labor surplus area businesses?			
Is there evidence of affirmative action?			
Have written standards of conduct been established? If yes, has disciplinary action been defined?			
Is there a procedure to avoid conflict of interest?			
Is there a procedure for ensuring no unnecessary or duplicative purchase?			
Is there a clear and accurate description of the technical requirements in all procurement documents?			
<p>In procuring, is there consideration of:</p> <ul style="list-style-type: none"> - Contractor integrity? - Past performance? - Financial and technical resources? - Price and/or cost analysis? - System for contract administration? 			
Are there established requirements for professional services?			
Is maximized competition encouraged?			
Are there complete files on all procurements?			

PROJECT MANAGEMENT CHECKLIST**(Page 1 of 2)**

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
Has the project schedule been identified?			
Is there appropriate separation of HOME and non-HOME records?			
Is there a procedure for procurement?			
Is there a procedure for contracting?			
Is there maintenance of client files?			
Is the project manager sufficiently involved in the day-to-day operations of the project?			
Is the project in compliance with the following aspects of the contract: - Operating budget? - Scope of service? - Intended beneficiaries - Method of payment? - Performance schedule? - Use of program income?			

Is there any evidence of conflict of interest?			
Have procedures for relocation been developed?			
Have milestones been established?			
Does the organization have insurance coverage?			
Is there a sufficient number of people on staff?			
Does the organization track the project's physical progress?			
Is the organization aware of civil rights requirements?			
Does the organization attend subgrantee meetings?			
What is the organization's capacity to continue to use HOME funds?			
Is there a listing of officers and directors on file?			
Is there a proof of the organization's legal authority?			
Does the organization have a policy on the disposition of HOME-funded property?			
Do the conditions of employment seem adequate?			

PROJECT MANAGEMENT CHECKLIST**(Page 2 of 2)**

Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
Is there compliance with and knowledge of: - Environmental requirements? - Historic preservation? - Hatch Act? - National Flood Insurance Program? - Clean Air Act? - Federal Water Pollution Control Act? - Lead-based Paint Poisoning Prevention Act?			
Is there any evidence for potential delays or adverse conditions?			
What favorable events have occurred throughout this project?			
Is the project manager sufficiently familiar with HUD's basic requirements?			

Are records kept for a minimum of three years?			
Is there evidence of lobbying with HOME funds?			

REHABILITATION CHECKLIST

(Page 1 of 2)

Questions to be asked/answered:	Yes/No/ Not Applicable/ Not Reviewed	Information Source	Comments (Attached)
Rehabilitation Program Administration			
Is the program design and administration adequate?			
Has a contracting process been established?			
Is there a reasonable relationship between workload and staffing? (e.g., 25 cases per person)			
Is there a lump sum agreement in effect?			
Is there a plan for minimizing displacement?			
<ul style="list-style-type: none"> - Is this: - A grant program? - A direct loan program? - A leveraged loan program? 			

<p>Are the following tracking system documents maintained:</p> <ul style="list-style-type: none"> - Property inspection? - Loan processing status? - Approved projects? - Construction status? - Record of cases? 			
<p>Are the procedures and documentation for ensuring low/mod benefit adequate?</p>			
<p>Is there a clear record of administrative costs?</p>			
<p>Is there compliance with and knowledge of:</p> <ul style="list-style-type: none"> - Environmental requirements? - Historic preservation? - National Flood Insurance Program? - Lead-based Paint Poisoning Prevention Act? 			
<p>Have the following steps been taken:</p> <ol style="list-style-type: none"> 1) Establishment of goals and objectives? 2) Program design/procedural requirements established: <ul style="list-style-type: none"> - Eligibility criteria (property, applicant, types of improvements) - Maximum grant/loan amount 			

<ul style="list-style-type: none"> - Contracting requirements 			
3) Management organization and staffing?			
4) Solicitation for clients/preliminary screening of applicants?			
5) Work write-ups, cost estimates and selection of recipients?			
6) Rehabilitation contracting?			

REHABILITATION CHECKLIST

(Page 2 of 2)

Individual Rehabilitation Files and Cases			
Questions to be asked/answered:	Yes/No/ Not Applica ble/ Not Reviewe d	Informatio n Source	Comments (Attached)
<p>Do the individual rehabilitation case files include the following:</p> <ul style="list-style-type: none"> - Case activity log? - Applicant data sheet? - Title/deed? - Income verification? - Property description? - Occupancy data? 			

<ul style="list-style-type: none"> - Tenure? - Work write-up? - Executed contracts? - Change orders? - Inspection reports? - Payment requests? - Certificate of completion? - Liens and/or waivers? 			
<p>Is the following material on file:</p> <ul style="list-style-type: none"> - Contract package for rehabilitation projects? - Notice of acceptance of work? - Release of lien forms? - Evidence of historic preservation data on each property rehabilitated? - Evidence of flood control insurance for each property rehabilitated? 			
Code Enforcement Program Checklist			
Is there a Code Enforcement program that coordinates with the Housing Rehabilitation Program?			
How are code enforcement cases identified?			
How are the cases recorded? Categories?			

How are closed cases recorded and reported for HOME?			
What is the staffing for the Code Enforcement Program?			
Does the City have a Code Enforcement program for non-HOME eligible areas? How is it kept separate?			

E. INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS)

The City of Huntington Park is required by HUD to use the IDIS system to accomplish two key objectives:

1. To manage and account for disbursements of HOME funds; and
2. To collect, consolidate and report information regarding HOME Program performance.

The City of Huntington Park will implement the following general IDIS procedures:

1. Complete all HOME Program Set-up forms to ensure that all HOME Program requirements have been met, no work shall begin until all documentation has been executed and a Notice to Proceed is issued by the City of Huntington Park .
2. Disburse HOME Program funds only when all of the following conditions have been met:
 - a. Required environmental review process has been satisfactorily completed.
 - b. Project closing documents are finalized.
 - c. The City has approved the timing of HOME Program fund disbursements (e.g., how the funds will be disbursed: at the beginning of the project or on a prorated basis, or as final funds are disbursed); and

- d. Disburse funds according to the payment details including timeline for reimbursement outlined in the project closing documents, specifically the HOME Written Agreement.
 - e. Retainage will be released thirty (30) days after the final inspection is approved and upon the City's receipt of pay request and all completion documentation.
- 3. If any HOME Program funded project has an available balance after development completion and release of retainage, City of Huntington Park will de-obligate those funds and reallocate such balance of HOME Program funds to other eligible activities according to City of Huntington Park adopted HOME Program allocation process.

CHAPTER 8: OTHER FEDERAL REQUIREMENTS

The Federal requirements addressed in this chapter are non-discrimination and equal access, employment and contracting, environmental requirements, lead-based paint, and relocation.

While the HOME Program has its own regulations, there are additional cross-cutting federal requirements that must be identified and complied with at the appropriate point in project management.

- a. Exhibit 16 presents guidance on the impact of these additional requirements on the HOME project; and
- b. Exhibit 17 describes how the City may demonstrate compliance with applicable requirements.

EXHIBIT 16: Managing A Project Subject To Other Federal Requirements	
Requirement	Impact on the Project
Environmental review of activities	A City cannot commit funds to a project until the appropriate level of environmental review is completed and a Release of Funds is received.
Section 3	Construction contracts of \$200,000 or more must include language regarding best efforts to include businesses and low-income residents in the project area. This applies to the hiring of additional workers and training them, and using project-area suppliers for materials. The City of Huntington Park may set specific goals based on additional requirements set by HUD that may impact how quickly the project can get under construction.
Women/Minority Business Enterprise	All competitive bidding must include Women and Minority Businesses, including sub-contracts. The City must ensure that these firms have a fair opportunity to participate and current lists of W/MBE firms must be maintained.
Contractor selection	The City must check the website at www.epls.gov to determine if a contractor has been suspended or disbarred before awarding HOME funds to any firm. All building projects in excess of \$100,000 must be designed by a state-licensed architect and all infrastructure projects in excess of \$25,000 must be designed by a state licensed engineer.

Procurement	The City's procurement policies specify bidding requirements for construction, including competitive and formal bidding..
Conflict of interest	The City need be fully aware of parties involved in a contract and seek legal counsel if there is the potential for real or perceived COI.
Equal Employment Opportunity	The City must ensure that all construction contracts over \$10,000 (including sub-contracts) have language prohibiting employment discrimination based on race, color, religion, sex, or national origin.
Lead Safe Housing Requirements (rehab of pre-1978 units)	When there is HOME assistance involving pre-1978 properties, the City must have qualified staff (or hire them for the project) to notify occupants of the hazards of LBP and take the appropriate approach for various activities; qualified staff must be involved in inspections and clearance actions and report preparation.
Cost reasonableness	The City must have qualified cost estimators available to assist in bid preparation and contract awards, as well as reviewing payment requests.
Americans with Disabilities Act (ADA)	The City must make an internal review of its programs and communications to ensure they are accessible to and usable by persons with disabilities. This may include working with advocacy groups to achieve compliance.
Fair Housing requirements	The City must determine if there are under-served populations who are eligible for HOME assistance, and if they are non-English speaking or have literacy challenges, the agency may work with advocacy groups to translate or otherwise reach these households.
Affirmative Marketing	The City must develop and adopt an Affirmative Marketing Plan and ensure that owners of properties with five or more HOME units are aware of the policy and follow it.
Section 504	The City must ensure that specifications for new construction of multifamily dwellings meet the design and construction standards of the Fair Housing Act to make units accessible and the requirements were included in

	contracts for substantial rehabilitation of buildings with 15 or more units when rehab exceeds 75% of replacement costs. In other projects, the Recipient should work with the developer/owner to make units adaptable and/or accessible as is financially feasible.
Energy conservation	The City must become familiar with the International Energy Conservation Code and include its requirements in all contracts for residential new construction.
Labor requirements, including Davis-Bacon	Before beginning construction or rehab of projects with 12 or more HOME assisted units, the City must obtain the prevailing wages for various building trades must be obtained from the Department of Labor (DOL); someone must be designated to monitor work on site and payrolls; report as required by D-B and related acts.
Uniform Relocation Act and Section 104(d)	The City is responsible for ensuring that tenants in properties that may be acquired or rehabilitated receive correct and timely notices and protections; owners of units to be acquired through a Homebuyer assistance program must receive the "Notice to Owner" for voluntary acquisitions, and tenant living in units purchased with HOME funds are protected by the URA. If units are demolished or converted with HOME funds, 104(d) may be triggered and appropriate notices and assistance must be provided. Since no one can be forced to move (displaced) without at least 30 days notice, a project may not meet a developer's schedule.

EXHIBIT 17: Documenting Compliance with Other Federal Requirements

Requirement	Documentation
Environmental review of activities	Files demonstrate appropriate level of review, notification, requests for release of funds, publications, and dates for commitments and covered activities were not begun until funds were released.
Section 3	To the greatest extent feasible, efforts were made to include businesses and low-income residents in the project area in construction contracts for workers and suppliers; training programs, as appropriate were developed and

	used to provide opportunities for construction employment.
Women/Minority Business Enterprise	Files demonstrate that the City followed its policies for reaching out and including MBE/WBE firms in contracts and invitations for bidding work.
Contractor selection	File supports selection of contractor(s) who were not on the list of suspended or de-barred contractors
Procurement	There is evidence of free and open competition for funds and contracts according to the City of Huntington Park policies and program requirements that apply.
Conflict of interest	There is no evidence of preferential treatment for developers, beneficiaries, contractors, or suppliers due to relationships to those in decision-making positions.
Equal Employment Opportunity	Language prohibiting employment discrimination based on race, color, religion, sex, or national origin is included in all construction contracts over \$10,000.
Lead Safe Housing Requirements (rehab of pre-1978 units)	Appropriate notices and approaches are used for various activities; qualified staff is involved in inspections and clearance actions; reports demonstrate a knowledge of rules and compliance.
Cost reasonableness	Cost estimates are prepared prior to bids by knowledgeable persons; bidding and payments are within estimates or documented if they deviated; payment requests are supported by bills, invoices or other documentation.
Americans with Disabilities Act (ADA)	Programs were accessible to and usable by persons with disabilities, including removing communications barriers.
Fair Housing requirements	Files support outreach to all classes; programs were available to all persons and efforts were made to overcome barriers to participation
Affirmative Marketing	Files demonstrate that projects with five or more HOME-assisted units were affirmatively marketed by following policies, and records document actions taken.

Section 504	Specifications for new construction of multi-family dwellings met the design and construction standards of the Fair Housing Act to make units accessible and requirements were included in contracts for substantial rehabilitation of building with 15 or more units when rehab exceeded 75% of replacement costs. When this threshold was not triggered, to the extent financially feasible, units were made adaptable or accessible.
Energy conservation	Drawings and specifications for newly-constructed units must reference the requirements of the International Energy Conservation Code. Structures rated by a certified rater for Energy Star qualifications.
Labor requirements, including Davis-Bacon	For rehabilitation or new construction of projects with 12 or more HOME assisted units, the prevailing wage must be obtained from the Department of Labor (DOL) and paid for each of the trades; payments must be monitored on site and reported. Wage determination applicable to each project must be included as part of the contract documents.
Uniform Relocation Act and Section 104(d)	For properties with tenants in occupancy, correct and timely notices and protections were provided and are on file.

A. NON-DISCRIMINATION AND EQUAL ACCESS

No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded, denied benefits or subjected to discrimination under any program funded in whole or in part by HOME funds.

The City will take the following measures to ensure non-discriminatory treatment, outreach, and access to program resources. This applies to employment and contracting, as well as to marketing and selection of program participants.

1. Fair Housing and Equal Opportunity

The City of Huntington Park will comply with all of the following Federal laws, executive orders and regulations pertaining to fair housing and equal opportunity as summarized below.

1. Title VI of the Civil Rights Act of 1964, As Amended (42 U.S.C. 2000d et seq.): States that no person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving Federal financial assistance on the basis of race, color, or national origin. The regulations implementing the Title VI Civil Rights Act provisions for HUD programs may be found in 24 CFR Part 1.
2. The Fair Housing Act (42 U.S.C. 3601-3620): Prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status. Furthermore, section 104(b)(2) of the Act requires that each grantee certify to the secretary of HUD that it is affirmatively furthering fair housing. The certification specifically requires grantees to conduct a fair housing analysis, develop a fair housing plan, take appropriate actions to overcome the effects of any impediments identified, and maintain records on the analysis, plan, and actions in this regard. Fair Housing Act implementing regulations for HUD programs may be found in 24 CFR Part 100-115.
3. Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259): Prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds. Equal Opportunity in Housing regulations may be found in 24 CFR Part 107.
4. Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101): Prohibits age discrimination in programs receiving Federal financial assistance. Age Discrimination Act regulations may be found in 24 CFR Part 146.

2. Affirmative Marketing

In the event that the City of Huntington Park implement a housing program using funds with five or more HOME-assisted units, the City will adopted an affirmative marketing plan that that includes procedures and requirements including:

1. Methods for informing the public, owners and potential tenants about fair housing laws and the City's policies (for example: use of the Fair Housing logo, or equal opportunity language);

2. A description of what owners and/or the City will do to affirmatively market housing assisted with HOME funds;
3. A description of what owners and/or the City will do to inform persons not likely to apply for housing without special outreach
4. Maintenance of record to document actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness, and
5. A description of how efforts will be assessed and what corrective actions will be taken where requirements are not met.

3. Handicapped Accessibility

The City will adhere to the HOME regulations governing the accessibility of Federally-assisted buildings, facilities, and programs.

Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225): Provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications. The Act, also referred to as the ADA, also states that discrimination includes the failure to design and construct facilities (built for first occupancy after January 26, 1993) that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable, and able to be carried out without much difficulty or expense.

Fair Housing Act: Multi-family dwellings must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-19).

Section 504: Section 504 of the Rehabilitation Act of 1973 prohibits discrimination in Federally assisted programs on the basis of handicap. Section 504 imposes requirements to ensure that "qualified individuals with handicaps" have access to programs and activities that receive Federal funds. Under Section 504, recipients and subrecipients are defined more broadly than under the HOME program. Section 504 recipients and subrecipients include any entity that receives Federal funding (for example, a subrecipient, or CHDO). The specific requirements under Section 504 are summarized in Exhibit 19 below

EXHIBIT 18
Section 504 Requirements
Removal of Physical Barriers

- For new construction of multi-family projects, 5 percent of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and an additional percent of the units (but not less than one unit) must be accessible to individuals with sensory impairments.
- The Section 504 definition of substantial rehabilitation multi-family projects includes construction in a project with 15 or more units for which the rehabilitation costs will be 75 percent or more of the replacement cost.
In such developments, 5 percent of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and an additional percent (but not less than one unit) must be accessible to individuals with sensory impairments.
- When rehabilitation less extensive than substantial rehabilitation is undertaken, alterations must, to the maximum extent feasible, make the unit accessible to and usable by individuals with handicaps, until 5 percent of the units are accessible to people with mobility impairments. Alterations to common spaces must, to the maximum extent feasible, make the project accessible.
- Accessible units must be, to the maximum extent feasible, distributed throughout projects and sites, and must be available in a sufficient range of sizes and amenities as to not limit choice.
- Owners and managers of projects with accessible units must adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with handicaps. They also must take reasonable non-discriminatory steps to maximize use of such units by eligible individuals.
- When an accessible unit becomes vacant, before offering the unit to a non-handicapped individual, the owner/manager should offer the unit: first, to a current occupant of the project requiring the accessibility feature; and second, to an eligible qualified applicant on the waiting list requiring the accessibility features.
- The usual standards for ensuring compliance with Section 504 are the Uniform Federal Accessibility Standards (UFAS), although deviations are permitted in specific circumstances.

PROVIDE PROGRAM ACCESSIBILITY

- Individuals with handicaps must be able to find out about, apply for, and participate in Federally assisted programs or activities.

- Special communication systems may be needed for outreach and ongoing communication (e.g., Telecommunications Devices for the Deaf (TDD), materials on tape or Braille, accessible locations for activities and meetings).
- Policies and procedures must be non-discriminatory (e.g., housing providers may not ask people with handicaps questions not asked of all applicants, screen individuals with handicaps differently or assess an individual's ability to live independently).

MAKE EMPLOYMENT ACCESSIBLE

- Employers must not discriminate.
- Employers must remove physical and administrative barriers to employment.
- Employers must make reasonable accommodations for individuals with known handicaps (e.g., job restructuring, providing readers or sign interpreters, making facilities accessible).

ADMINISTRATIVE REQUIREMENTS

- If recipients or subrecipients have 15 or more employees, they must:
- designate a Section 504 Coordinator, and
- notify program participants and employees of non-discrimination policies.
- All recipients and subrecipients must conduct self-evaluations of compliance with Section 504.

For any recipient or subrecipient principally involved in housing or social services, all of the activities of the agency -- not just those directly receiving Federal assistance -- are covered under Section 504.

Contractors and vendors are subject to Section 504 requirements only in the work they do on behalf of a recipient or subrecipient.

The ultimate beneficiary of the Federal assistance is not subject to Section 504 requirements. Under Section 504, recipients and subrecipients are not required to take actions that create undue financial and administrative burdens or alter the fundamental nature of the program.

B. EMPLOYMENT AND CONTRACTOR

The cross-cutting Federal regulations discussed below govern employment and contracting opportunities, including equal opportunity, labor requirements and contracting/procurement procedures.

1. Equal Opportunity

The City of Huntington Park has established an "Affirmative Fair Housing Marketing Plan" to ensure that the allocated HOME Funds promote fair housing and ensures outreach to all potentially eligible households, especially those least likely to apply for assistance.

The City's policy is to provide information and attract eligible persons to available housing without regard to race, color, national origin, sex, religion, familial status (persons with children under 18 years of age, including pregnant women), or disability.

The procedures followed are intended to further the objectives of the Equal Employment Opportunity, Executive Order 11246, as amended and Prohibits discrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin.

Note: Provisions to effectuate this prohibition must be included in all construction contracts exceeding \$10,000. Implementing regulations may be found at 41 CFR Part 60

PROCEDURE

Currently, the City of Huntington Park is not administering a program containing five or more HOME assisted units. However, in the future it will abide by the HOME Final Rule regarding affirmative marketing procedures and requirements apply to rental and homebuyer projects containing five or more HOME-assisted units.

Should the City decide to implement such program it will commit to the goals of affirmative marketing that will be implemented through the following procedures:

1. Providing equal service without regard to race, color, religion, sex, handicap, familial status, or national origin of any client, customer, or resident of any community;
2. Keeping informed about fair housing laws and practices;
3. Informing clients and customers about their rights and responsibilities under the fair housing laws by providing verbal and written information;
4. Evaluating the effectiveness and compliance of all marketing as it relates to fair housing;

5. Including the *Equal Opportunity* logo or slogan, and where applicable the accessibility logotype, in all ads, brochures, and written communications to owners and potential tenants;



6. Displaying the HUD's fair housing posters (at a minimum, English and Spanish versions) in rental offices or other appropriate locations;
7. Soliciting applications for vacant units from persons in the housing market who are least likely to apply for assistance without the benefit of special outreach efforts; working with the local public housing authority and other service and housing agencies to distribute information to a wide and diversified population;
8. Maintaining documentation of all marketing efforts (such as copies of newspaper ads, memos of phone calls, copies of letters).
9. Maintaining a record of applicants for vacant units with a general profile of the applicant, how the applicant learned of the vacancy, the outcome of the application, and if rejected, why; maintaining this record for two years or through one compliance audit, whichever is the shorter period of time.

ASSESSMENT

In conjunction with the annual on-site compliance reviews, the City of Huntington Park will:

1. Review and evaluate records of affirmative marketing efforts (advertisements, flyers, and electronic media spots, etc.);
2. Evaluate outcomes and effectiveness of marketing efforts and make changes where needed.
3. Evaluate whether good faith efforts have attracted a diversified cross-section of the eligible population.

CORRECTIVE ACTIONS

Failure to meet affirmative marketing requirements will result in the following corrective actions:

1. For failure to comply, the City of Huntington Park will set a probationary period for compliance, not to exceed six months, during which time the City will provide more specific guidelines for compliance.
2. Further failure to comply with the affirmative marketing requirements may result in the withdrawal of HOME support.
3. Further failure to take appropriate actions to correct discrepancies in affirmative marketing programs may result in steps to recover all invested HOME funds.

C. SECTION 3

Section 3 of the Housing and Urban Development Act of 1968 requires that, to the greatest extent feasible, opportunities for training and employment arising from HOME will be provided to low-income persons residing in the program service area. In addition, to the greatest extent feasible, contracts for work (all types) to be performed in connection with HOME will be awarded to business concerns that are located in or owned by persons residing in the program service area.

Several resources are available at www.hud.gov/offices/fheo/section3/section3.cfm, including:

1. The Section 3 Regulations: 24 CFR 135;
2. A sample Section 3 Plan; and
3. The Section 3 Summary Report (HUD Form 60002).

Guidance on compliance and recordkeeping for Section 3 is available at <http://www.hud.gov/offices/cpd/communitydevelopment/toolkit/files/MBEWBEOutreach>.

Minority/Women's Business Enterprise

Under Executive Orders 11625, 12432 and 12138, the City of Huntington Park must prescribe procedures acceptable to HUD for a minority outreach program to ensure

the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in all contracts (See 24 CFR 85.36(e)).

PROCEDURE

1. The City of Huntington Park will commit to support the participation of Huntington Park Minority/Women's Business Enterprises (M/WBE) by establishing a goal to procure contracted goods and services from Huntington Park MBE/WBEs.

Minimum acceptable outreach standards are specified by HUD and are available at:

<http://www.hud.gov/offices/cpd/communitydevelopment/toolkit/files/MBEWBEOutreach>.

Davis Bacon Labor Requirements

The City of Huntington Park will comply with regulations on wage and labor standards. In the case of Davis-Bacon and the Contract Work Hours and Safety Standards Acts, every contract for the construction of housing (rehabilitation or new) that contains 12 or more units assisted with HOME funds triggers the requirements.

Davis-Bacon and Related Acts (40 USC 276(A)-7)

The Davis-Bacon and Related Acts ensures that mechanics and laborers employed in construction work under Federally assisted contracts are paid wages and fringe benefits equal to those that prevail in the locality where the work is performed. This act also provides for the withholding of funds to ensure compliance, and excludes from the wage requirements apprentices enrolled in bona fide apprenticeship programs.

PROCEDURE

1. The City of Huntington Park requires that any contract for the construction of Affordable Housing with 12 or more units will require that all laborers and mechanics who are employed to perform work on any project, or any contractor or construction work which is financed, in whole or in part, with assistance which is received under the Housing and Community Development Act of 1974 shall be paid wages at rates which are not less than those that prevail in the locality for similar construction and shall receive overtime compensation in accordance with the Contract
2. Work Hours and Safety Standards Act.

3. The contractor and its subcontractors shall also comply with all applicable Federal laws and regulations which pertain to labor standards, including the minimum wage law.

Title I of Housing and Community Development Act of 1974:

The City of Huntington Park **will not**:

1. Discriminate against any employee or applicant for employment on the basis of religion and not limit employment or give preference in employment to persons on the basis of religion; and
2. discriminate against any person applying for such public services on the basis of religion and not limit such services or give preference to persons on the basis of religion; and
3. provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of such public services

Additional information regarding Executive Orders is available by:

- 11625 - Prescribing additional arrangements for developing and coordinating a national program for minority business enterprise,
- 12432 - Minority business enterprise development, and
- 12138 - National Women's Business Enterprise Policy and National Program for
- Women's Business Enterprise.
- http://www.archives.gov/federal_register/codification/executive_order/11625.html
- http://www.archives.gov/federal_register/codification/executive_order/12432.html
- <http://www.usdoj.gov/crt/cor/byagency/sbaeo12138.htm>

Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333)

This ACT provides that mechanics and laborers employed on federally assisted construction jobs are paid time and one-half for work in excess of 40 hours per week, and provides for the payment of liquidated damages where violations occur. This act also addresses safe and healthy working conditions.

Copeland (Anti-Kickback) Act (40 USC 276c)

The Copeland Anti-Kickback Act governs the deductions from paychecks that are allowable. Additionally it makes it a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which he or she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance.

Fair Labor Standards Act of 1938, As Amended (29 USC 201, et. seq.)

The Fair Labor Standards Act establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half. It also requires the payment of wages for the entire time that an employee is required or permitted to work, and establishes child labor standards.

Additional guidance on the Application of Federal Labor Standards to HOME Projects is provided in the Labor Relations Letters (Letter No. LR-96-02, October 21, 1996) located at <http://nhl.gov/offices/adm/hudclips/letters/lr96-02.txt>.

D. SITE AND NEIGHBORHOOD STANDARDS

Housing provided through the HOME Program must promote greater choice of housing opportunities. Specific rules are as follows:

1. HOME-provided housing must be suitable from the standpoint of facilitating and furthering full compliance with the Title VI of the Civil Rights Act - 1964, the Fair Housing Act and Executive Order 11063.
2. The Final Rule requires only new construction rental projects to meet site and neighborhood standards from 24 CFR 983.6(b), which places limiting conditions on building in areas of "minority concentration" and that are "racially mixed."

PROCEDURE

1. The City of Huntington Park uses project information provided by owners/developers/sponsors/CHDOs to complete the Site and Neighborhood Standards Review form and document compliance with the Site and Neighborhood requirements.
2. The City reserves the right to request additional clarification and materials from owners/developers/sponsors for adequate documentation of compliance.

E. LEAD-BASED PAINT SAFE HOUSING RULE (24 CFR part 35, subpart J)

On September 15, 1999, HUD issued a new Federal lead-based paint regulation implementing Title X of the Housing and Community Development Act of 1992. This regulation makes many important changes in the lead-based paint requirements applicable to housing funded through HUD's Community Planning and Development (CPD) programs.

The Lead Safe Housing Rule regulations that apply to rehabilitation activities are found at 24 CFR part 35, subpart J. The rehabilitation regulations distinguish among four approaches depending on the size of the rehabilitation effort. Understanding each approach and how to determine the level of rehabilitation assistance is the first step in deciding what lead safe housing requirements apply to a rehabilitation project. The purpose of the regulation is to identify and address lead-based paint hazards before children are exposed to lead. The regulation is divided into subparts that apply to the HOME program include:

1. Subpart A: Disclosure
2. Subpart B: General Requirements and Definitions
3. Subpart J: Rehabilitation
4. Subpart K: Acquisition, Leasing, Support Services, and Operations
5. Subpart M: Tenant-Based Rental Assistance
6. Subpart R: Methods and Standards for Lead-Based Paint Hazard Evaluation and Reduction

On April 22, 2008, the EPA issued the Renovation, Repair, and Painting Rule (RRP) a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, beginning April 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination. Until that time, HUD and EPA recommend that anyone performing renovation, repair, and painting projects that disturb lead-based paint in pre-1978 homes, child care facilities and schools follow lead-safe work practices.

There are some differences between the EPA RRP Rule and the HUD Lead Safe Housing Rule. A major difference is that the LSHR requires clearance examinations. All housing receiving federal assistance must still comply with the LSHR.

All contractors should follow these three simple procedures:

1. Contain the work area.
2. Minimize dust.
3. Clean up thoroughly.

From December 2008, the rule has required that contractors performing renovation, repair and painting projects that disturb lead-based paint provide to owners and occupants of child care facilities and to parents and guardians of children under age six that attend child care facilities built prior to 1978 the lead hazard information pamphlet **Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools** (PDF) | **en español** (PDF).

Starting on April 22, 2010, the rule will affect paid renovators who work in pre-1978 housing and child-occupied facilities, including:

- Renovation contractors
- Maintenance workers in multi-family housing
- Painters and other specialty trades.

Under the rule, child-occupied facilities are defined as residential, public, or commercial buildings where children under age six are present on a regular basis. The requirements apply to renovation, repair, or painting activities. The rule does not apply to minor maintenance or repair activities where less than six square feet of lead-based paint is disturbed in a room or where less than 20 square feet of lead-based paint is disturbed on the exterior. Window replacement is not minor maintenance or repair.

For additional guidance, refer to: EPA's **Lead Renovation, Repair, and Painting Program Rule**.

Additional information on becoming an EPA-certified renovator or training provider is available on **EPA's Renovator and Trainer Tool Box site**.

HUD defines four approaches to address lead-based paint in HOME funded Projects. The Exhibit 18 on the following page details each approach.

GLOSSARY OF HOME TERMS

Action Plan: The one-year portion of the Consolidated Plan (see below). It includes the PJ's annual application for HOME funds.

Adjusted Income: Adjusted income is annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and childcare (these are the same adjustment factors used by the Section 8 Program). Adjusted income is used in HOME to compute the actual tenant payment in TBRA programs and the low HOME rent in rental projects in which rents are based on 30% of a family's adjusted gross income.

Affordability: The requirements of the HOME Program that relate to the cost of housing both at initial occupancy and over established timeframes, as prescribed in the HOME Final Rule. Affordability requirements vary depending upon the nature of the HOME assisted activity (i.e., homeownership or rental housing).

Annual Income: The HOME Program allows the use of one of three definitions of annual income: Section 8 annual income; annual income as reported on the U.S. Census long form; and adjusted gross income as defined for reporting on IRS Form 1040.

Applicant(s): A person or persons who appear on the title to the property and that apply for a loan under the PROGRAMS. All persons appearing on the title must agree to apply and execute all documents required.

Borrower: A person or persons who appear on the title to the property, signs the Written Agreement with the City and signs the loan documents with the City, thereby becoming legally responsible for any repayment of the PROGRAMS loan.

Building and Safety Code: The City's residential codes and ordinances pertaining to housing construction, land use, occupancy and maintenance of existing residential properties which are applicable to the property through Code Enforcement action.

Building Inspector: The City employee(s) responsible for inspection(s) of structural, electrical, plumbing, improvements; The inspector assures compliance of work to applicable Building and Safety Codes.

Building Division: The Department of the City responsible for issuance of building permits.

Building Permit: An authorization by the Building Division to commence building repairs or improvements on a specific property; Permits must be issued for most home improvements, including, but not limited to, roofing, electrical, plumbing, structural changes, and foundations. A fee is charged for permits and inspections are included in the permit cost.

California Preliminary Notice: A notice sent to the owner of the dwelling unit by any person or supplier providing labor, services, equipment, or materials for the rehabilitation work. The notice is sent in the event that the primary contractor is listing, as security, the property being rehabilitated with the person or supplier sending notice.

Commitment: Commitment means one of three things: (1) The PJ has executed a legally binding agreement with a State recipient, subrecipient, or contractor to use a specific amount of HOME funds to produce affordable housing or provide tenant-based rental assistance; or (2) has executed a written agreement reserving a specific amount of funds for a CHDO; or (3) has met requirements to commit to a specific local project as defined below.

Commitment to a specific local project: Commitment to a specific local project means that a legally binding agreement was executed meeting one of the following sets of requirements: (1) For rehabilitation or new construction projects, the PJ (or other entity) and the project owner will execute an agreement for an identifiable project under which construction can reasonably be expected to start within 12 months of the agreement date. If the project is owned by the PJ, the project must be set up in the disbursement and information system and construction reasonably expected to start within 12 months of the set-up date. (2) If the project consists of acquisition of standard housing by the PJ, the agreement must be a binding contract for the sale of an identifiable property and the property title must be transferred to the PJ (or other entity) within six months of the date of the contract. (3) If the project involves the acquisition of standard housing and the PJ is providing HOME funds to a purchaser, under the agreement, the title of the property must be transferred to the purchaser within six months of the agreement date. (4) If the project consists of TBRA, the PJ must enter into a rental assistance contract with the owner or the tenant in accordance with the provisions of 24 CFR Part 92.209.

Community Housing Development Organization (CHDO): A private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations at 24 CFR Part 92.2. A participating jurisdiction must award at least 15 percent of its annual HOME allocation to CHDOs.

Consolidated Plan: A plan prepared in accordance with the requirements set forth in 24 CFR Part 91 which describes community needs, resources, priorities and proposed activities to be undertaken under certain HUD programs, including HOME.

Consortium: Geographically contiguous units of general local government consolidated to be in a single unit of general local government for HOME Program purposes when certain requirements are met.

Contractor: An eligible contractor is a general contractor licensed in compliance with Federal, State, and City regulations to do the necessary housing rehabilitation work. No contractor may be utilized who has been disbarred or suspended by order of the City, State or Federal Government. The City permits contractors to apply to the City for eligibility determination at any time.

Deed of Trust: The legal document which secures the loan with the property that is being rehabilitated. The Deed of Trust is for the same amount as the loan and must be signed by the borrower in the presence of a public notary.

Development: A site or an entire building or two (2) or more buildings, together with the site or sites on which the building are located, that are under common ownership, management and financing and are to be assisted with HOME Program funds-under commitment by the owner-as a single undertaking.

Development Fees: Compensation to the developer for developing the property, includes overhead and profit, consult/processing agent fees, project administration, the value of personal guarantees and a portion of any reserves determined by the housing credit agency to be in excess of industry norms.

Draw-Down: The process of requesting and receiving HOME funds. PJs and authorized state recipients draw down funds from a line of credit established by HUD.

Eligible Improvements: All improvements required to bring the property up to City Codes and the City's Rehabilitation Standard

Equity: The value of a property less the amount of outstanding debt on it.

Final Rule: The Final HOME Rule was published at 24 CFR Part 92 on September 16, 1996 and became effective on October 16, 1996. It was amended on October 22, 1997.

Financing Plan: The proposed financing for a project.

General Partner: A partner who is liable and responsible for completing a project as proposed, managing the partnership and guaranteeing funding required to complete the project. A general partner oversees construction, leasing, and property management; maintains the books and records of the partnership; and submits periodic reports to the limited partners on the project's financial status.

General Partnership: A form of ownership in which all partners participate materially in the partnership's operations and share liability.

Group Home: Housing occupied by two or more single persons or families consisting of common space and/or facilities for group use by the occupants of the unit, and (except in the case of shared one-bedroom units) separate private space for each family.

HOME-Assisted Units: A term that refers to the units within a HOME project for which rent, occupancy, and/or resale restrictions apply. The number of units designated as HOME-assisted affects the maximum HOME subsidies that may be provided to a project.

HOME Funds: All appropriations for the HOME Program, plus all repayments and interest or other returns on the investment of these funds.

HOME Investment Trust Fund: The term given to the two accounts - one at the Federal level and one at the local level - that "hold" the PJ's HOME funds. The Federal HOME Investment Trust Account is the U.S. Treasury account for each participating jurisdiction. The local HOME Investment Trust Fund account includes repayments of HOME funds, matching contributions and payment of interest or other returns on investment.

Housing Investment Partnerships Act ("HOME Program"): The act that created a formula-based allocation program intended to support state and local affordable housing programs. The goal of the program is to increase the supply of affordable rental and ownership housing through acquisition, construction, reconstruction, and moderate or rehabilitation activities (Title I, National Affordable Housing Act of 1990).

HUD: U.S. Department of Housing and Urban Development.

Household: A household includes all persons living in the unit at the property at the time of application, except persons who are paid caregivers of elderly or disabled individuals.

Household Income Verification: The process used to determine gross household income, including Applicant submittal of most current income tax returns; employer

verification of wages; W-2 Forms; Social Security verification, profit/loss statements, etc.

Inspection Card: Card posted at the site of rehabilitation once building permits are issued. Building Inspector(s) sign off various inspections on Card as job progresses.

Insular Areas: Guam, the Northern Mariana Islands, the United States Virgin Islands and American Samoa.

Interest Subsidy: The amount of subsidy required to reduce the interest rate on a loan to a below-market rate over the term of the loan.

Jurisdiction: A state or unit of general local government.

Limited Partner: A passive investor in a limited partnership who, in exchange for contributing equity to the project, receives a pro rata share of cash flow and tax benefits and the right to approve the sale or refinancing of the property and removal of the general partner in the event of gross negligence or breach of contract.

Limited Partnership: An ownership vehicle comprising limited and general partners that allows for central management but has no tax liability, instead passing tax benefits through to its limited and general partners.

Loan Disbursement: The principal amount of the loan which is paid out to the Applicant as the rehabilitation work progresses; The disbursement may be in accordance with a contractual agreement between Applicant and contractor. Prior to disbursement, the work accomplished must be in accordance with the scope of work as detailed in the work the work write-up. If inspection by the Building Division is required for the particular rehabilitation item, the inspector must sign off for said work prior to disbursement.

Loan Documents: All forms relevant to the actual execution of the loan, including a Three-Day Right of Recession Notice, Truth-In-Lending Form, Promissory Note, and Deed of Trust.

Low-Income Families: Families whose annual incomes do not exceed 80 percent of the median income for the area (adjusted for family size).

Match: Match is the PJ's contribution to the HOME Program -- the local, non-Federal contribution to the partnership. The PJ's match contribution must equal not less than 25 percent of the HOME funds drawn down for projects in that fiscal year.

New Construction: The creation of new dwelling units. Any project which includes the creation of new or additional dwelling units in an existing structure is considered new construction.

Participating Jurisdiction (PJ): The term given to any state, local government or consortium that has been designated by HUD to administer a HOME Program. HUD designation as a PJ occurs if a state or local government meets the funding thresholds, notifies HUD that they intend to participate in the program, and has a HUD-approved Consolidated Plan.

Program Income: Gross income received by the PJ, state recipient, or a subrecipient directly generated from the use of HOME funds or matching contributions.

Project: A site or an entire building or two or more buildings, together with the site or sites on which the building or buildings is located, that are under common ownership, management and financing and are to be assisted with HOME funds, under a commitment by the owner, as a single undertaking. The HOME Final Rule eliminated the requirement that all buildings fall within a four block radius.

Project completion: All necessary title transfer requirements and construction work have been performed; the project complies with all HOME requirements; the final drawdown has been disbursed for the project; and the project completion information has been entered in the disbursement and information system established by HUD. For TBRA, project completion means the final draw-down has been disbursed for the project.

Promissory Note: A form, part of the loan documents, which is the borrower's agreement to pay back the amount borrowed in accordance with the established terms of the loan. The Promissory Note must be signed by all persons on the Title to the Property.

Property Rehabilitation Standards: A standard established by the City to insure that the housing rehabilitated under PROGRAMS meets or exceeds

Recapture: Repayment of HOME funds to the PJ from a homebuyer project during the period of affordability.

Reconstruction (also rehabilitation): The rebuilding, on the same lot, of housing standing on a site at the time of project commitment. The number of housing units on the lot may not be changed as part of the reconstruction project, but the number of rooms per unit may change. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.

Rehabilitation Specialist: The person who conducts inspections and produces work write-ups and cost estimates.

Rehabilitation Contract: A legally binding, standardized form which spells out, in detail, the entire scope of work, specific quality, brands of materials, and all other data pertinent to the rehabilitation of the property. The Contract must be signed by both Contractor and Applicant.

Rehabilitation Cost: The total cost of repairs and improvements and other costs for rehabilitation to be incurred by the Applicant that may be included in a Loan.

Right of Recession: The borrower's right within a three working day period from the date of loan settlement to rescind the entire loan transaction.

Recipient: Any entity under contract with the City to undertake activities funded by the City's HOME Program.

Restrictive Covenant: A limitation placed on a property, which is recorded and attached to the deed, thereby passing to subsequent owners.

Section 8 Tenant-Based Rental Assistance Program: A federal program that provides rental assistance to low-income families who are unable to afford market rents. Assistance is provided in the form of vouchers.

Single-Room Occupancy (SRO): Housing consisting of single-room dwelling units that is the primary residence of its occupant or occupants. The unit must contain food preparation and/or sanitary facilities if the project involves new construction, conversion of non-residential space, or reconstruction. If the units do not contain sanitary facilities, the building must contain sanitary facilities shared by the tenants.

Soft Costs: Development costs exclusive of the cost of acquisition, site improvements, construction, and contingencies.

Soft Second Mortgage: A loan provided by public and nonprofit lenders at below market interest rates and with flexible repayment terms, using as collateral a second mortgage on the project property, to fill a financial gap for a project serving a public purpose (for instance, affordable housing.)

Subrecipient: A public agency or nonprofit organization selected by a PJ to administer all or a portion of the PJ's HOME Program. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not a subrecipient

Substantial Rehabilitation: The cost of a rehabilitation project that costs more than \$25,000.

Surplus Cash (Net Operating Income (NOI)): The operating income derived by the project owner from development cash flow that exceeds 1st mortgage loan payments and the following operating expenses: property management fee, grounds maintenance, accounting services, amounts deposited into a replacement reserve account, legal services, taxes and insurance and utility expenses, each specifically related to the development. Developer fees and depreciation of assets may not be included in calculating expenses.

Syndicates: Individuals or firms who arrange for the sale of ownership shares in a project to raise equity from investors.

Targeting: Requirements of the HOME Program relating to the income or other characteristics of households that may occupy HOME-assisted units.

Tenant-Based Rental Assistance (TBRA): A form of direct rental assistance in which the recipient tenant may move from a dwelling unit with a right to continued assistance that includes security and utility deposits associated with the rental of dwelling units.

Total Development Cost (TDC): The sum of all costs for site acquisition, relocation, demolition, construction and equipment, interest and carrying charges.

Truth in Lending Statement: The form included in the loan document package which details all terms of the Loan. Applicant must sign receipt of said form.

Very-Low-Income Families: Families whose annual incomes do not exceed 50 percent of the median income for the area (adjusted for family size).

Work Write-up: A form to be completed by a Construction Manager outlining a complete and suggested scope of work to be performed for the rehabilitation of the property;

Written Agreement: The Written Agreement defines the terms and conditions of the PROGRAMS Loan to the Applicant. The Written Agreement is executed prior to the Applicant engaging a Contractor to complete the defined rehabilitation.

ITEM 10



CITY OF HUNTINGTON PARK

Community Development Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Honorable Mayor and Members of the City Council:

**CONSIDERATION AND APPROVAL OF RESOLUTION APPROVING THE
CALIFORNIA STATEWIDE COMMUNITIES' DEVELOPMENT AUTHORITY (CSCDA)
OPEN PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM.**

IT IS RECOMMENDED THAT CITY COUNCIL:

Adopt Resolution approving the following PACE programs and the associated Joint Powers Authority Agreements:

- California Statewide Communities Development Authority (CSCDA) Open PACE Program

BACKGROUND

State law authorizes charter and general law cities to provide financing for renewable energy, energy efficiency, water conservation, seismic retrofitting, electric vehicle charging, and fire resiliency improvements to eligible and willing property owners. Property owners wishing to make qualifying improvements voluntarily enter into a contractual agreement securing a lien on their property and agreeing to repay the financing as a special assessment or tax on their annual property tax bill. This mechanism is referred to as Property Assessed Clean Energy (PACE) financing.

PACE is a mechanism for local residential and commercial property owners to finance renewable energy, energy efficiency, water conservation, seismic retrofitting, electric vehicle charging and most recently fire resiliency projects on their properties. Property owners meeting eligibility requirements can leverage funds from the equity in their property to voluntarily participate in the program, which is administered by a PACE provider and sponsored by a Joint Powers authority (JPA). Participating property owners to repay the cost of the project via a voluntary special assessment added to their annual property tax bill.

CONSIDERATION AND ADOPTION OF THE CITY OF HUNTINGTON PARK'S FISCAL YEAR 2022-2023 ANNUAL ACTION PLAN

December 20, 2022

Page 2 of 3

Several pieces of legislation passed in recent years significantly strengthened the disclosures and consumer protections applicable to the PACE industry. AB 2693, passed in 2016, implemented standardized financial disclosure requirements. Two additional bills AB 1284 and SB 242 were signed into law in September 2017 and further enhanced consumer protection measures and best practices for contractor oversight. SB 465 was signed into law in September 2018 to expand PACE-eligible measures to include fire hardening. Resolution Number 94-71 (Attachment "B") was approved on June 1, 1988, for the Approval, Authorization, and Execution of the Joint Exercise of Powers Agreement (JPA) relating to the CSCDA.

In order to promote choice, and competition, and provide the City of Huntington Park property owners with more financing options, the staff is recommending that the City Council approve the resolution to allow additional commercial and residential PACE programs to operate in the City of Huntington Park.

FINANCIAL STATEMENT

Adoption of the resolutions and actions contained herein will not result in any costs to the City of Huntington Park. All costs of marketing, financial, and program administration are borne by the program administrators.

CONCLUSION

Upon the Council's direction, staff will proceed with actions as directed.

Respectfully submitted,



Ricardo Reyes
City Manager



Steve Forster
Community Development Director

ATTACHMENTS ON THE NEXT PAGE

**CONSIDERATION AND ADOPTION OF THE CITY OF HUNTINGTON PARK'S
FISCAL YEAR 2022-2023 ANNUAL ACTION PLAN**

December 20, 2022

Page 3 of 3

ATTACHMENTS:

"A": Resolution Consenting to the Inclusion of Properties within the Territory of The City of Huntington Park in the CSCDA Open PACE Programs.

"B": CSCDA JPA Agreement

"C": CaliforniaFIRST FAQ's English

"D": CaliforniaFIRST FAQ's Spanish

"E": CaliforniaFIRST Trifold Brochure English

"F": CaliforniaFIRST Trifold Brochure Spanish

ATTACHMENT "A"

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1 **WHEREAS**, the City desires to allow the owners of property ("Participating
2 Property Owners") within its territory to participate in the Programs and to allow the
3 Authority to conduct assessment proceedings under Chapter 29 within its territory and
to issue bonds to finance or refinance Improvements; and

4 **WHEREAS**, the territory within which assessments may be levied for the
5 Programs shall include all of the territory within the City's official boundaries; and

6 **WHEREAS**, the Authority will conduct all assessment proceedings under
7 Chapter 29 for the Programs and issue any bonds issued in connection with the
Programs; and

8 **WHEREAS**, the City will not be responsible for the conduct of any assessment
9 proceedings; the levy of assessments; any required remedial action in the case of
10 delinquencies in such assessment payments; or the issuance, sale or administration of
any bonds issued in connection with the Programs;

11 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HUNTINGTON**
12 **PARK DOES HEREBY RESOLVE AS FOLLOWS:**

13 **SECTION 1.** This City Council hereby finds and declares that properties in the
14 territory of the City will benefit from the availability of the Program within the territory of
15 the City and, pursuant thereto, the conduct of special assessment proceedings by the
Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance
16 Improvements.

17 **SECTION 2.** In connection with the Programs, the City hereby consents to the
18 conduct of special assessment proceedings by the Authority pursuant to Chapter 29 on
any property within the territory of the City and the issuance of bonds to finance or
19 refinance Improvements; provided, that

20 (1) The Participating Property Owners, who shall be the legal owners
21 of such property, execute a contract pursuant to Chapter 29 and comply with
other applicable provisions of California law in order to accomplish the valid levy
of assessments; and

22 (2) The City will not be responsible for the conduct of any assessment
23 proceedings; the levy of assessments; any required remedial action in the case
of delinquencies in such assessment payments; or the issuance, sale or
24 administration of any bonds issued in connection with the Programs.

25 **SECTION 3.** The appropriate officials and staff of the City are hereby authorized
26 and directed to make applications for the Programs available to all property owners who
wish to finance or refinance Improvements; provided, that the Authority shall be
27 responsible for providing such applications and related materials at its own expense.
The following staff persons, together with any other staff persons chosen by the Director
28 of Community Development of the City from time to time, are hereby designated as the
contact persons for the Authority in connection with the Programs: Project Manager.

SECTION 4. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such certificates, requisitions, agreements and related documents as are reasonably required by the Authority to implement the Programs.

SECTION 5. The City Council hereby finds that adoption of this Resolution is not a “project” under the California Environmental Quality Act, because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

SECTION 6. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority at: Secretary of the Board, California Statewide Communities Development Authority, 1400 K Street, Sacramento, CA 95814.

PASSED, APPROVED, AND ADOPTED this 20th day of December 2022.

Eduardo Martinez,
Mayor

ATTEST:

Eduardo Sarmiento,
City Clerk

ATTACHMENT "B"

ATTACHMENT "B"

RESOLUTION NO. 94-71

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF HUNTINGTON PARK
APPROVING, AUTHORIZING AND DIRECTING
EXECUTION OF AN AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT
RELATING TO THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY

WHEREAS, the City of Huntington Park (the "City") has expressed an interest in participating in the economic development financing programs (the "Programs") in conjunction with the parties to that certain Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority, dated as of June 1, 1988 (the "Agreement"); and

WHEREAS, the Agreement was originally entered into to facilitate Programs with respect to California counties and was subsequently amended and restated, expanding the Agreement to include participation by California cities; and

WHEREAS, there is now before this City Council the form of the Agreement; and

WHEREAS, the City proposes to participate in the Programs and desires that certain projects to be located within the City be financed pursuant to the Programs and it is in the public interest and for the public benefit, that the City do so; and

WHEREAS, the Agreement has been filed with the City, and the members of the City Council, with the assistance of its staff, have reviewed said document.

NOW, THEREFORE, it is hereby ORDERED AND DETERMINED as follows:

SECTION 1. The Agreement is hereby approved and the Chief Administrative Officer or his designee, is hereby authorized and directed to execute said document, with such changes, insertions and omissions as may be approved by such person, and the City Clerk is hereby authorized and directed to affix the City's seal to said document and to attest thereto.

SECTION 2. The Chief Administrative Officer and all other proper officers and officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and

deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

SECTION 3. The City Clerk shall certify the adoption of this Resolution, and thenceforth and thereafter the same shall be in full force and effect.

SECTION 4. The City Clerk shall forward a certified copy of this Resolution to the following:

Steven L. Maler, Esq.
Orrick, Herrington & Sutcliffe
777 South Figueroa Street, Suite 3200
Los Angeles, California 90017

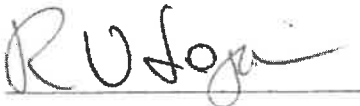
The FOREGOING RESOLUTION was approved and adopted by the City Council of the City of Huntington Park this 19th day of September, 1994, by the following vote:

AYES: Councilmembers: Perez, Marin, Jackson, Maes, Loya

NOES: Councilmembers: None

ABSTAIN: Councilmembers: None

ABSENT: Councilmembers: None


MAYOR


CITY CLERK OF THE CITY COUNCIL
OF THE CITY OF HUNTINGTON PARK

Approved as to form:


CITY ATTORNEY

ATTACHMENT C

HELLO!

WE'RE RENEW FINANCIAL

We believe that everyone deserves to live in a home where they feel safe, secure, and comfortable. That's why we created CaliforniaFIRST financing.

CaliforniaFIRST is an affordable long-term financing solution that empowers homeowners to upgrade their homes with eligible safety, resiliency, and energy-efficient products.

Making your home safer, and more energy-efficient and comfortable, for you and your loved ones doesn't have to be something you give a second thought because you consider it to be out of reach.

Now you have the option to use CaliforniaFIRST to turn your eligible home improvement project into a reality!

13 years
in business

44,000+
financed projects

★★★★★
customer satisfaction

*Based on internal data and customer satisfaction

ATTACHMENT "C"

TO GET STARTED OR LEARN MORE

Contact your Registered Contractor
or visit www.renewfinancial.com

Important Disclosures

1 The maximum financing amount on applicant is eligible for will be determined based on the homeowner's annual income and the amount of available equity. Not all products and projects are eligible for 30 year financing. The term available will be determined depending on the expected useful life of the product(s). CaliforniaFIRST financing is subject to approval. Underwriting requirements and restrictions apply. CaliforniaFIRST financing is secured by a lien on the subject property and may be required to be repaid upon refinance or sale. Homeowners should perform due diligence before selecting a home improvement contractor. CaliforniaFIRST financing is private financing that must be repaid in full. CaliforniaFIRST financing is not a government subsidy. Homeowners are encouraged to use CaliforniaFIRST financing responsibly.

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RF-PO-0810212



CaliforniaFIRST: an affordable
alternative to traditional home
improvement financing

FREQUENTLY ASKED QUESTIONS

What is CaliforniaFIRST?

CaliforniaFIRST is Property Assessed Clean Energy (PACE), a financing program approved by State legislation and made available in your community by local governments to enable homeowners to enter into a voluntary contractual assessment, known as a PACE assessment, to finance energy, resiliency, and safety related home improvements that are permanently fixed to real property.

How is CaliforniaFIRST different than traditional financing?

CaliforniaFIRST uses private capital to fund every project. The financing is secured by the property and collected through a voluntary assessment on the property tax bill. No minimum credit score is required to qualify.

Plus, the program offers:

- Competitive fixed interest rates
- Payment terms of 5, 10, 15, 20, 25, or 30 years depending on the expected useful life of the product(s)

What are the eligibility requirements?

CaliforniaFIRST is collateral-based financing, which means that the homeowner's credit score has no bearing on their qualification. The basic eligibility requirements include:

- Eligible property type must be located in a participating community
- Homeowner(s) must meet underwriting criteria
- CaliforniaFIRST eligible project or product
- Installation must be completed by a CaliforniaFIRST Registered Contractor

How much money can I borrow?

You can borrow as little as \$2,500 and up to \$250,000, to cover the cost of eligible home upgrades.

Is CaliforniaFIRST financing a government subsidy?

No, CaliforniaFIRST financing is not a government subsidy. CaliforniaFIRST financing is private financing that must be repaid in full.

What type of home improvement projects are eligible for CaliforniaFIRST financing?

CaliforniaFIRST financing is available for a large variety of energy, resiliency, and safety related home improvement products and projects. Some of the most common ones include:

- Roofing
- Solar Panels
- Heating & Cooling
- Windows & Doors
- Earthquake Protection
- And much more! Contact us at 844-736-3934 for a complete list of eligible products and projects

Can I use any Contractor?

Since payment is made directly to the contractor once the project is completed, and you sign off on it, the contractor must be registered with Renew Financial. Contractors must meet program requirements and can register by visiting: www.renewfinancial.com/pace-contractors

All participating contractors must have a valid and active contractor's license with the Contractors State Licensing Board (CSLB).

Does CaliforniaFIRST have consumer protections?

Yes, the consumer protections with CaliforniaFIRST financing go above and beyond what other traditional financing alternatives commonly offer. To learn more visit www.renewfinancial.com/consumer-protections.

Can I use CaliforniaFIRST to finance multiple projects at the same time?

Yes, you can use CaliforniaFIRST to finance more than one eligible product or project at the same time. However, the maximum financing amount you are eligible for may limit the amount of products or projects you can finance at the same time.

Are there any pre-payment fees?

No, there are no fees for paying all or a portion of the financing early. You can pay off the outstanding balance at any time or in increments of \$2,500.

How does repayment work?

The amount financed through CaliforniaFIRST will appear as a new line item on the property tax bill. Since the financing is secured by the property, a lien will be placed against it until the amount financed is paid back in full - this is no different than how other secured financing methods would work and is what enables the rates to be low while also enabling you to obtain longer repayment terms and larger financing amounts.

While PACE payments are billed once per year, the way the county collects the property taxes will determine when and how you will pay each annual CaliforniaFIRST payment.

If an impound/escrow account is used to pay property taxes, you should contact your lender to discuss increasing your monthly impound/escrow payments to account for your annual CaliforniaFIRST payment.

Your lender may do this automatically, so it is important to contact them to understand what your new monthly payment will be, or to discuss your options.

Is CaliforniaFIRST better suited for people with low income and/or a low credit score?

CaliforniaFIRST is a great and competitive alternative to traditional methods of financing that is not contingent on an individual's credit score or solely contingent on their income which makes it an attractive and popular choice for long-term financing to a wider range of consumers.

CaliforniaFIRST financing enables homeowners who do not fit in the box of traditional financing underwriting standards to get 100% financing to complete their much needed or wanted eligible home upgrades.

What happens if I want to sell or refinance my home after I use CaliforniaFIRST financing?

Mortgage lenders may require the outstanding balance on the CaliforniaFIRST assessment to be paid off in full at the time of sale or refinance. Subordination of the CaliforniaFIRST assessment is not an available option.

ATTACHMENT "D"

¿Qué es CaliforniaFIRST?

CaliforniaFIRST es Energía Limpia Evaluada por la Propiedad (PACE), un programa de financiamiento aprobado por la legislación estatal y puesto a disposición en su comunidad por los gobiernos locales. El programa permite a los propietarios participar en una evaluación contractual voluntaria, conocida como evaluación PACE, para financiar mejoras del hogar relacionadas con la seguridad, eficiencia, y resiliencia del hogar que se fijan permanentemente a la propiedad.

¿En qué se diferencia CaliforniaFIRST del financiamiento tradicional?

CaliforniaFIRST utiliza capital privado para financiar todos los proyectos. El financiamiento está garantizado por la propiedad y se recauda a través de una evaluación voluntaria en la factura del impuesto a la propiedad. No se requiere puntaje de crédito mínimo para calificar.

Además, el programa ofrece:

- Tasas de interés fijas competitivas
- Plazos de pago de 5, 10, 15, 20, 25 o 30 años dependiendo de la vida útil esperada del producto (s)

¿Cuáles son los requisitos de elegibilidad?

CaliforniaFIRST es un financiamiento basado en garantías, lo que significa que el puntaje crediticio del propietario no influye en su calificación. Los requisitos básicos de elegibilidad incluyen:

- El tipo de propiedad elegible debe estar ubicada en una comunidad participante
- Los propietarios deben cumplir con los criterios de suscripción
- Proyecto o producto elegible de CaliforniaFIRST
- La instalación debe ser completada por un Contratista Registrado con CaliforniaFIRST

¿Cuánto dinero puedo pedir prestado?

Puede pedir prestado desde \$ 2,500 y hasta \$ 250,000 para cubrir el costo de las mejoras elegibles del hogar.

¿Es CaliforniaFIRST un subsidio del gobierno?

No, el financiamiento de CaliforniaFIRST no es un subsidio del gobierno. El financiamiento de CaliforniaFIRST es un financiamiento privado que debe reembolsarse en su totalidad.

¿Qué tipo de proyectos son elegibles para el financiamiento de CaliforniaFIRST?

El financiamiento de CaliforniaFIRST está disponible para una gran variedad de productos y proyectos de mejoras para el hogar relacionados con la energía, la resistencia y la seguridad. Algunos de los más comunes incluyen:

- Techos
- Paneles solares
- Refrigeración y calefacción
- Ventanas y puertas
- Protección contra terremotos
- ¡Y mucho más! Comuníquese con nosotros al 844-736-3934 para una lista completa de productos y proyectos elegibles

¿Puedo utilizar cualquier contratista?

Dado que el pago se realiza directamente al contratista una vez que se completa el proyecto y usted lo firma, el contratista debe estar registrado con Renew Financial. Los contratistas deben cumplir con los requisitos del programa y pueden registrarse visitando: www.renewfinancial.com/pace-contractors

Todos los contratistas participantes deben tener una licencia de contratista válida y activa con la Junta Estatal de Licencias de Contratistas (CSLB).

¿CaliforniaFIRST tiene protecciones al consumidor?

Sí, las protecciones al consumidor con el financiamiento de CaliforniaFIRST van más allá de lo que ofrecen comúnmente otras alternativas de financiamiento tradicionales. Para obtener más información, visite www.renewfinancial.com/consumer-protections.

¿Puedo utilizar CaliforniaFIRST para financiar varios proyectos al mismo tiempo?

Sí, puede utilizar CaliforniaFIRST para financiar más de un producto o proyecto elegible al mismo tiempo. Sin embargo, la cantidad máxima de financiamiento para la que es elegible puede limitar la cantidad de productos o proyectos que puede financiar al mismo tiempo.

¿Hay alguna tarifa por pago anticipado?

No, no hay cargos por pagar la totalidad o una parte del financiamiento anticipadamente. Puede cancelar el saldo pendiente en cualquier momento o en incrementos de \$ 2,500.

¿Cómo funciona el reembolso?

La cantidad financiada a través de CaliforniaFIRST aparecerá como una nueva línea en la factura de impuestos a la propiedad. Dado que el financiamiento está garantizado por la propiedad, se le aplicará un gravamen hasta que la cantidad financiada se reembolse en su totalidad; esto no es diferente de cómo funcionarían otros métodos de financiamiento garantizados y es lo que permite que las tasas sean bajas al mismo tiempo que le permiten obtener plazos de amortización más largos y montos de financiamiento mayores.

Si bien los pagos de PACE se facturan una vez al año, la forma en que el condado recauda los impuestos a la propiedad determinará cuándo y cómo pagará cada pago anual de CaliforniaFIRST.

Si se utiliza una cuenta de depósito en garantía para pagar impuestos a la propiedad, debe comunicarse con su prestamista para discutir el aumento de sus pagos mensuales para incluir su pago anual CaliforniaFIRST.

Su prestamista puede hacer esto automáticamente, por lo que es importante que se comunique con ellos para entender cuál será su nuevo pago mensual o para analizar sus opciones.

¿CaliforniaFIRST es más adecuado para personas con bajos ingresos y / o un puntaje crediticio bajo?

CaliforniaFIRST es una alternativa excelente y competitiva a los métodos tradicionales de financiamiento que no depende del puntaje crediticio de una persona ni depende únicamente de sus ingresos, lo que lo convierte en una opción atractiva y popular para el financiamiento a largo plazo para una gama más amplia de consumidores.

El financiamiento de CaliforniaFIRST permite a los propietarios de viviendas que no encajan en los estándares de suscripción de financiamiento tradicional obtener el 100% de financiamiento para completar las renovaciones elegibles que tanto necesitan o desean.

¿Qué sucede si quiero vender o refinanciar mi casa después de usar el financiamiento de CaliforniaFIRST?

Los prestamistas hipotecarios pueden exigir que el saldo pendiente de la tasación de CaliforniaFIRST se pague en su totalidad en el momento de la venta o refinanciamiento. La subordinación de la evaluación CaliforniaFIRST no es una opción disponible.

ATTACHMENT "E"

FINANCING IN FIVE EASY STEPS

1

ADDRESS CHECK

Verify that your property is located in a participating community

2

APPLY

Apply through your Registered Contractor or at www.renewfinancial.com

3

SIGN

Complete and sign your financing documents

4

INSTALL

Your Registered Contractor completes your eligible home upgrade and gets paid upon you signing-off the project

5

REPAY

The financed amount is added to, and paid through, your property taxes

ATTACHMENT "E"

TO GET STARTED OR LEARN MORE

Contact your Registered Contractor
or visit www.renewfinancial.com

Important Disclosures

1) The maximum financing amount an applicant is eligible for will be determined based on the homeowner's annual income and the amount of available equity. Not all products and projects are eligible for 30 year financing. The term available will be determined depending on the expected useful life of the product(s). CaliforniaFIRST financing is subject to approval. Underwriting requirements and restrictions apply. CaliforniaFIRST financing is secured by a lien on the subject property and may be required to be repaid upon refinancing or sale. Homeowners should perform due diligence before selecting a home improvement contractor. CaliforniaFIRST financing is private financing that must be repaid in full. CaliforniaFIRST financing is not a government subsidy. Homeowners are encouraged to use CaliforniaFIRST financing responsibly.

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RF-PO-072321



Turn Your Next
Home Improvement Project
Into a Reality with

AFFORDABLE FINANCING

HELLO!

WE'RE RENEW FINANCIAL

We believe that everyone deserves to live in a home where they feel safe, secure, and comfortable, and that's why we created CaliforniaFIRST financing.

CaliforniaFIRST is an affordable long-term financing solution that empowers homeowners to upgrade their homes with eligible safety, resiliency, and energy-efficient products.

Making your home safer, and more energy-efficient and comfortable, for you and your loved ones doesn't have to be something you give a second thought because you consider it to be out of reach.

Now you have the option to use CaliforniaFIRST to turn your eligible home improvement project into a reality!

13 years
in business

44,000+
financed projects



customer satisfaction

*Based on informal data and customer survey results

BENEFITS

- ✓ 100% financing up to \$250,000¹
- ✓ Terms of up to 30-yrs for some projects¹
- ✓ No out-of-pocket payments upfront
- ✓ Competitive fixed interest rates
- ✓ No min. credit score required¹
- ✓ Fast approvals

“Our experience with Renew Financial was very easy and simple. We provided the documents requested and they went to work. It was pretty much a hands-off process. It was great! I am a Finance Manager and my wife is a Registered Nurse so it is in our nature to ask many questions, research, and crunch numbers. We found the financing to be fair and competitive. - Gerald & Caroline, K.”

BASIC ELIGIBILITY¹

- ✓ Eligible property type must be located in a participating community
- ✓ Homeowner(s) must meet underwriting criteria
- ✓ CaliforniaFIRST eligible project or product
- ✓ Installation must be completed by a CaliforniaFIRST Registered Contractor

ELIGIBLE PROJECTS



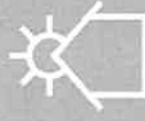
Earthquake
Protection



Windows
& Doors



Heating
& Cooling



Roofing



Solar Panels

And much
more!

ATTACHMENT "F"

FINANCIAMIENTO EN CINCO PASOS FACILES

1

VERIFICACIÓN DE DIRECCIÓN

Verifique que su propiedad este ubicada en una comunidad participante

2

SOLICITAR

Solicite a través de su Contratista Registrado o en www.renewfinancial.com

3

FIRMAR

Complete y firme sus documentos de financiamiento

4

INSTALAR

Su Contratista Registrado completa la instalación de su proyecto y se le paga al el usted firmar que el proyecto se ha completado

5

PAGAR

El monto financiado se agrega y se paga a través de los impuestos a la propiedad

ATTACHMENT "F"



Convierta El Proximo
Proyecto De Mejoras Para Su
Hogar En Una Realidad Con

FINANCIAMIENTO ACCESIBLE

PARA EMPEZAR O MÁS INFORMACIÓN

Póngase en contacto con su
Contratista Registrado o visite
www.renewfinancial.com

Divulgaciones importantes

1 La cantidad máxima de financiamiento para la que es elegible un solicitante se determinará en función de los ingresos anuales del propietario y la cantidad de capital disponible. No todos los productos y proyectos son elegibles para financiamiento a 30 años. El plazo disponible se determinará en función de la vida útil esperado del (de los) producto(s). El financiamiento de CaliforniaFIRST está sujeto a aprobación. Se aplican restricciones y requisitos de suscripción. El financiamiento de CaliforniaFIRST está garantizado por un gravamen sobre la propiedad en cuestión y es posible que deba reembolsarse al refinanciar o vender. Los propietarios deben realizar la debida diligencia antes de seleccionar un contratista de mejoras para el hogar. El financiamiento de CaliforniaFIRST es un financiamiento privado que debe reembolsarse en su totalidad. El financiamiento de CaliforniaFIRST no es un subsidio del gobierno. Se aconseja a los propietarios de viviendas a utilizar el financiamiento de CaliforniaFIRST de manera responsable.

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RF-PO-072621-ESP

HOLA!

SOMOS RENEW FINANCIAL

Creemos que todos merecen vivir en un hogar donde se sientan seguros, protegidos y cómodos, y es por eso que creamos el financiamiento CaliforniaFIRST.

CaliforniaFIRST es una solución de financiamiento asequible a largo plazo que permite a los propietarios mejorar sus hogares con productos elegibles de seguridad, resistencia y eficiencia energética.

Hacer que su hogar sea más seguro, más eficiente y más cómodo para usted y sus seres queridos no tiene por qué ser algo que tenga que pensar dos veces porque lo considera fuera de su alcance.

Ahora tiene la opción de usar CaliforniaFIRST para convertir su proyecto en una realidad!

13 años
de experiencia

44,000+
proyectos financiados

★★★★★
satisfacción del cliente

*Basado en los datos de la encuesta de satisfacción de nuestros clientes.

BENEFICIOS

- ✓ 100% de financiamiento hasta \$250,000¹
- ✓ Plazos de hasta 30 años para algunos proyectos¹
- ✓ Sin pagos por adelantado
- ✓ Tasas de interés fijas competitivas
- ✓ No min. puntuación de crédito requerida¹
- ✓ Aprobaciones rápidas

“ Nuestra experiencia con Renew Financial fue muy fácil y sencilla. Les proporcionamos los documentos solicitados y se pusieron manos a la obra. ¡Fue grandioso! Soy gerente de finanzas y mi esposa es enfermera registrada, por lo que está en nuestra naturaleza hacer muchas preguntas, investigar y hacer cálculos. Encontramos que el financiamiento es justo y competitivo. - Gerald y Caroline, K. ”

ELEGIBILIDAD BÁSICA¹

- ✓ Una propiedad elegible ubicada en una comunidad participante
- ✓ Los propietarios deben cumplir con los criterios de suscripción
- ✓ Proyecto o producto elegible para financiamiento CaliforniaFIRST
- ✓ La instalación debe ser completada por un contratista registrado con CaliforniaFIRST

PROYECTOS ELEGIBLES



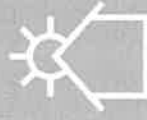
Protección a
Terremotos



Ventanas
& Puertas



Calefacción
& Refrigeración



Techos



Paneles
Solares

Y Mucho
Más !

ITEM NO. 11



CITY OF HUNTINGTON PARK

Community Development Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Honorable Mayor and Members of the City Council:

CONSIDERATION AND AUTHORIZATION OF ASSIGNMENT OF CONTRACT FROM CR&R TO VALLEY VISTA SERVICES

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Authorize the contract assignment from CR&R Inc. to Valley Vista Services for solid waste handling services; and
2. Authorize the City Manager to prepare and execute the assignment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

A contract assignment is being requested by CR&R Inc. (Attachment A”) in accordance with their current contract. The current contract was assigned to CR&R at the regularly scheduled City Council Meeting of December 18, 2018 from United Pacific Waste & Recycling Services (UPW).

CR&R has provided solid waste refuse services for the past four (4) years and their current contract expires in June of 2025. The City Council has previously authorized a request for proposal process for solid waste services and approved a new solid waste hauler (Valley Vista Services) to begin service in the community effective July 1, 2025. The competitive nature of the proposals allowed the City to evaluate “haulers” based on pricing, service and the ability to meet changing environmental regulations.

However, CR&R concluded that it was in their best interest to work with the City and Valley Vista Services to transition services as soon as possible for the City to remain in compliance with various new environmental regulations such as SB-1383.

CONSIDERATION AND AUTHORIZATION OF ASSIGNMENT OF CONTRACT FROM CR&R TO VALLEY VISTA SERVICES

December 20, 2022

Page 2 of 2

If approved, the transition from CR&R to Valley Vista would occur as soon as March 1, 2023. CR&R, Valley Vista Services and staff will work collaboratively to ensure there is adequate notice to businesses and residents through marketing and public relations.

FISCAL IMPACT/FINANCING

There is no fiscal impact as the service costs will remain consistent with current terms of the contract.

CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,



RICARDO REYES
City Manager



STEVE FORSTER
Community Development Director

ATTACHMENT

1. Attachment "A" CR&R Request for Contract Assignment

ATTACHMENT “A”

Attachment "A"



June 1, 2022

Mr. Ricardo Reyes
City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Re: Transfer of Solid Waste Franchise Agreement and Resolution of Contract Terms

Dear Mr. Reyes:

With this letter, CR&R Incorporated ("Assignor") requests the City's approval to assign the existing Solid Waste Handling Services contract dated August 18, 2014, as amended (the "Services Agreement"), to Valley Vista Services ("Assignee") effective July 1, 2022. The Services Agreement has a remaining term of three (3) years. With the City's approval of the assignment and considering the need to continue implementing the CalRecycle requirements of SB-1383 in the coming years, it is only appropriate that this consideration be done sooner than later to assist the City, its residents, and businesses with compliance of the State mandates.

As a part of this request, CR&R proposes to resolve disputed allegations by the City relating to contractual diversion deficiencies, as well as disputed charges by CR&R regarding C&D debris costs from the City's waterpark project. Any such monetary disputes between the parties will be settled with a payment by CR&R to the City prior to the assignment date as a "Transfer Fee" per the transfer terms of the existing Franchise Agreement.

With your concurrence, either the City or our attorneys can prepare an agreement and have the City Council approve during the month of June.

Thank you for your consideration.

Respectfully,


Julie Barreda
Regional Vice President

11292 Western Ave.
P. O. Box 125
Stanton, CA 90680

Cc: Steve Forster
Cesar Roldan
Dean Ruffridge
Bill Higginbotham

t: 800.826.9677
t: 714.826.9049
f: 714.890.6347

ITEM NO. 12



CITY OF HUNTINGTON PARK

Public Works Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL TO ADOPT THE AS-BUILT STRIPING PLAN FOR THE EASTBOUND AND WESTBOUND SEGMENTS OF RANDOLPH STREET BETWEEN ALAMEDA STREET AND SANTA FE AVENUE

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act (CEQA); and
2. Approve the adoption of the As-built striping plan for the eastbound and westbound segments of Randolph Street between Alameda Street and Santa Fe Avenue.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The striping on the eastbound and westbound segments of Randolph Street between Alameda Street and Santa Fe Avenue (Attachment 1) were modified from two lanes in each direction to one lane. The primary focus was on adding street parking on both the south and north sides of the street. Street modifications, including minor alterations to the striping and posted speed limit requires City Council action.

ENVIRONMENTAL

Section 21084 of the California Public Resources Code requires Guidelines for Implementation of the California Environmental Quality Act (CEQA). The Guidelines are required to include a list of classes of projects which have been determined not to have a significant effect on the environment and which are exempt from the provisions of CEQA.

CONSIDERATION AND APPROVAL TO ADOPT THE AS-BUILT STRIPING PLAN FOR THE EASTBOUND AND WESTBOUND SEGMENTS OF RANDOLPH STREET BETWEEN ALAMEDA STREET AND SANTA FE AVENUE

December 20, 2022

Page 2 of 2

City staff identified classes of projects that do not have a significant effect on the environment, and are declared to be categorically exempt from the requirement for the preparation of environmental documents. In accordance with Section 15301 "Existing Facilities," Class 1 projects consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities. Therefore, in accordance with Section 15301 (c), this project, is considered categorically exempt from CEQA, and a Notice of Exemption (Attachment 2) is prepared and will be filed with the Los Angeles County Clerk.

Staff determined that no significant environmental impacts could occur as a result of this project and therefore the project is categorically exempt under CEQA.

FISCAL IMPACT/FINANCING

There is no cost associated with the adoption of the striping plan.

CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,



RICARDO REYES
City Manager



CESAR ROLDAN
Director of Public Works

ATTACHMENT(S)

1. As-built Randolph St Striping Plan
2. CEQA Determination

ATTACHMENT "A"

ATTACHMENT "B"



NOTICE OF EXEMPTION

To: ☒ County Clerk, County of Los Angeles
12400 East Imperial Highway, Room 2001
Norwalk, CA 90650

☐ Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, California 95814

From: City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Project Title/File No.: **As-built striping plan for the eastbound and westbound segments of Randolph Street between Alameda Street and Santa Fe Avenue**

Project Applicant: City of Huntington Park

Project Location: Project is located in the public right of way and involves the following streets:

Street Names	Beginning Location	End Location
Randolph Street (westbound)	Santa Fe Avenue	Alameda Street
Randolph Street (eastbound)	Alameda Street	Santa Fe Avenue

Project Description: The striping on the eastbound and westbound segments of Randolph Street between Alameda Street and Santa Fe Avenue were modified from two lanes in each direction to one lane. The primary focus was on adding street parking on both the south and north sides of the street.

Name of approving public agency: City of Huntington Park

Project Sponsor: City of Huntington Park Public Works Department

Exempt Status:

- ☐ Ministerial (Sec. 21080 (b)(1); 15268);
☐ Declared Emergency (Sec. 21080 (b)(3); 15269(a));
☐ Emergency Project (Sec 21080 (b)(4); 15263 (b)(c));
☒ Categorical Exemption. State type and section number: 15301 Class 1, Existing Facilities
☐ Statutory Exemptions. State code number: _____
☐ other: _____

Reason(s) why Project is exempt: The project is categorically exempt under Class 1 Existing Facilities Section 15301 of the California Environmental Quality Act due to the fact that the proposed improvements will be performed on existing City streets and include minor alterations to the striping. Project will not pose any negative impacts to the surrounding area or the environment.

Lead Agency/Contact Person: Steve Forster **Telephone Number:** (323) 584-6392

Signature: _____ **Date:** 12/20/2022 **Title:** Community Development Director

Date received for filing and posting: _____

ITEM 13



CITY OF HUNTINGTON PARK

Public Works Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL OF AWARD OF A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF PLANS, SPECIFICATIONS, AND ESTIMATE OF CIP 2019-14 ATP CYCLE V PROJECT NO. ATPSB1L-5150(017)

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Award the preparation of Plans, Specifications, and Estimate of CIP 2019-14 ATP Cycle V Project No. ATPSB1L-5150(017) to Infrastructure Engineers for a not-to-exceed amount of \$191,420; and
2. Allocate \$191,420 from the California Transportation Commission (CTC) into Account No. 202-8080-431.76-23 as City staff seeks reimbursement of state funds as work progresses; and
3. Authorize the City Manager to execute the professional services agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the Active Transportation Program is to encourage increased use of active modes of transportation by achieving the following goals:

- Increase the proportion of trips accomplished by biking and walking
- Increase safety and mobility for non-motorized users

CONSIDERATION AND APPROVAL OF AWARD OF A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF PLANS, SPECIFICATIONS, AND ESTIMATE OF CIP 2019-14 ATP CYCLE V PROJECT NO. ATPSB1L-5150(017)

December 20, 2022

Page 2 of 4

- Advance the active transportation efforts of regional agencies to achieve Greenhouse Gas (GHG) reduction goals, pursuant to SB 375 (of 2008) and SB 341 (of 2009)
- Enhance public health
- Ensure that disadvantaged communities fully share in the benefits of the program
- Provide a broad spectrum of projects to benefit many types of active transportation users

The project creates pedestrian safety and mobility enhancements along Gage Avenue, State Street, California Avenue, and the intersection of Florence Avenue at Bissell Street. It builds off previous safety initiatives and targets persistent concerns along Gage Avenue, where pedestrian ramp improvements and sidewalk replacement will improve safety and encourage active transportation for ten schools along Gage Avenue and seven schools along State Street. The project adds four transit bus pads that will provide ADA-access and stable station platforms for all ages that will promote more active transportation to and from bus services. Pedestrian ramps will be improved along the residential corridor of California Avenue. A High Intensity Activated Crosswalk (HAWK) pedestrian signal will be added at three critical mid-block locations in the City, including the intersection of Florence Avenue and Bissell Street. These infrastructure improvements will increase pedestrian mode share for sixteen elementary, middle, and high schools with a cumulative enrollment of 14,595 students. This will address a youth population with the highest rate of collision fatalities and obesity in the State. The design of ATP Cycle IV aims to accomplish these tasks by increasing safe mobility throughout the community.

At the regularly scheduled City Council meeting of November 1, 2022, the City Council authorized staff to solicit proposals for the preparation of Plans, Specifications, and Estimate (PS&E). The Request for Proposal (RFP) was published on November 4, 2022. The City received two (2) proposals on December 7, 2022. The following is the recommending ranking of the two firms:

1. Infrastructure Engineers	\$191,420
2. West & Associates	\$179,500

City staff has relayed that engineering support from an outside consultant is necessary to accomplish the PS&E for this project. Infrastructure Engineers is ranked higher based on their experience, understanding of the scope of work and proposed method to accomplish the work. Infrastructure Engineers is the most qualified consultant with the best overall proposal and is readily available to provide the services required. Based on the need to commence the design and complete by June 30, 2023, it is staff's recommendation to award the professional services agreement for design to Infrastructure Engineers.

LEGAL REQUIREMENT

CONSIDERATION AND APPROVAL OF AWARD OF A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF PLANS, SPECIFICATIONS, AND ESTIMATE OF CIP 2019-14 ATP CYCLE V PROJECT NO. ATPSB1L-5150(017)

December 20, 2022

Page 3 of 4

Congress adopted the Brooks Act (P.L. 92-582), requiring the use of Qualifications-Based Selection (QBS) for the procurement of architect and engineering services. The use of QBS ensures that taxpayers receive highly technical architect and engineering services from the most experienced and most qualified firms at a fair and reasonable cost. California's QBS requirements can be found at Government Code sections 4525 et seq., also known as the Mini Brooks Act.

FISCAL IMPACT/FINANCING

At its regularly scheduled meeting of August 18, 2022, the California Transportation Commission (CTC) allocated funding in the amount of \$275,000 towards the design of this project. A local City match is not required.

Infrastructure Engineers submitted a proposal and a fee schedule for \$191,420 in accordance with the requirements stipulated in the RFP. Staff recommends the award of the PSA to Infrastructure Engineers, and authorize the allocation of \$191,420 from the California Transportation Commission (CTC) not-to-exceed fee of \$191,420 into Account No. 202-8080.431.76-23.

CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,



RICARDO REYES
City Manager



CESAR ROLDAN
Director of Public Works

ATTACHMENT(S)

CONSIDERATION AND APPROVAL OF AWARD OF A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF PLANS, SPECIFICATIONS, AND ESTIMATE OF CIP 2019-14 ATP CYCLE V PROJECT NO. ATPSB1L-5150(017)

December 20, 2022

Page 4 of 4

1. Infrastructure Engineers PSA
2. Other Proposal

ATTACHMENT "A"



PROFESSIONAL SERVICES AGREEMENT

Project Approval and Environmental Design of CIP 2019-14 ATP Cycle V
Project No. ATPSB1L-5150(017)

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this **20th day of December 2022**, (hereinafter, the "Effective Date"), by and between the CITY OF HUNTINGTON PARK, a municipal corporation ("CITY") and **INFRASTRUCTURE ENGINEERS** (hereinafter, "CONSULTANT"). For the purposes of this Agreement CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably.

RECITALS

This AGREEMENT is made and entered into with respect to the following facts:

WHEREAS, on December 20, 2022, the Huntington Park City Council at its Regular Meeting approved the Professional Services Agreement to the CONSULTANT to provide Project Approval and Environmental Design of CIP 2019-14 ATP Cycle V Project No. ATPSB1L-5150(017); and

WHEREAS, CONSULTANT represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and skill of its principals and employees; and

WHEREAS, CONSULTANT further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement; and

WHEREAS, the execution of this Agreement was approved by the Huntington Park City Council at its Regular Meeting of December 20, 2022.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

I.
ENGAGEMENT TERMS

- 1.1 SCOPE OF SERVICES: Subject to the terms and conditions set forth in this Agreement and all exhibits attached and incorporated hereto, CONSULTANT agrees to perform the services and tasks set forth in that certain document entitled "Scope of Services" and attached hereto as **Exhibit "A"** (hereinafter referred to as the "**Scope of Services**"). CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and work necessary to competently perform and timely complete the services and tasks as set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Work."
- 1.2 TERM: This Agreement shall have an initial term of one (1) year commencing from the Effective Date unless terminated as provided elsewhere in this Agreement (hereinafter, the "Term"). Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause as further set out herein.
- 1.3 COMPENSATION: During the term of this Agreement and any extension term provided herein, CONSULTANT shall perform the Services set forth in Section 1.2 above, for a not-to-exceed fee of \$191,420, included in the proposal reflected in **Exhibit "A"**. CONSULTANT shall not exceed the Contract Price unless such added expenditure is first approved by the CITY Council acting in consultation with the City Manager. In the event CONSULTANT's charges are projected to exceed the Contract Price prior to the expiration of the Term or any single extension term, CITY may suspend CONSULTANT's performance of any additional Work outside the Work as defined in Exhibit A, pending CITY approval of any anticipated expenditures in excess of the Contract Price or any other CITY-approved amendment to the compensation terms of this Agreement.
- 1.4 PAYMENT OF COMPENSATION: On the first of each month, CONSULTANT shall submit to CITY an itemized invoice for that month's Base Fee and indicating the additional services and tasks performed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice shall indicate the number of hours worked in the recently concluded calendar month, the persons responsible for performing the Work, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY shall pay any undisputed amounts. Within thirty (30) calendar days of receipt of each invoice, CITY shall notify CONSULTANT in writing of any disputed amounts included in the invoice. CITY shall not withhold

applicable taxes or other authorized deductions from payments made to CONSULTANT.

- 1.5 ACCOUNTING RECORDS: CONSULTANT shall maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY shall have the reasonable right to access and examine such records, without charge. CITY shall own and further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.
- 1.6 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONSULTANT shall deliver to CITY immediately and without delay, all written materials, including any electronic communications, records and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT shall only be compensated for the reasonable value of the services, tasks and other work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

II.

PERFORMANCE OF AGREEMENT

- 2.1 CITY'S REPRESENTATIVES: The CITY hereby designates the City Manager (hereinafter, the "CITY Representative") to act as its representative for the performance of this Agreement. The City Manager shall be the chief CITY Representative. The CITY Representative or their designee shall act on behalf of the CITY for all purposes under this Agreement. CONSULTANT shall not accept directions or orders from any person other than the CITY Representative or their designee.
- 2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates Farzad Dorrani to act as its representative for the performance of this Agreement (hereinafter, "CONSULTANT Representative"). CONSULTANT Representative shall have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. CONSULTANT Representative or his designee shall supervise and direct the performance of the Work, using his professional skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the CONSULTANT Representative shall constitute notice to CONSULTANT. CONSULTANT may, by written notice to CITY, advise CITY of any change in CONSULTANT Representative.
- 2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the

Work and this Agreement and shall be available to CITY staff and the CITY Representatives at all reasonable times. All work prepared by CONSULTANT shall be subject to inspection and approval by CITY Representatives or their designees.

2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges and agrees to the following:

- A. CONSULTANT shall perform all Work skillfully, competently and in accordance with industry standards of CONSULTANT's profession;
- B. CONSULTANT shall perform all Work in a manner in accordance with this Agreement;
- C. CONSULTANT shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*);
- D. CONSULTANT understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;
- E. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONSULTANT; and
- F. Except as otherwise set forth in this Agreement, all of CONSULTANT's employees and agents (including but not limited to subCONSULTANTS and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals shall be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONSULTANT shall perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with its obligation set out herein or failure on the part of CONSULTANT's employees, agents, CONSULTANTS, subCONSULTANTS and subconsultants to fulfill its obligations herein. Such effort by CONSULTANT to correct any errors or omissions shall be commenced as soon as reasonably practicable upon their discovery or notice by either Party and shall be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the CITY Representatives in writing, in accordance with applicable industry standards. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf shall not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge and experience

necessary to perform the Work skillfully, competently and in accordance with applicable industry standards of CONSULTANT's profession.

2.5 ASSIGNMENT: The skills, training, knowledge and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it shall not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONSULTANT's duties or obligations under this Agreement without the prior written consent of the CITY, which consent shall not be unreasonably withheld. CITY shall have up to sixty (60) calendar days to consider any proposed assignment by CONSULTANT. CONSULTANT can withhold consent where the CITY determines that the proposed assignee does not have the financial capacity to comply with the terms of this Agreement. In the absence of CITY's prior written consent, any attempted assignment or transfer shall be ineffective, null and void and shall constitute a material breach of this Agreement.

2.6 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONSULTANT: The Work shall be performed by CONSULTANT or under CONSULTANT's strict supervision. CONSULTANT will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent CONSULTANT basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of CONSULTANT are not employees of CITY and shall at all times be under CONSULTANT's exclusive direction and control. CONSULTANT shall pay all wages, salaries and other amounts due such personnel and shall assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

2.7 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, CONSULTANTS, subCONSULTANTS or subconsultants is determined by the CITY Representatives to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, CONSULTANTS, subCONSULTANTS or subconsultants fail or refuse to perform the Work in accordance with this Agreement, such officer, employee, agent, CONSULTANT, subCONSULTANT or subconsultant shall be promptly removed by CONSULTANT and shall not be reassigned to perform any of the Work.

2.8 COMPLIANCE WITH LAWS: CONSULTANT shall keep itself informed of and in compliance with all applicable federal, State or local laws to the extent such laws control or otherwise govern the performance of the Work. CONSULTANT's compliance with applicable laws shall include without limitation compliance with all applicable Cal/OSHA requirements. To the extent that any changes in applicable law result in an increase in CONSULTANT's cost of performance, the Parties shall negotiate in good faith to reach a mutually agreeable price adjustment. Should the Parties fail to reach such an agreement within 30 days (or such other agreeable time period) of CONSULTANT's notice to CITY of its increased cost of performance, either Party may terminate this Agreement upon 60 days' written notice.

(a) In the event that water treatment violations occur following the effective date of this Agreement, subject to Sub-Section (b) below and the applicable Force Majeure provisions, the CONSULTANT shall, in respect of violations that may be imposed by Applicable Law and to the extent due to CONSULTANT's fault, be responsible for: fines, penalties, or damages. Prior to settlement or payment of any such fines, penalties or damages, the CONSULTANT reserves the right to contest government or private actions, suits or proceedings for violations through administrative procedures or otherwise.

(b) To the extent that violations of applicable laws, rules, regulations or permits are caused by failures in the facilities or causes beyond CONSULTANT's control, including the CITY's failure to approve recommended repairs or maintenance, CONSULTANT will use its professional efforts to maximize performance of the Facilities but shall not be responsible for associated violations or damages, fines or penalties which result.

2.9 NON-DISCRIMINATION: In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, subCONSULTANT, subconsultant, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.

2.10. INDEPENDENT CONSULTANT STATUS: The Parties acknowledge, understand and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and shall at all times remain, wholly independent CONSULTANTS and are not officials, officers, employees, departments or subdivisions of CITY. CONSULTANT shall be solely responsible for the negligent acts and/or omissions of its employees, agents, CONSULTANTS, subCONSULTANTS and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT shall have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

2.11 CITY RESPONSIBILITIES: During the term of this Agreement, the CITY shall:

a) obtain and maintain all state, federal, and local permits and licenses required for ownership, operation and maintenance of the Facilities,

including without limitation, the CITY's Permits;

- c) comply with Applicable Law relating to the management, ownership, operation, maintenance, repair and replacement of the Facilities (to the extent that the responsibility of complying with those laws is not specifically assumed by the CONSULTANT under this Agreement). The CONSULTANT shall not be responsible for the CITY's failure to comply with any provision of Applicable Law that is not otherwise specifically assumed by the CONSULTANT hereunder.

III. INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Prior to the beginning of and throughout the duration of the Work, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT shall procure and maintain the following insurance coverage, at its own expense:

- A. Commercial General Liability Insurance: CONSULTANT shall procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage shall have minimum limits of no less than Two Million Dollars (\$2,000,000.00) per occurrence and Four Million Dollars (\$4,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.
- B. Automobile Liability Insurance: CONSULTANT shall procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto) or if CONSULTANT does not own or lease automobiles, Hired and Non-Owned Automobile Liability shall be accepted. Such Automobile Liability Insurance shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.
- C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California. However, if the CONSULTANT has no employees, for example a sole practitioner or a partner in a firm with only contracted support staff, then Workers' Compensation is not required by the State. CONSULTANT shall the city's form stating they are either the owner of the organization or a partner and are exempt from the State's workers' compensation requirements because they have no employees and agree to hold the Entity harmless from loss or liability for such. A waiver must be signed.

3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance shall contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers as additional insureds.

- 3.3 The Entity, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONSULTANT's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).
- 3.4 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement shall be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance shall be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the CITY Representatives are authorized to authorize lower ratings than those set forth in this Section.
- 3.5 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT (except Professional Liability and Workers' Compensation) shall be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers shall be in excess of CONSULTANT's insurance and shall not contribute with it.
- 3.6 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subCONSULTANTS or subconsultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY.
- 3.7 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is critical to safeguarding CITY's financial well-being and, indirectly, the collective well-being of the residents of the CITY. Accordingly, CONSULTANT warrants, represents and agrees that it shall furnish CITY with original certificates of insurance and endorsements evidencing the coverage required under this Article. **The certificates of insurance and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf.** All certificates of insurance and endorsements shall be received and approved by CITY as a condition precedent to CONSULTANT's commencement of any work or any of the Work. Upon CITY's written request, CONSULTANT shall also provide CITY with certified copies of all required insurance policies and endorsements.

IV.
INDEMNIFICATION

- 4.1 The Parties agree that CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "CITY Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to this Agreement subject to Paragraph 4.2 and 4.3. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the CITY Indemnitees with protection as set forth herein and to the extent possible under the law. CONSULTANT acknowledges that CITY would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect CITY as set forth herein.
- 4.2 Work of CONSULTANT's Design Professionals Services: The duty to indemnify and hold harmless as set forth under this subsection shall apply to the negligence, recklessness or willful misconduct of any individual who qualifies as a "design professional" within the meaning of subsection (c)(2) of section 2782.8 of the California Civil Code in so far as such negligence, recklessness or willful misconduct occurs in the performance work or activities that must be performed by a "design professional." Subject to the limitation of the preceding sentence, to the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless the CITY Indemnitees, defined above, from and against any and all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) to the extent caused by the negligence, recklessness, or willful misconduct of CONSULTANT or any of CONSULTANT's officers, employees, servants, agents, CONSULTANTS, subCONSULTANTS or authorized volunteers or any other person or entity for whom CONSULTANT is legally liable in the performance of design professional services under this Agreement. The Parties understand and agree that the duty of CONSULTANT to indemnify and hold harmless pursuant to this subsection does not include an upfront duty to defend. CONSULTANT will reimburse the CITY Indemnitees' reasonably incurred defense fees and costs to the extent they are determined to have been caused by the negligence, recklessness or willful misconduct of CONSULTANT, or as the parties otherwise agree in settlement. CONSULTANT's obligation to indemnify does not apply to the extent that it is finally adjudicated that the liability was caused by the active negligence or willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, then CONSULTANT's indemnification obligation shall be in proportion to the established comparative liability.
- 4.3 Work of All Other Persons/Non-Design Professionals: Except as otherwise provided under Section 4.2 of this Article, above, to the fullest extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other reasonable costs and fees of litigation) of every nature to the extent caused by CONSULTANT's negligent performance under this Agreement, including but not limited to the negligent acts, errors or omissions of CONSULTANT or CONSULTANT's officers, employees,

agents, servants, CONSULTANTS, subCONSULTANTS or subconsultants or the failure of the same to comply with any of the duties, obligations or standards of care set forth herein. The duty to indemnify, defend and hold harmless under this subsection shall not encompass a duty to indemnify, defend or hold harmless for liability, loss, suit, damage, expense, or cost to the extent caused by the negligence or willful misconduct of any or all of the City Indemnitees. The duty to indemnify, defend and hold harmless as set forth under this subsection is intended to encompass liabilities, losses, damages, expense and costs not otherwise subject to subsection 4.2, above.

- 4.4 CITY shall have the right to offset against the amount of any compensation due CONSULTANT under this Agreement any amount due CITY from CONSULTANT as a result of CONSULTANT's failure to pay CITY promptly any indemnification arising under this Article and related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 4.5 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers.
- 4.6 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every subCONSULTANT or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT acknowledges that its obligations under Sections 4.2 and 4.3 apply.
- 4.7 CITY does not, and shall not, waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.
- 4.8 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

V. TERMINATION

- 5.1 TERMINATION WITHOUT CAUSE: Except for the first two years of this Agreement, either Party may, by written notice to the other, immediately terminate this Agreement at any time for convenience and without cause by giving written notice to Consultant of such termination, which notice shall specify the effective date of such termination, which effective date shall not be less than 90 days from the

written notice. Upon such termination for convenience, CONSULTANT shall be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in Section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Work. CONSULTANT shall be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, shall operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

- A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") shall occur. For all Events of Default, the Party alleging an Event of Default shall give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which shall specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default shall be cured, which shall not be less than the applicable cure period set forth under Sections 5.2.B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default shall constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.
- B. CONSULTANT shall cure the following Events of Defaults within the following time periods:
- i. Within three (3) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 3-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 3-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2 B.i. that exceeds seven (7) calendar days from the end of the initial 3-day cure period; or
 - ii. Within thirty (30) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 30-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default

cannot be reasonably cured within the 30-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 30-day cure period.

In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT shall include, but shall not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violate any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary or involuntary; (v) CONSULTANT's refusal or failure to perform or observe any material covenant, condition, obligation or provision of this Agreement; and/or (vii) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

- C. CITY shall cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.4, above, shall be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.
- D. Either Party may also immediately suspend performance under this Agreement pending the Defaulting Party's cure of any Event of Default by giving said Party written notice of the Party's intent to suspend performance (hereinafter, a "Suspension Notice"). A Party may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT shall be compensated only for those services and tasks which have been rendered by CONSULTANT in accordance with this Agreement up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY shall operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.
- E. No waiver of any Event of Default or breach under this Agreement shall constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

- i. Upon a thirty (30) day written notice to CONSULTANT, the CITY may terminate this Agreement in whole or in part;
- ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance;
- iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or
- iv. The CITY may exercise any other available and lawful right or remedy.

G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy shall be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement shall constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto shall not operate to terminate any Article, Section or provision contained herein which provides that it shall survive the termination or normal expiration of this Agreement.

VI.

MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: So long as CONSULTANT has been paid pursuant to this Agreement for the Work resulting in such Documents and Data, all Documents and Data shall be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all materials, equipment, reports, analyses, correspondence, plans, drawings, designs, renderings, specifications, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the

performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no additional cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT shall require all subCONSULTANTS and subCONSULTANT working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY shall be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subCONSULTANT or subCONSULTANT as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement. CITY acknowledges that the Documents and Data are intended solely in connection with the Project for which they were prepared, and should the CITY reuse or modify them without CONSULTANT'S consent, it does so at its sole risk.

- 6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT shall not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.
- 6.3 FALSE CLAIMS ACT: CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.
- 6.4 NOTICES: All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

CONSULTANT:

Infrastructure Engineers
3060 Saturn Street, Suite 250
Brea, CA 92821
Phone: (714) 940-0100
Attn: Farzad Dorrani, Senior V.P.
Phone: (714) 940-0100

CITY:

City of Huntington Park
Public Works
6550 Mile Avenue
Huntington Park, CA 90255
Attn: Ricardo Reyes, City Manager
Phone: (323) 582-6161

Such notices shall be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

- 6.5 COOPERATION; FURTHER ACTS: The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as is reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.
- 6.6 SUBCONTRACTING: CONSULTANT shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subCONSULTANTS), if any, shall contain a provision making them subject to all provisions stipulated in this Agreement with the exception of provisions relating to insurance requirements and indemnification.
- 6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other CONSULTANTS in connection with the various projects worked upon by CONSULTANT.
- 6.8 PROHIBITED INTERESTS: CONSULTANT warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid nor has it agreed to pay any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement. Design completion date: June 30, 2023.
- 6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, the venue, without exception, shall be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Central District of California located in the City of Los Angeles, California.
- 6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and

recover from the losing Party reasonable attorneys' fees and all other costs of such action.

- 6.12 SUCCESSORS AND ASSIGNS: This Agreement shall be binding on the successors and assigns of the Parties.
- 6.13 NO THIRD-PARTY BENEFIT: There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.
- 6.14 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed in favor of, or against, either Party but shall be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.
- 6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement shall be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver shall be void and invalid.
- 6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limits, augment, or describe the scope, content, or intent of this Agreement.
- 6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement shall control.
- 6.19 ENTIRE AGREEMENT: This Agreement including all attached exhibits is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and CONSULTANT prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid or binding. No amendment, modification or supplement to this Agreement shall be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.15, above.
- 6.20 COUNTERPARTS: This Agreement shall be executed in three (3) original counterparts each of which shall be of equal force and effect. No handwritten or typewritten amendment, modification or supplement to any one counterpart shall be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart shall be delivered to CONSULTANT and the two remaining counterparts shall remain with the City for

archiving and day-to-day reference by the department responsible for administering the Agreement on the City's behalf.

6.21 Notwithstanding any provision to the contrary contained in this Agreement, in no event shall either party be liable for punitive damages.

6.22 **FORCE MAJEURE:** A party's performance of any obligation under this Agreement shall be excused if, and to the extent that, the party is unable to perform because of any event of Force Majeure. In any such event, the party unable to perform shall be required to resume performance of its obligations under this Agreement upon the termination of the event or cause that excused performance hereunder. "Force Majeure" herein means an event which is beyond the reasonable control of a party, including without limitation: (a) acts of God; (b) flood, fire, earthquake, hurricane or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order or law that prevents CONSULTANT from performing its obligations as set forth in this Agreement; (e) actions, embargoes or blockades in effect on or after the date of this Agreement; (f) action by any governmental authority that prevents CONSULTANT from performing its obligations as set forth in this Agreement; (g) national or regional emergency; (h) strikes, labor stoppages or slowdowns or other industrial disturbances, other than those involving the affected parties employees;] (i) shortage of adequate power or transportation facilities.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF HUNTINGTON PARK:

By:_____

Ricardo Reyes
City Manager

INFRASTRUCTURE ENGINEERS

By:_____

Farzad Dorrani

Senior Vice President

APPROVED AS TO FORM:

By:_____

City Attorney

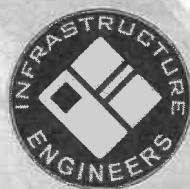
EXHIBIT "A"
SCOPE OF WORK
(SEE ATTACHED)

Huntington Park

CA

**PROPOSAL TO PROVIDE PS&E SERVICES FOR
CIP 2019-14 ATP CYCLE V
PROJECT No. ATPSBIL-5150 (017)**

SUBMITTED BY



DECEMBER 7, 2022

City of Huntington Park – December 7, 2022

Cover Letter

December 7, 2022

Cesar Roldan
Director of Public Works
City of Huntington Park – City Clerk's Office
6550 Miles Avenue
Huntington Park, CA 90255

Subject: Proposal for Professional Plans, Specifications, and Estimate (PS&E) Services for CIP 2019-14 ATP Cycle V Project No. ATPSB1L-5150(017)

Dear Mr. Roldan,

Infrastructure Engineers was founded 28 years ago by a traffic engineer to provide contract traffic engineering and other municipal services to cities throughout Southern California. Improving and enhancing safe travel through our cities has been the focal point of our team ever since. That's why we are pleased to submit our proposal to the City of Huntington Park to provide Plans, Specifications, and Estimate (PS&E). The objective of the project is to create pedestrian safety and mobility enhancements along Gage Avenue, State Street, California Avenue, and the intersection of Florence Avenue at Bissell Street. It builds off previous pedestrian safety initiatives along Gage Avenue which include curb ramp improvements and sidewalk replacement. The project also adds four transit bus pads that will provide ADA-access. Pedestrian ramps will be improved along the residential corridor of California Avenue. Placemaking enhancements along State Street will adjust two unconventional intersections to reduce crossing hazards for pedestrians. A pedestrian scramble (diagonal crosswalk) will be added. Finally, HAWK beacons at three critical mid-block locations in the City.

The City of Huntington Park is a valued client. We have completed a broad range of public works design and construction projects for the City including safety enhancements and traffic improvement projects, such as the HAWK Signal at Gage Avenue and Bissell Street project, ATP Cycle 2 Uncontrolled Crosswalk and Safety Enhancement project, the i-Park System Implementation Design and Construction Management, and the Signal Synchronization/Bus Speed Improvements project, among others.

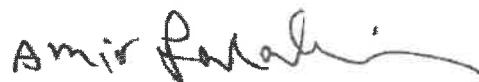
With this in mind, we are proposing a highly skilled team of technical experts to field investigate and comply with the environmental studies to complete this project's PS&E phase. We are eager to begin this compelling project and attentively use all available tools identified by the project PSRE. Our team will be led by Amir Farahani, TE, PE, a veteran civil engineer. The team has completed numerous similar projects with Caltrans oversight for many traffic safety improvement projects such as Baldwin Park's ATP Cycle 3 Pedestrian and Bicycle Safety Enhancement Project and Hawaiian Garden's HSIP Cycle 8 Carson Street and Norwalk Boulevard Safety Improvement Projects.

I have read, understand, and agree to all statements in this request for proposal and acknowledge receipt of all addendums/amendments as well as to the terms, conditions, and attachments referenced. If you have any questions about our proposal, please contact our proposed Project Manager, Amir Farahani, TE, PE, by phone at (714) 940-0100 or by email at afarahani@infengr.com. We thank you for this opportunity to continue to be of service to the City of Huntington Park.

Sincerely,
Infrastructure Engineers



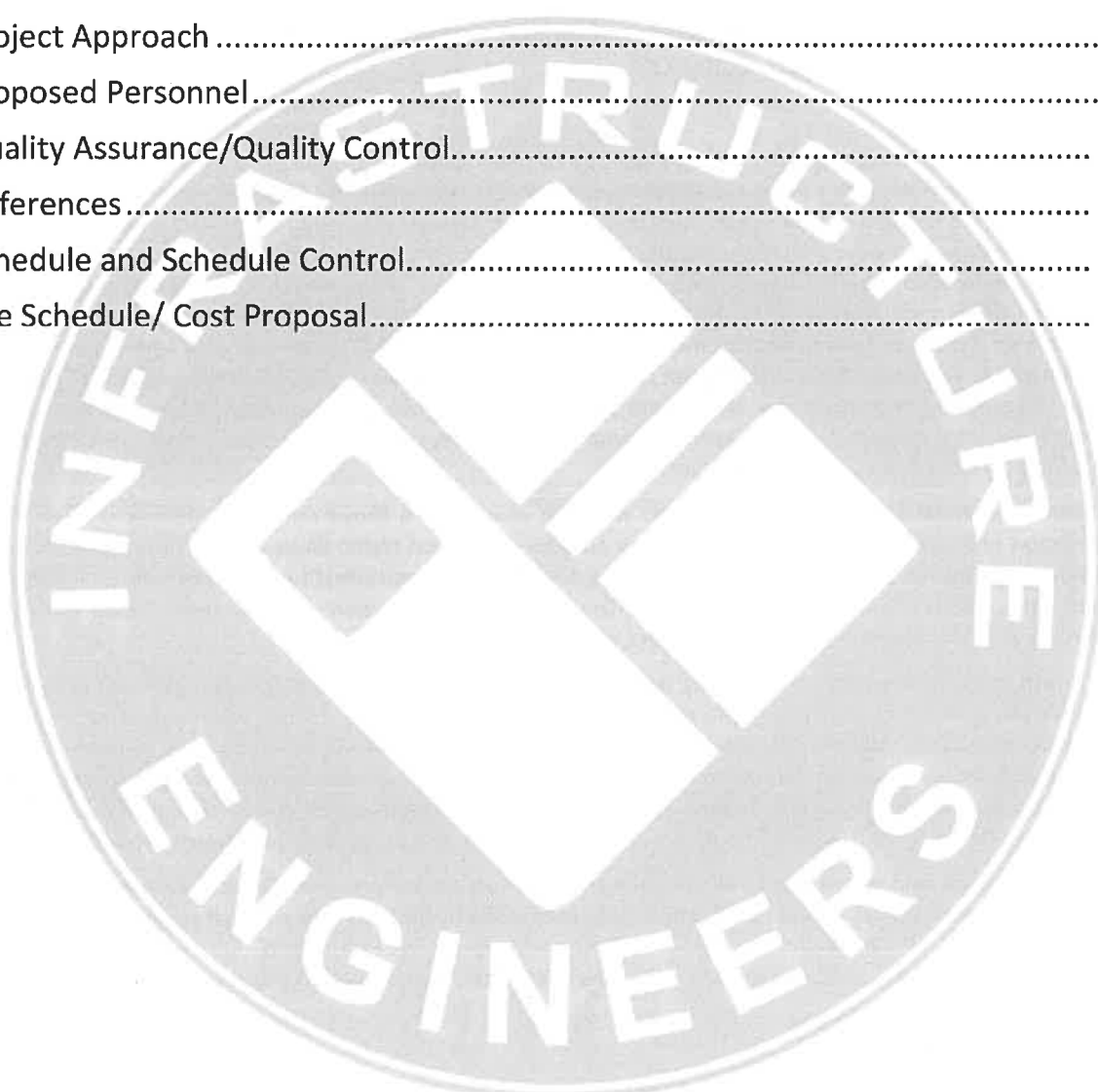
Ray Abassi, MSCE, PE, TE, QSP/QSD, President



Amir Farahani, TE, PE, Project Manager

Table of Contents

Cover Letter	i
Consultant's Background	1
Qualifications and Experience of Consultants Personnel	3
Project Approach	5
Proposed Personnel.....	7
Quality Assurance/Quality Control.....	25
References.....	26
Schedule and Schedule Control.....	27
Fee Schedule/ Cost Proposal.....	28



Consultant's Background

Infrastructure Engineers was established in 1994 with a clear mission to provide professional engineering and municipal services to cities and counties throughout Southern California. We are committed to making a difference in the communities we serve by maintaining and improving infrastructure and supporting civic services.

Our staff are focused practitioners and expert technicians in every field they service. Many of them are former city employees, so they understand the importance of maintaining strict oversight of project schedules, budgets, and maintenance. They possess first-hand knowledge of city operations and priorities, which empowers them to be strong advocates for every city they serve. We work closely with our clients to address issues before they become a problem and strive to always deliver high-quality results on time and within budget.

As a mid-sized municipal services consulting firm, we have achieved great success in our pursuit of service to cities, which has allowed us to grow to a firm with more than 120 staff in five offices conveniently located throughout Central and Southern California. Our staff includes traffic engineers, design engineers, urban planners, environmental specialists, construction managers, and plan checkers allowing us to truly be a full-service firm for our clients.

Civil Engineering



Infrastructure Engineers has extensive experience serving municipal governments on a wide variety of civil engineering design projects. Expertise includes street design and rehabilitation, analysis of existing pavement conditions and recommendations; resurfacing and slurry sealing; storm drain design; water main and sanitary sewer design services; and master plans. Our extensive knowledge of local, federal, and state guidelines ensures accurate and timely delivery of projects that are 100% code-compliant and of sound design.

Experience Overseeing On-Call Contracts



Providing on-call staff to municipal clients is one of our core services – when in need, Infrastructure Engineers delivers. We fully understand the fluctuating needs that cities negotiate and their reliance on a talented, dependable team to successfully oversee projects as they arise from inception to completion on an as-needed basis. Our firm has been providing on-call services to cities and jurisdictions throughout Southern California since 1994. We have secured on-call contracts with the Cities of Bell Gardens, Montebello, Huntington Park, Lynwood, Norwalk, Pasadena, Corona, Hawaiian Gardens, Baldwin Park, Hermosa Beach, La Puente, Maywood, Pico Rivera, South El Monte, and Yorba Linda, among others. We have unequivocally proven our ability to effectively respond to the ever-changing needs of on-call contracts and oversee projects to successful completion.

Description of Professional Experience

Infrastructure Engineers has extensive experience serving municipal governments on a wide variety of Civil Engineering design projects and Traffic and Transportation Engineering assignments. Our experience includes working within several departments within a government environment including cities and counties. For example, in various Cities within both LA County and Orange County such as Baldwin Park, Montebello, Brea, Anaheim and much more Infrastructure Engineers provided design plans, specifications and cost estimate for various CIP projects. Such projects include grind and overlay, traffic signals, sewer improvements, drainage improvements with LIDs/BMPs.

Our engineering, design, and plan checking staff has worked on multiple CIP projects in the past for the municipalities named above and have literally over 100 years of combined experience.

Infrastructure Engineers is uniquely qualified to provide the design plans, specifications, and estimates (PS&E) for the City of Huntington Park. We have provided design, constructability reviews, and construction management services on a number of streets throughout your City. Our expertise gives us the unparalleled skill to identify potential issues before they occur, resulting in a smoother construction process and reduced cost overruns. Our team consists of experienced construction managers, inspectors and field engineers who have worked closely with contractors and construction documents during all phases of construction, including pre-construction. We know the construction and design process and have many years of solid field experience overseeing the design and construction of pedestrian signals and rehabilitation of city streets. In fact, we completed the ATP Cycle III Main Avenue/Pacific Avenue Complete Street Project in Baldwin Park, ATP Cycle II in Lynwood, and ATP Cycle II -Uncontrolled Crosswalk Pedestrian Safety Enhancement Project in Huntington Park. Our years of experience will strengthen the construction manager's ability to oversee the project and keep surprises to a minimum. The proposed team's experience includes, but is not limited to, the following disciplines:

- Civil Engineering
- Master Planning
- Roadways & Streets Design
- Street Beautification
- Pavement Rehabilitation
- Grading & Earthwork Analysis
- Erosion & Sedimentation
- Street Lighting & Utilities
- Storm Drains
- Parks & Community Facilities
- Parking Lots
- Transportation and Traffic Engineering
- Traffic Impact & Operational Analysis
- Traffic Signage & Striping Design
- Traffic Control & Traffic Detour Design
- Traffic Signal Design
- Green Street Design
- Americans with Disabilities Act (ADA) Compliance Design
- Project and Construction Management
- Program Management
- Portfolio Management
- Construction Management & Inspection
- Constructability Review
- Construction Methods & Solutions
- Value Engineering
- Wastewater Engineering
- Wastewater Master Planning
- Environmental Review and Mitigation Management
- Full Project Programming
- Site Evaluation
- Building Investigations and Renovations
- Master Planning
- Environmental Documentation and CEQA Compliance
- Economic Development Strategies
- Building and Safety Services
- Building Official
- Building Inspector
- Permit Technician and Plan Checker
- Building and Safety Management
- Water Resources Engineering
- Water System Design & Analysis
- Water System Master Planning
- Watershed Management & Flood Control
- Hydrology & Hydraulic Analysis
- Infiltration & Detention Basins
- Storm Water Quality & NPDES Compliance
- Sanitary Sewer Systems
- Sewer Hydraulic Modeling
- Sewer Rate Study
- Storm Drainage Master Planning

Qualifications and Experience of Consultants Personnel

Relevant Work Experience

ATP Cycle II -Uncontrolled Crosswalk Pedestrian Safety Enhancement Project, City of Huntington Park, CA.



Infrastructure Engineers was required to review and revise existing Plans, Specifications and Estimate (PS&E) for intersection improvements of 22 unprotected crosswalks in the City of Huntington Park. Features include ADA ramps, bulb-outs, advanced yield and stop markings, countdown signals, updated pedestrian signs, repainting exiting marking/pavement labels and ladder-stripe crosswalks.

HAWK Signal Gage-Bissell Project, City of Huntington Park, CA.

Infrastructure Engineers provided design of the HAWK signal as well as a signed CEQA check-off list certifying that all environmental clearances and permits had been addressed. The traffic study concluded that a HAWK should be installed at the intersection of Gage Avenue and Bissell Street as a countermeasure to improve pedestrian safety.

Contact: Cesar Roldan, Public Works Director
6550 Miles Ave Ste 145
Huntington Park, CA 90255

Phone: (323) 584-6274
Email: crolan@hpca.gov

ATP Cycle III - Main Avenue/Pacific Avenue Complete Street Project, City of Baldwin Park, CA.

Infrastructure Engineers performed a Constructability Review of the plans and specifications for Phase 1B of the Maine Avenue Complete Street Project. We incorporated the findings of our review into the final revised plans and specifications that strictly conformed to the identified improvements. We also completed the PS&E design for Phase 2 of the project.



Frazier Street Pedestrian & Bicycle Safety Improvements Project, City of Baldwin Park, CA.

Infrastructure Engineers provided engineering design services for the Frazier Street project, from Foster Street to the I-10 freeway. The project included various traffic calming strategies, as identified in the application that was submitted to Los Angeles METRO for award to the City. The project design entailed the complete reconfiguration of existing striping, changing Frazier Street to a single lane in both directions to accommodate the pedestrian and bicycle safety improvements. In addition, rapid flash beacons and new APS pedestrian push buttons were included as part of the project. Extensive coordination with the City was



necessary for the completion of the project. Infrastructure Engineers was also responsible for construction management and inspection, bringing the project to a successful conclusion.

San Gabriel River Bikeway Project, City of Baldwin Park, CA.

Infrastructure Engineers provided engineering design services for 2.5 miles of a Class I bicycle and pedestrian path project to connect with an existing Class III bicycle route. The entire project is built on rights-of-way either controlled by the City of Baldwin Park, Los Angeles County Department of Public Works, Los Angeles County Flood Control District or Caltrans. The right-of-way was acquired by the City through a land use agreement with the Los Angeles County Department of Public Works and Permits from Caltrans District 7. The design phase of the project included project management and meetings, data collection and record research, utility research and agency coordination, surveying, hydraulic and hydrology analysis, and final plans, specifications, and cost estimate (PS&E).



Contact: Sam Gutierrez, Director of Public Works
14403 Pacific Avenue
Baldwin Park, CA 91706

Phone: (626) 960-4011
Email: sgutierrez@baldwinpark.com

Active Transportation Program Cycle II – Various Streets, City of Lynwood, CA.

Infrastructure Engineers provided design, preparation of PS&E for roadway, concrete, and ADA improvements at various City streets. Additionally, we provided geotechnical investigations, survey, project management and administration for the project. Other duties included construction support, responding to RFIs and Submittals, and attending meetings and field visits during the construction phase of the project.

Contact: Julian Lee, Public Works Director
11750 Alameda Street
Lynwood, CA 90262

Phone: (310) 603-0220
Email: jlee@lynwood.ca.us

Specialized Training

Over 90% of Infrastructure Engineer's Professional Engineers have worked for local municipalities as part of their career. The lifetime experiences our senior staff gained from providing engineering services to various cities has equipped us with an advantage to better serve our clients. This advantage goes beyond design and includes public works standard operating procedures which enables our team to provide consultation regarding municipal codes, funding requirements and much more. To train our associates and assistants, Infrastructure Engineers hosts training sessions bi-weekly to teach various design and procedure elements. Senior-level staff alternate hosting roles and pick subjects for lecture so that our support staff will be better equipped to serve our client cities. The team members selected for this project work out of our Brea headquarters located at 3060 Saturn Street, Suite 250, Brea, CA 92821.

Certifications

Infrastructure Engineers has many staff members with the required certifications and licenses to provide professional engineering design services. This includes developing grading plans, signal plans and reports, SWPPPs and much more. Our staff is also equipped with all the licenses and certificates for construction management and inspection services for various public works projects.

deficient sidewalk; construct bus shelters; restripe existing crosswalks with continental type high-visibility; and examine the feasibility and potential benefits of the curb extensions with High-Visibility Crosswalk at Benson Street, Arbutus Avenue and Marconi Street on Gage Avenue due to the close proximity to schools.

State Street - Florence Avenue to Randolph Street (length = 4,700 feet)

State Street between the project limits is a 4-lane arterial with a striped median, with parallel parking allowed for both sides of street (with intermittent parking restrictions). IE will provide a plan to remove and reconstruct existing ADA ramps with retaining curbs and yellow truncated domes; and remove and reconstruct deficient sidewalk

California Avenue -Florence Avenue to Cudahy Street (Length =3,000 feet)

California Avenue between the project limits is a 2-lane arterial with a striped median, with parallel parking allowed for both sides of street (with intermittent parking restrictions). IE will provide a plan to remove and reconstruct existing ADA ramps with retaining curbs and yellow truncated domes.

State Street and Hood Avenue

State Street and Hood Avenue is a three-way intersection with crosswalks on two sides. IE will provide a plan to remove and reconstruct existing ADA ramps with retaining curbs and yellow truncated domes; remove and reconstruct deficient sidewalk; add landscaping to island; restripe existing crosswalks with continental type high visibility; and realign existing crosswalks consistent with the proposed conversion of Hood to one-way.

State Street and Mission Place

State Street and Hood Avenue is a three-way intersection with crosswalks on two sides. IE will provide a plan to remove and reconstruct existing ADA ramps with retaining curbs and yellow truncated domes; remove and reconstruct deficient sidewalk; add landscaping to island; and restripe existing crosswalks with continental type high visibility.

State Street and Zoe Avenue (West of State Street)

State Street and Zoe Avenue is a three-way intersection with crosswalks on two sides. IE will provide a plan to install a HAWK beacon system at the north side of the intersection; and restripe existing crosswalks with continental type high-visibility. IE to coordinate with Edison early during conceptual phase leading to final PS&E.

Florence Avenue and Bissell Street

Florence Avenue and Bissell Street is a three-way intersection with crosswalks on two sides. IE will provide a plan to install a HAWK beacon system at the west side of the intersection; and restripe existing crosswalks with continental type high-visibility. IE to coordinate with Edison early during conceptual phase leading to final PS&E.

Gage Avenue and Marconi Street

Gage Avenue and Marconi Street is a three-way intersection with crosswalks on two sides. IE will provide a plan to install a HAWK beacon system at the west side of the intersection; and restripe existing crosswalks with continental type high-visibility. IE to coordinate with Edison early during conceptual phase leading to final PS&E.

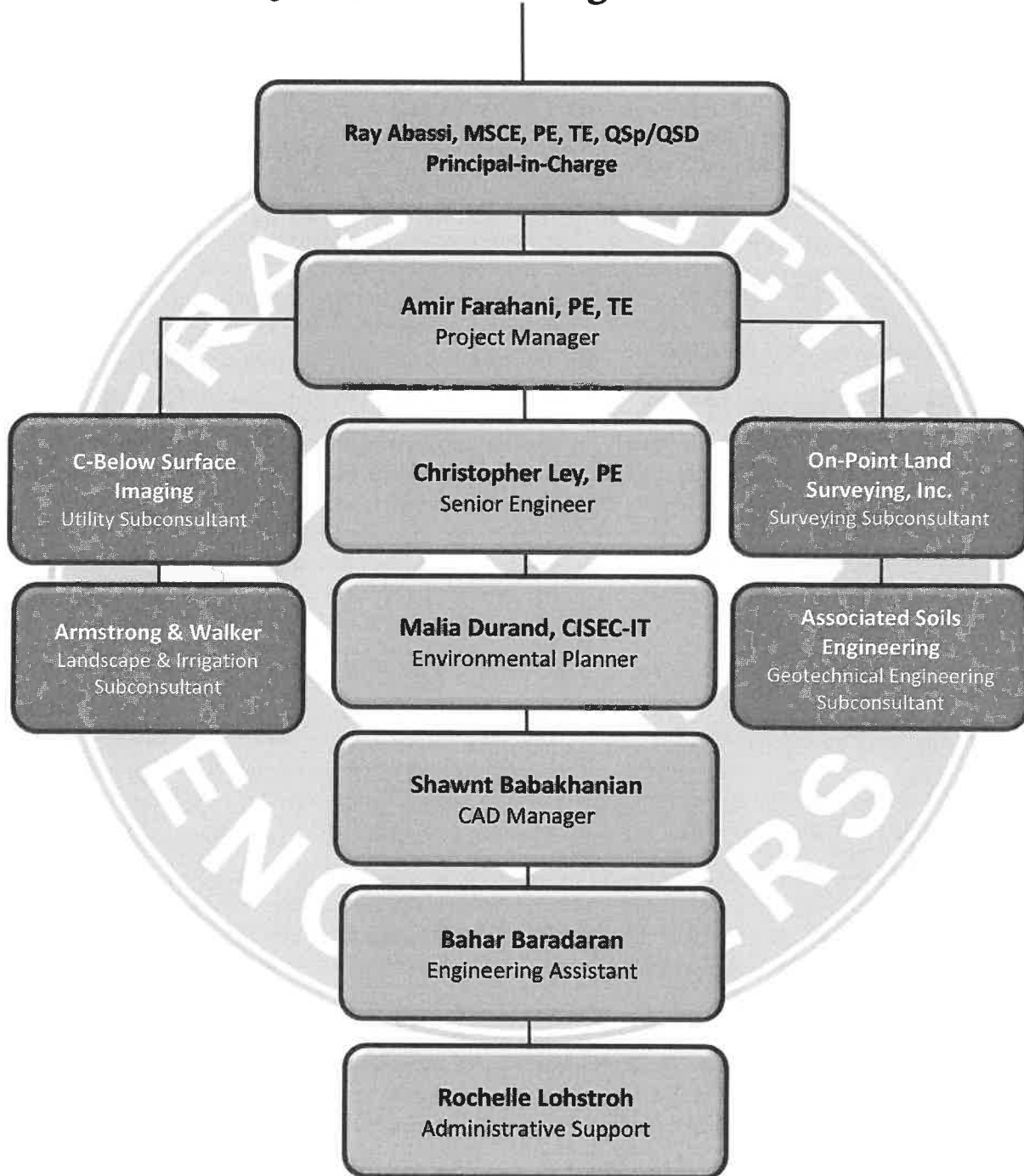
Gage Avenue and Pacific Boulevard

Gage Avenue and Pacific Boulevard is a four-way intersection with crosswalks on all sides. IE will provide a plan to install pedestrian scramble crosswalk striping and traffic signal modifications to create a separate pedestrian scramble cycle.

Proposed Personnel

Organization Chart

City of Huntington Park



Resumes

Ray Abassi, MSCE, PE, TE, QSP/QSD

Principal-in Charge

EDUCATION:

- MS, TRANSPORTATION,
CALIFORNIA STATE UNIVERSITY,
LONG BEACH
- BS, CIVIL ENGINEERING,
UNIVERSITY OF SOUTH FLORIDA,
TAMPA, FL

REGISTRATION/CERTIFICATION:

- REGISTERED CIVIL ENGINEER,
CA No. 48091
- REGISTERED TRAFFIC ENGINEER,
CA, No. 1759
- REGISTERED CIVIL ENGINEER,
FL, No. 41797
- QUALIFIED SWPPP
DEVELOPER, QSP/D CA, No.
41797

YEARS OF EXPERIENCE: 35+

Ray Abassi has more than 35 years of professional experience in both civil and traffic engineering design, as well as project management. He has professional certifications in the field, including professional engineer, traffic engineer as well as storm water management. Ray's experience covers all aspects of traffic engineering, including signal design and operation. Ray has worked on hundreds of street improvement designs involving investigations, studies, design plans and specifications, construction documents, and quality assurance as well as taking projects through the bid process and construction management. He has provided construction oversight associated with infrastructure improvements, such as pavement, drainage, utilities, and onsite water and wastewater systems. Further traffic experience includes traffic operations and associated design elements including impact studies, traffic circulation, feasibility studies, transportation planning and preparation of the PS&E for traffic safety improvements. In addition, Ray has provided contract City Engineer and City Traffic Engineer services to various cities in Southern California.

Relevant Experience

Contract City Traffic Engineer, City of Calexico, CA.

Ray was responsible for providing oversight of the widening of Second Street from a two-lane to a six-lane

facility. The project's design and construction for Phase 1 were completed on schedule and within the budget with minimal change orders.

Contract City Traffic Engineer, City of Yorba Linda, CA.

Ray was instrumental in reorganizing the traffic department to clear a huge backlog of work, citizens' complaints, and CIP projects. In addition, Ray presented the various traffic items to the Traffic Commission and followed up with projects through implementation and reported back to the City Engineer.

Contract City Traffic Engineer, City of Hermosa Beach, CA.

Ray provided the traffic engineering expertise to help the City implement many safety improvements, including intersection traffic signal modifications and traffic signal timing. He conducted studies involving neighborhood traffic calming, stop sign warrant analysis, speeding, and cut-through traffic. Ray attended Public Works Commission meetings, providing needed expertise to help the commissioners decide on traffic-related issues.

Contract City Traffic Engineer, City of La Puente, CA.

Ray provided traffic engineering expertise to help the City implement many safety improvements, including intersection traffic signal modifications and traffic signal timing. He conducted studies involving

neighborhood traffic calming, stop sign warrant analysis, speeding, and cut-through traffic. Ray attended City Council meetings to provide needed expertise to help Council members and Commissioners decide on traffic-related issues.

Contract City Traffic Engineer, City of Montebello, CA.

Ray provided traffic engineering expertise to help the City implement many safety improvements, including intersection traffic signal modifications and traffic signal timing. He conducted studies involving neighborhood traffic calming, stop sign warrant analysis, speeding, and cut-through traffic. He would attend the Traffic Safety Commission and the City Council meetings providing needed expertise to help the Council members and Commissioners decide on traffic-related issues.

Contract City Engineer/City Traffic Engineer, City of Maywood, CA.

Ray provided city engineering and city traffic engineering expertise to help the City of Maywood implement CIP projects. Several significant projects were completed while Ray was the City Engineer. Those projects included American Recovery and Reinvestment Act street improvements, Los Angeles County truck-impacted intersections, County Traffic Signal Synchronization Program projects, and design and construction of the Maywood Aquatic Center and the Maywood Riverfront Park. Ray also implemented many safety improvements, including intersection traffic signal modifications and traffic signal timing. He conducted studies involving neighborhood traffic calming, stop sign warrant analysis, and speeding and cut-through traffic. He would attend City Council meetings to provide needed expertise to help the Council members decide on engineering issues.

Contract City Engineer/City Traffic Engineer, City of Bell Gardens, CA.

Ray provided city engineering and city traffic engineering expertise to help the City implement CIP projects. There were several significant projects completed in the City while Ray was the City Engineer. Ray also implemented many safety improvements, including intersection traffic signal modifications and traffic signal timing. He conducted studies involving neighborhood traffic calming, stop sign warrant analysis, speeding, and cut-through traffic. Ray attended City Council meetings to provide needed expertise to help the Council members decide on engineering issues.

Manager, Various Projects, Engineering Services, City of La Puente, CA.

Ray was a manager supporting City engineering efforts on a multitude of work, including final design PS&E, studies, and plan-check reviews. Design projects included the city hall basement renovation, the city hall freight elevator renovation, traffic signal synchronization of Temple Avenue, street pavement reconstruction and rehabilitation for Temple Avenue (two segments), Nelson Avenue, Francisquito Avenue, Hacienda Boulevard, and Amar Street, and a Project Study Report Equivalent for widening of the Valley Boulevard Bridge. Plan-check services included review, comment, and approval of developer-submitted tract and parcel maps, site grading, drainage, and utility connections.

Project Manager, Various Street Rehabilitation Projects, City of La Puente, CA.

Was responsible for final PS&E documents and construction support for several street rehabilitation projects. Specific work included geotechnical evaluations, detailed field observations, field surveys, topographic mapping, and final PS&Es for pavement rehabilitation, concrete repairs to curbs, gutters, and sidewalks, bus pads, utility adjustments, restriping, and other related improvements.

- Temple Avenue (STPL/Prop C), Orange to Sunset. Approximately 2,000 feet of four-lane arterial. Selective pavement replacement overlay and concrete improvements.
- Amar Road (Prop C), Hacienda to Easterly. Approximately 2,600 feet of four-lane arterial with raised medians. Complete pavement replacement.

- Hacienda Boulevard (STPL), Amar to Maple Grove. Approximately 3,050 feet of four-lane major arterial with raised medians. Selective pavement replacement overlay and concrete improvements.

Manager, Various Projects, Engineering Services, City of Montebello, CA.

Managed supporting City engineering efforts on a variety of work including final design PS&E for street improvements and pavement rehabilitation. Projects included:

- Prop C Street Rehabilitation. Several arterial streets were rehabilitated by various methods based on geotechnical recommendations and available budget. These included areas of slurry seal, milling and overlay, and selective areas of reconstruction.
- Wilcox Street Widening. Widened both sides of the existing street from Beverly Boulevard to Lincoln Avenue (approximately 1,700 feet) to accommodate an additional lane in each direction. This project required the existing parkway to be removed, right-of-way acquisition, numerous utility relocations (on public and private properties), and existing pavement rehabilitation.
- Traffic Signal Modifications along Wilcox Street (Beverly Boulevard, Lincoln Avenue, and Westmoreland Street). Three separate signal modifications included relocating existing equipment and upgrading standards and functionality (adding protected left-turns; improving lane storage and designation; and improving phasing).

Project Manager, On-Call Traffic Engineering Services, City of Anaheim, CA.

Ray was responsible for on-call traffic engineering services pertaining to traffic signals in the City of Anaheim. Responsibilities included traffic studies and analyses and the design of signal upgrading and ITS projects.

Project Manager, Baldwin Avenue Reconstruction and California Avenue Reconstruction, City of Baldwin Park, CA.

Ray was the Project Manager responsible for final design PS&E for the reconstruction and widening of two roadways within a residential area. Each was approximately 1,300 feet in length. In addition to plans, specifications, and engineer's construction cost estimate, both projects were located within assessment districts and required the generation of an assessment report and map to apportion assessment fees to owners based upon benefited frontage. Sufficient detail was required within the design to properly identify and assess the numerous modifications required on private property. Close coordination was required with City staff and affected utility companies.

City of Huntington Park – December 7, 2022

Amir Farahani, TE, PE

Project Manager

EDUCATION:

- BS, CIVIL ENGINEERING,
CALIFORNIA STATE UNIVERSITY,
LOS ANGELES, CA

REGISTRATION/CERTIFICATION:

- PROFESSIONAL TRAFFIC
ENGINEER, CA No. T2363
- PROFESSIONAL CIVIL ENGINEER,
CA No. C54235

YEARS OF EXPERIENCE: 30+

Amir Farahani has more than 30 years of experience in various traffic and civil engineering disciplines. He has experience with contract administration, design experience, and regulatory compliance. In working with the City of Orange, as an Engineering Tech. II and eventually as a Senior Traffic Engineer, he has been involved in all aspects of the projects that cities have designed and constructed. This includes coordinating with local, county, state, and federal agencies, and various utilities to ensure successful project completion. Amir understands the level of detail and problem-solving skills required to complete high-profile projects on time and within budget.

Relevant Experience

Senior Traffic Engineer/Manager-Transportation Services/City Traffic Engineer, City of Orange, CA.

Amir utilized his many years of experience to manage various traffic and civil engineering projects. He also managed traffic and civil construction projects during his employment with the City of Orange. Amir planned, managed, and provided oversight of the daily functions, operations and activities of Traffic and Transportation Division of the City of Orange, including Traffic Management Center (TMC), traffic signal timing, operation and maintenance, review of residential and commercial developments; and was responsible for leading the Traffic Operation and Transportation Planning team. Amir also managed and participated in the development and implementation of goals, objectives, policies and prioritize for the division. He also provided recommendations within departmental policy regarding appropriate service and staffing levels.

Oversew and participated in the development and administration of the operation and capital improvement division annual budget; participated in the forecast of funds needed for staffing, equipment, materials, and supplies; monitored and approved expenditures; implemented adjustments. Attended and participated as City Traffic Engineer at City Council, Commissions, committees, and other agency meetings as required. Prepared and presented technical information, analysis, and recommendations. Oversaw the development of consultant requests for proposal for professional and/or construction services and the advertising and bid processes; evaluated proposals and recommended project award; administered contracts after award.

Collaborated with other City departments, Police, Fire, Caltrans, OCTA and other outside agencies to plan, implement and complete projects and initiatives to improve traffic safety and mobility around the City. Identified outside funding sources for City Traffic and Transportation programs; directed and prepared funding applications. Responded to traffic and transportation related resident and commuters' inquiries and requests. Oversaw traffic signal plans preparation and coordination programs; developed and approved traffic engineering standards and policies for the City. Reviewed and analyzed studies, environmental impact reports, proposals, and negotiations with other agencies to secure projects and policies favorable to the City.

Senior Civil Engineer/Associate Civil Engineer/Assistant Civil Engineer/Engineering Tech. II, City of Orange, CA.

Planned, prioritized, assigned, supervised, reviewed, and participated in the work of staff responsible for providing traffic engineering services within the assigned section. Developed and prepared construction plans, specifications, and estimates for various in-house design projects including traffic, streets, sewers, and storm drains. Participated in the selection of engineering staff; provided or coordinated staff training; worked with employees to correct deficiencies; implemented discipline procedures.

Reviewed and prepared transportation and traffic engineering studies; prepared requests for proposals; reviewed environmental impact reports; reviewed transportation models. Performed project management for the design and construction of Capital Improvement Projects for City Departments including Public Works, Community Services, Economic Development and Fire. Ensured conformance with state, federal, and local standards, and procedures in carrying out projects.

Prepared and applied for project funding from federal, state, and utility grant programs including Highway Bridges Rehabilitation and Replacement (HBRR), Arterial Highway Rehabilitation Program (AHRP), Safe Route to Schools (SR2S/SRTS), Highway Safety Improvement Program (HSIP), Transportation Enhancement Activities (TEA), Orange County Sanitation District Cooperative Projects, State-Local Transportation Partnership Program (SLTPP), Community Development Block Grant (CDBG), City Engineers Flood Control Advisory Committee (CEFCAC)

Interacted and communicated with the public, City management and departments, contractors, consultants, and other governmental agencies to resolve issues. Prepared and processed various documents including Council Agenda reports, consultant agreements, hydrology and hydraulic studies, Requests for Proposals, plan check, consultant selection, bid evaluation, insurance certificates, environmental compliance, encroachment permits, right-of-way, and reimbursement packages. Revised and maintained City Standard Plans and Specifications.

City of Huntington Park – December 7, 2022

Christopher Ley, PE

Senior Engineer

EDUCATION:

- BS, CIVIL ENGINEERING, OREGON STATE UNIVERSITY

REGISTRATIONS/CERTIFICATES:

- REGISTERED CIVIL ENGINEER, CA, No. 80620

YEARS OF EXPERIENCE: 15

Christopher Ley has over 15 years design and engineering experience. He is excellent when it comes to CAD and graphic design. His experience includes civil engineering design including street layout, hydrology, drainage, sewer design and grading for residential and commercial projects.

Relevant Experience

Project Engineer, Walden and Associates, City of Irvine, CA.

Christopher was responsible for civil engineering design including street layout, hydrology, drainage, sewer design and grading for residential and commercial projects. Skilled in developing plans and survey data sets using AutoCAD Civil 3D 2012 and 2016. Production of reports using Microsoft Word and Excel, Bentley WaterCAD, and Bluebeam.

Staff Engineer/CAD Manager, WWD/L&S Engineering, City of Monterey, CA.

Responsible for civil engineering design including street layout, hydrology, drainage, sewer design and grading for residential and commercial projects. Skilled in developing plans and survey data sets using AutoCAD Land Desktop 2006 and AutoCAD Civil 3D 2011. Responsible for company's migration from Land Desktop 2006 to Civil 3D 2011. Subsequent duties as CAD Manager, responsible for all training in Civil 3D after initial offsite classes, development of comprehensive styles and description key sets, and implementing transitions to Civil 3D standards from Land Desktop. Also developed training aids and curriculum for transition. Responsible for conversion of Civil 3D files for Revit.

CAD Manager/Senior Draftsman, Saroyan Masterbuilders, Sand City, CA.

Responsible for residential and commercial design and drafting while ensuring ADA compliance, egress requirements and coordination of plans from various disciplines into a single set. Was responsible for implementation of AutoCAD 2006 system, training of 2 supervisors, development of CAD standards and overseeing transition from hand drafting.

Drafting and Engineering Manager, Greenway Design, City of Marina, CA.

Residential design and drafting including determination of code compliance for lateral stability and egress. Extensive experience with MicroStation V8 and Triforma production drafting of residential structures, including application of engineering notes.

Senior Draftsman, Lindal Cedar Homes, Inc., Seattle, WA.

Senior draftsman with responsibility for residential design and drafting, including determination of code compliance for lateral stability and egress. Instrumental in creating structural designs of posts and beams for a variety of vertical and lateral loads. Pioneered development of various charts as aids in design of structural elements. Directly involved in the implementation of MicroStation Triforma 3D and developed methods of aligning nonplanar elements that were subsequently used by MicroStation in their official training programs.

Malia Durand, CISEC-IT
Environmental Planner

EDUCATION:

- BS, ENVIRONMENTAL SCIENCE,
SAN DIEGO STATE UNIVERSITY
(SDSU), CA

CERTIFICATIONS:

- CERTIFIED INSPECTOR OF
SEDIMENT AND EROSION
CONTROL IN-TRAINING (CISEC-
IT)

YEARS OF EXPERIENCE: 10+

Malia Durand, CISEC-IT, will serve as the Environmental Planner on this assignment. Malia has a combination of education and advanced planning and environmental work experience which qualifies her to perform the services requested by the City. As an environmental sciences practitioner for the County of San Diego, Malia served as an Environmental Planner II working in the Environmental services unit of the Department of Public Works. Managing the environmental processing of numerous public works projects. Some of the projects that Malia was responsible for included road improvements, bridges, flood control, facilities, dumping remediation, and complex emergency repair projects. Her work as a junior biologist prepared her in the areas of environmental, species, habitat, construction, and

mitigation monitoring. Malia has a clear understanding of environmental law and policy and knows how to effectively apply this knowledge in field work and technical report write-ups. Malia is a Certified Inspector of Sediment and Erosion Control in Training.

Relevant Experience

Environmental Planning Manager, Infrastructure Engineers, Brea, CA.

Malia is one of Infrastructure Engineers' multi-faceted planners, selected for her ability to effectively interact with clients and the public to arrive at positive results when managing projects and staff. She utilizes her customer service skills when on assignment, while interfacing at the public counter. Current projects include the preparation of an Environmental Justice Element, a Safety Element Update, and several housing element updates.

CEQA Analysis and MND for Water Well #1 Reservoir, City of Bell Gardens, CA.

Malia was the Project Manager for this project. IE prepared the Initial Study and Mitigated Negative Declaration for this proposed project. Associated technical studies included: 1) Water Quality and Hydrology; 2) Air Quality and Greenhouse Gas Emissions; 3) Noise; 4) Energy; 5) Traffic Impacts; 6) Soils; 7) Biological; and 8) Cultural. Additional tasks included public outreach and community engagement.

Environmental Justice Element and Public Safety Element Update, City of Lynwood, CA.

Malia is coordinating the production of these three advanced planning projects and supervising 8 planners and environmental specialists and several technical studies subconsultants in the preparation of the environmental analysis and in the construction of the Elements and planning documents.

CEQA Consulting Services, City of Norwalk, CA.

Infrastructure Engineers was recently selected to provide CEQA Consulting Services by performing Peer Reviews of various documents pertaining to the Norwalk Entertainment District-Civic Center Specific Plan Project. Malia utilizes her experience with environmental document development and review to serve as the Senior Environmental Planner for this project. Infrastructure Engineers will provide a review of the Environmental Impact Report (EIR) on behalf of and working closely alongside the City. The project is on an accelerated schedule. The City will provide Infrastructure Engineers with various sections of the EIR in phased review, and it is expected that reviews be completed within one week.

General Plan and Zoning Code Consistency Project, City of Bell Gardens, CA.

Infrastructure Engineers has been contracted to assist the City in updating the General Plan to ensure consistency with the Zoning Code. The City is evaluating approximately one hundred parcels for zone change to allow for more mixed-use and residential development throughout the city. Malia is the Project Manager for this project and leads the team in evaluating the City's proposed changes to determine where inconsistency will exist within the General Plan should these changes be made and therefore what additional edits to the General Plan will be necessary. The land use and zoning maps will be updated according to the approved changes.

2024-2032 Housing Element Update, City of Shafter, CA.

Infrastructure Engineers has been hired to prepare the 6th Cycle, 2024-2032 Housing Element for the City of Shafter. Malia is the Project Manager on this project.

2021-2029 Housing Element Update, City of Lynwood, CA.

Malia is co-managing the production of the City's Housing Element through a public process that will be certified by the California Department of Housing and Community Development (HCD) by October 15th, 2021. The Housing Element Update will comply with evolving housing policy and law, address the Regional Housing Needs Assessment (RHNA) and quality of housing options for the growing region, and provide environmental clearance.

2021-2029 Housing Element Update, City of Huntington Park, CA.

As Lead Planner in charge of overseeing the preparation of the 6th Cycle Housing Element and coordinating her efforts with a HEU consultant, Malia writes the various sections of the document, participates in meetings with the State Housing and Community Development Department (HCD) and collaborates with the Gateway Cities COG for the preparation of Annual Progress Reports, Implementation Progress Reports, and future planning objectives.

2021-2029 Housing Element Update, City of Adelanto, CA.

Infrastructure Engineers has been hired to provide staffing and technical support for land use and environmental planning projects including the preparation of the the 6th Cycle, 2024-2032 Housing Element for the City of Adelanto, Malia is the Project Manager on this project.

Shawnt Babakhanian
CAD Manager

CERTIFICATES:

- AUTOCAD GLENDALE COLLEGE, GLENDALE
- AUTOCAD CIVIL 3D WESTECH COLLEGE, POMONA
- MICROSTATION WESTECH COLLEGE, POMONA
- LAND DEVELOPMENT DESKTOP WESTECH COLLEGE, IRVINE

YEARS OF EXPERIENCE: 30

Shawnt Babakhanian has 30 years of experience in the preparation of contract drawings for a variety of civil engineering, transportation engineering, and structural engineering projects. He also has extensive knowledge and expertise in both IT and CADD management.

Relevant Experience

Designer/Drafter, Safe Routes to School - Pleasant View, Vineland and Tracy Elementary Schools, City of Baldwin Park, CA.

The project consisted of preparation of PS&E for new signing and striping, curb extensions, new curb and gutter, sidewalks, ADA-compliant ramps, and pavement. Other improvements included the installation of detectable warning surfaces. The project consists of

work on nine intersections.

Designer/Drafter, Safe Routes to School Program Implementation Plan, Bell Gardens High School & Garfield Elementary School, City of Bell Gardens, CA.

Responsible for all drawings for this project, which included removing existing markings, rehabilitating pavement areas, installing zebra crosswalks, raised truncated domes, bulb-outs, pedestrian countdown signal heads, solar streetlights, solar radar speed feedback signs, pavement legend, and marking, striping, markers at 15 intersections.

Designer/Drafter, Federal Safe Routes to School Program Implementation Plan - Eastmont Intermediate School, City of Montebello, CA.

Responsible for all drawings for this project, which included school-area improvements by replacing school crosswalks, concrete sidewalk, signs, traffic striping, markers, pavement markings to increase the safety of children walking to school.

Designer/Drafter, Traffic Signal Modification at Nelson Avenue and Sunset Avenue, City of Industry, CA.

Provided design assistance and plans for this project, which included construction of roadway improvements, including removal of existing improvements including AC pavement, concrete sidewalk, curbs and gutters, storm drain improvements, landscaping and traffic signals, and construction of new street and sidewalk improvements, including new PCC curb and gutter, PCC sidewalk, storm drain catch basins, drainage inlet modifications, AC pavement sections, and replacement of the traffic signal system located at the intersection.

Designer/Drafter, Elm Street ADA Accessibility Project, City of Montebello, CA.

Responsible for the preparation of plans and details. Involved in detailed field investigations, including a field survey of curb ramps, driveways, and sidewalks. Specifications and cost estimates were prepared for ADA accessibility improvements. Quality assurance/quality control was put into practice to ensure the improvements were completed as defined by the client.

Designer/Drafter, Alley Improvement Project, City of Bell Gardens, CA.

Responsible for drafting pavement, longitudinal gutters, and utility improvements. The project included reconstruction of the alley's intersection, pavement, and gutter system. Also involved in specifications and cost estimate preparation. Responsible for quality assurance/quality control for the project's plans and details to ensure that the project was completed while adhering to city requirements. The project was completed on time and within budget.

Safe Routes to School Program Implementation Plan, Bell Gardens High School & Garfield Elementary School, City of Bell Gardens, CA.

Provided design assistance and plans for this project, which included removing existing markings, rehabilitating pavement areas, installing zebra crosswalks, raised truncated domes, bulb-outs, pedestrian countdown signal heads, solar streetlights, solar radar speed feedback signs, pavement legend, and marking, striping, markers at 15 intersections.

Designer, Garfield Avenue Street Improvement Project, City of Montebello, CA.

Responsible for the preparation of plans, profiles, and details, and involved with the field investigation that included field surveys of the asphalt pavement, sidewalks, curbs and gutters, driveways, and curb ramps. In addition, specification and cost estimates were prepared for the street improvements. The project was completed successfully, ahead of the deadline and under budget.

Designer/Drafter, Street Improvement Project/Pedestrian Crossing Light Improvements, Various Streets, City of Bell Gardens, CA.

Provided design assistance and plans for this project, which included overlay of asphalt rubber hot mix (ARHM), reconstruction of sidewalks, driveway approaches, curbs and gutters, cross gutters, alley intersections, curb ramps, AC pavement, striping and marking, and pedestrian crossing light improvements.

Designer/Drafter, Gran Plaza Design Project, City of Calexico, CA.

The project called for designing a new shopping mall, including a site plan, grading, sewer system, water system, drainage, and signing and striping. Responsibilities included designing/drafting the site plan and drafting the project's sewer and water plan and profiles. The project was completed successfully ahead of the deadline, under budget, and to the client's satisfaction.

Designer/Drafter, Various Street Rehabilitation Projects, City of Bell Gardens, CA.

Responsible for drafting street improvements, signing and striping, and utility plans. In addition, Shawnt was involved in specifications and cost estimates preparation. He was responsible for quality assurance/quality control for project plans and details to ensure the project was completed while adhering to city requirements. The project was completed on time and within budget.

Designer/Drafter, University Drive Street Improvement Project, City of Irvine, CA.

University Drive required improvements to the asphalt pavement, median islands, curbs and gutters, driveways, sidewalks, and adjustments to the utilities. Shawnt oversaw drafting and design for the project, as well preparing cost estimates and conducting the field investigation. The project was completed to the client's specifications, on time, and well within budget.

Bahar Baradaran

Engineering Assistant

EDUCATION:

- MS, WATER RESOURCES,
CALIFORNIA STATE UNIVERSITY,
FULLERTON
- BS, CIVIL ENGINEERING,
UNIVERSITY OF SCIENCE AND
CULTURE, IRAN

YEARS OF EXPERIENCE: 4

Bahar Baradaran has 4 years of experience in designing new stripping on AutoCAD and creating the signing and striping sheets for multiple projects. She has also prepared specifications packages per Greenbook standards and has developed quantities for removals and improvements for cost estimations. Bahar has experience in developing plans on drainage, roads, and residential projects.

Relevant Experience

Engineering Assistant, ATP Cycle 2 Lynwood

Community Linkages to Civic Center and Long Beach Boulevard, City of Lynwood, CA.

Responsible for creating the signing and striping sheets for the project. Work involved creating the construction notes and designing the new striping on AutoCAD.

Engineering Assistant, Street Rehabilitation Project, City of Bell Gardens, CA.

Responsible for developing street cross section and base map; performed field reconnaissance to inspect and verify surface indications of utilities. Infrastructure Engineers is providing design, project management, bidding of contract, construction management and inspection, as well as federal fund administration for this project that involves removal of existing AC paving and paving of AC pavement and concrete improvement reconstruction, including replacing existing curb and gutter, sidewalk, driveway approaches, access ramps, and adjustment of utility covers, traffic striping, markers, pavement markings and curb painting.

Engineering Assistant, CIP Priority 2B Street Improvement Project, City of Lynwood, CA.

Bahar has created all sheets for improvements and utility relocations for the City's Phase 2 CIP Street Improvement Project. Tasks included coordinating with utility companies and conducting field investigations to obtain measurements of existing site and proposed improvements. Bahar has prepared specification package per Greenbook and has developed quantities for removals and improvements for cost estimation.

Intern, City of Irvine, CA.

Bahar acted as sustainability manager assistant. She aided in the development of plans on drainage, road, and residential projects. She also helped with environmental studies, permitting and alternative analyses. She observed the preparation, function, and process of tender and contract documents in action and assisted civil engineers to fulfill these. Bahar also collaborated with research on other projects as a team member.

Internship, William Simpson and Associates, City of Lake Forest, CA.

Bahar drafted detail of sections, plans, and elevations with AutoCad. She handled cost of materials estimations, report and document tracking, project documentation, on-site project visits, and building permit applications. Bahar shadowed senior civil engineer on a project to determinate the on-going stability of concrete stabilized footpath around a commercial center.

Resumes - Subconsultants

C-Below Surface Imaging Utility Subconsultants



Underground Utility Locating.

Electronically locate underground utilities by either hooking up directly to a conductive line and sending a signal through it or sending a signal through the surface for detection.

Utility Potholing and Vacuum Excavation.

Excavating a small pothole for visual verification. When missing critical information is needed that electronic detection cannot provide such as line size, material, or exact depth. The most precise method of verification.

Ground Penetrating Radar (GPR).

Ground Penetrating Radar. Send a signal through material such as asphalt, concrete, or soil to locate a utility, conduit, PT cable, or other objects. Excellent for on-conductive lines.

Underground Utility Mapping.

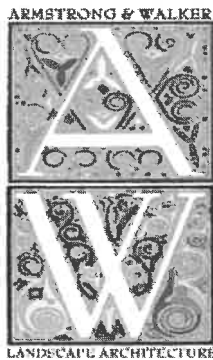
Underground utility mapping locations can be plotted on a client-provided site drawing in clear, easy-to-read detail. Each utility is labeled and color-coded just like the indication marked on the field.

CCTV and Video Pipe Inspection.

In addition to identifying the location of a line, it may be necessary to see inside it. Video Pipe Inspection can give you vital information needed to make assess conditions and help you make well informed decisions.

Underground Utility Reporting.

Accurate, easy-to-read, detailed documentation is vital to your project. We offer empty conduits, vault locations, 3D modeling, and many other precise underground utility reports to aid your design.



Armstrong & Walker

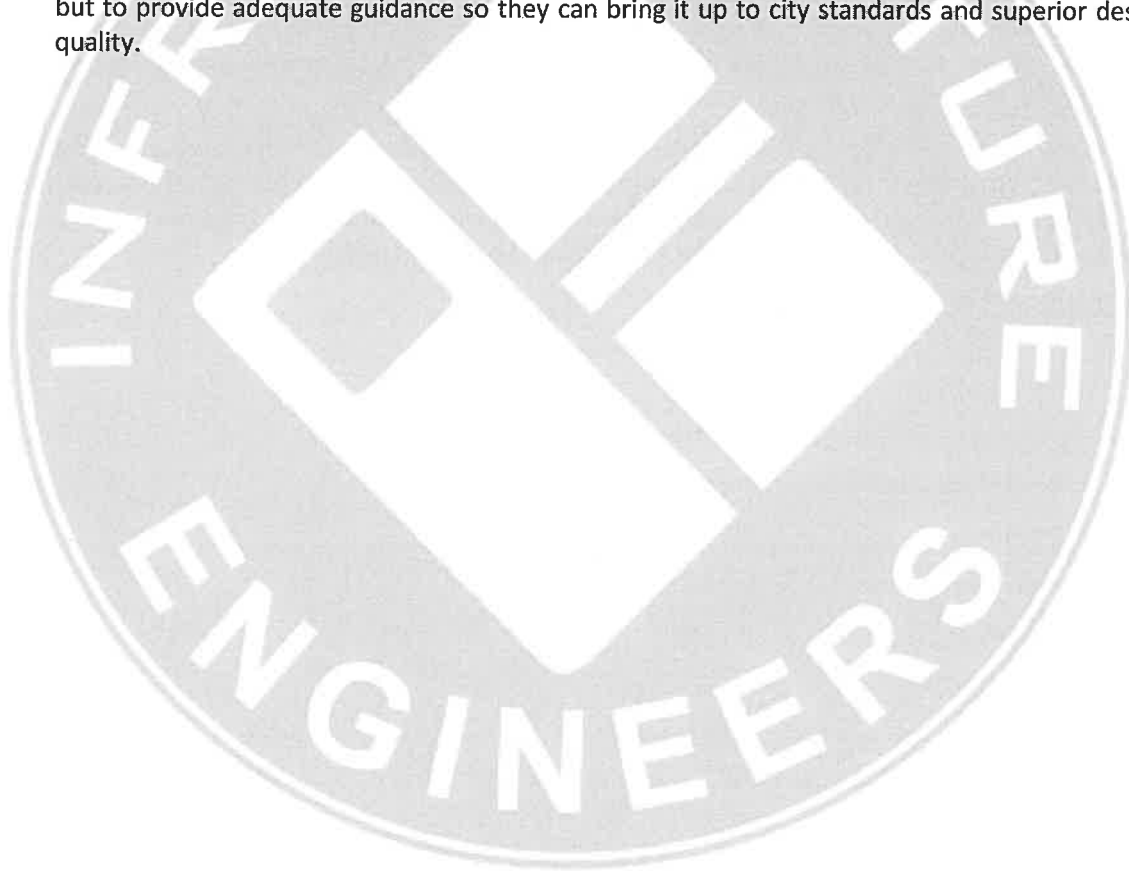
Landscape & Irrigation Subconsultants

Armstrong & Walker formed in 1991 to provide complete landscape architectural design, construction document preparation, and construction observation services, as well as plan checking and design review, site planning, and habitat restoration. The company is a general partnership of Anna Armstrong and Richard Walker, both licensed landscape architects in the State of California, with one office location but significant experience on projects throughout Southern California, including coastal, valley, desert, and mountain locations. Armstrong & Walker is certified with the State of California Dept. of General Services as a Small Business, reference #62082. The firm's experience on many different types of projects, including recreational, commercial, residential, institutional, and public agency work, results in a capable and professional team. Specific areas of Armstrong & Walker's expertise include:

- Landscape design using plant materials that are attractive, low maintenance, and drought resistant per water conservation ordinances, while resulting in a functional and aesthetically pleasing landscape. Specific project requirements related to planting such as erosion control, parking lot shading, street tree planting, screening, and demonstration gardens are often incorporated into the planting design.
- Irrigation design to meet client needs and municipal requirements, resulting in automatic irrigation systems that conserve water while keeping plants healthy, are simple to maintain, and meet requirements for vandal resistance, public safety, central control, weather and moisture sensing, and other water conservation technology.
- Hardscape design to provide safe access, meet ADA requirements, work with grading and drainage patterns, and aesthetically express a project's design themes. Also, detailing of site features such as low walls, steps/ ramps, fencing, shade structures, play equipment, water features, decks, picnic and patio areas, decorative paving, etc.
- Coordination with project engineers to facilitate storm water capture and infiltration using a number of possible solutions, from simple dry stream features, bioswales, and permeable paving to more extensive underground storm water storage and percolation devices.
- Design and construction drawings for streetscape projects including median islands, plazas, entry monuments, signage, parkways, street trees, pedestrian paving, and site furnishings. Each design strives to capture and enhance the unique qualities of a neighborhood to create an attractive and recognizable image and fulfill functional requirements such as traffic and pedestrian safety and visibility, ease of maintenance, and water conservation.
- Site planning for public and private projects such as parks, school and church campuses, office complexes, housing developments, and transportation centers. Factors in developing a site plan include topography, vegetation, climate, existing and proposed building locations, sizes, and functional relationships, circulation patterns, parking and open space requirements, local zoning, aesthetic quality, safety and security, budget, and phasing.
- Park and recreation planning for public and private facilities, from assessment of community needs through public outreach, coordination with organized recreation and school districts, and progressing through design, construction documents, and construction observation. Completed

projects include upgrades of existing and construction of new parks, sports fields, playgrounds, natural recreation areas, camps, schools, and other facilities.

- Revegetation and habitat restoration of disturbed sites, such as mining/sand and gravel operations, pipeline, flood control channels, or utility corridor installation. Research is done on the area's natural plant community prior to the disturbance and plans and specifications prepared to reestablish primary plant species. Several different planting techniques and maintenance procedures are considered, to ensure a high plant survival rate and discourage non-native species.
- Landscape design review and plan checking. Since many cities do not have full-time landscape architects on staff, assistance is provided to review landscape plans (including hardscape and irrigation) at the preliminary design and construction drawing stages. Drawings are checked for conformance to established city design standards, site-specific development guidelines, and industry best practices. Reports may include verbal input at design review meetings, checklists, or written reports of recommendations or conditions of approval, including sketches if appropriate. The intention is not to redesign the project for the submitting developer or architect, but to provide adequate guidance so they can bring it up to city standards and superior design quality.



On Point Land Surveying, Inc.
Surveying Subconsultant



On Point Land Surveying, Inc. offers their clients highly experienced staff that can manage any level of project. They handle projects from small residential lots to multi-million-dollar construction projects. It is their goal to consistently exceed their client's expectations by offering the highest degree of

coordination, communication, and client contact while maintaining very competitive pricing.

Company Principals

Gary A. Lewis and Anthony D. Smith

Principal/President/Director of Field Operations Principal/Vice President/Administrative Survey Manager
CA PLS 8601CA PLS 8133, AZ PLS 48359, CA PE 80387

Gary has over 26 years of both field and office experience; including projects from small lot surveys to large scale construction projects. Gary is currently the Director of Field Operations for On Point Land Surveying, Inc. His work assignments consist of managing the field crews when performing design, as-built topographic, boundary and construction surveys.

Tony is a graduate of California State Polytechnic University, Pomona with a Bachelor of Science in Civil Engineering, emphasis in Geospatial Engineering. Tony has over 18 years broad-spectrum experience in all phases of land surveying and civil engineering; including project management, fundamental engineering, and construction services for projects valued to \$100 million.

Professional Experience

- Boundary Surveys
- ALTA Surveys
- Residential and commercial construction staking
- Parcel Maps, Tract maps, & Records of Survey
- GPS Surveys
- Aerial control & Aerial Topographic Surveys
- Design Surveys
- Open pit mining



Associated Soils Engineering
Geotechnical Engineering Subconsultants

Geotechnical Engineering

- Site Selection Analyses
 - Preliminary Soil and Foundation Investigations
 - Sewage Disposal Investigations
 - Field Inspection and Testing Services
- Liquefaction Potential Evaluations
 - Slope Stability Analyses
 - Earthquake Engineering

Pavement Engineering

- Evaluation of Existing Pavements
- Pavement Design
- Batch Plant Inspection
- Asphalt Lay-down Inspection
- Field Inspection and Testing Services

Engineering Geology

- Feasibility Studies
- Site Geologic Evaluations
- Seismicity/Fault Studies (California Alquist Priolo Zones)
- Rippability Evaluations
- Environmental Impact Reports - Geotechnical
- Offshore Studies

Municipal Services

- Grading Plan Check Services
- Geotechnical Reviews
- Inspection/Testing Services

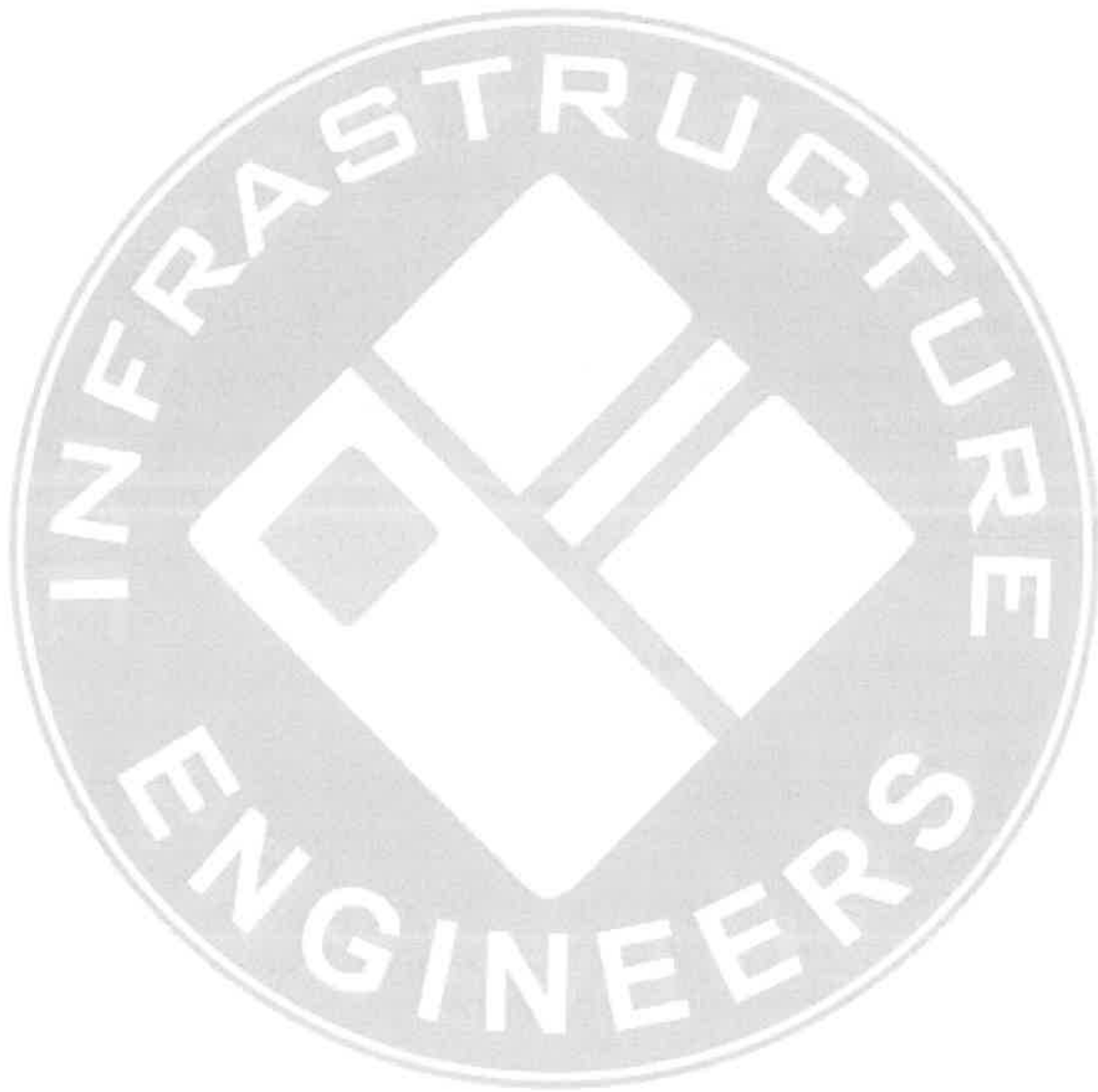
Resource Evaluations

- Sand and Gravel for Select Materials
- General Fill Materials
- Clay for Reservoir Lining

Laboratory Testing Services

- Maximum Density-Optimum Moisture Determinations
- Consolidation Tests

- Direct Shear Tests
- Triaxial Tests
- Expansion Index Tests
- Sulfate Content, pH and Resistivity Tests
- Atterberg Limits Determinations



Quality Assurance/Quality Control

QA/QC

Quality assurance and quality control (QA/QC) are top priorities for Infrastructure Engineers. Producing engineering and compliance documents of the highest caliber is what keeps us in business. Our QA/QC practice involves a comprehensive process to ensure delivery of quality products and services to meet your stringent criteria.

Infrastructure Engineers appoints an experienced and qualified QA/QC reviewer to provide leadership and guidance in producing complete and comprehensive documents to meet all industry standards as well as the City's expectations. Our monitoring and inspection documents will result in meeting the City's expectations and will provide clear understanding to your staff and constituency of all related requirements.

Key elements of our quality control are the assignment of skilled personnel who are experienced in the particular discipline, effective and constant communications, and monitoring of project progress. The quality control process includes the following principles:

- Assignment of skilled professionals begins a comprehensive and interactive orientation of the project goals and the means to achieving these goals.
- Daily contact by the Project Manager with each on-going activity to provide support and guidance, to maintain focus and momentum, and to monitor the quality of work.
- Maintaining regularly scheduled project staff meetings for reviewing work status, reviewing technical elements of the project, coordinating and interfacing of activities, reviewing budget parameters, and discussing upcoming activities and responsibilities.
- Internal (peer review) audits of municipal services for quality, accuracy, and completeness.
- Strictly and rigorously following Infrastructure Engineers-developed QA/QC standards and guidelines.
- Review by the Project Manager prior to submittal to assure services meet all standards and codes, project goals and objectives, and contract requirements.
- QA/QC of design documents are carried out by our highly experienced and licensed professional civil engineers.
- Constructability reviews during the design phase are carried out by our experienced construction managers and inspectors.

Document Control

Document control is how Infrastructure Engineers manage our construction notes, design alterations, latest prices for bid items, latest standards and much more. It is the most efficient and effective way to maintain with the speed at which our enterprise operates. Through our strict company procedures, we are able to maintain a seamless operation. Our document control includes the following principles:

- Operating on a cloud-based storage to keep all construction documents accessible and less susceptible to losses or damages.
- Maintaining a customized digital recording and filing system to better manage the wealth of data obtained throughout the life of the project.

- Establishing data and relevant information in company standard tables to better flow between and among departments.
- Having competent staff to be document managers which creates a workplace for smooth information flow.
- Ensuring accessibility to all company documents through office, home or in the field with phones and company tablets.

References

City of Baldwin Park Sam Gutierrez, Director of Public Works 14403 Pacific Avenue Baldwin Park, CA 91706	Phone: (626) 813-5255 Email: sgutierrez@baldwinpark.com
City of Lynwood Julian Lee, Public Works Director 11750 Alameda Street Lynwood, CA 90262	Phone: (310) 603-0220 Email: jlee@lynwood.ca.us
City of Bell Gardens Grissel Chavez, Director of Public Works 8327 Garfield Avenue Bell Gardens, CA 90201	Phone: (562) 806-7770 Email: gchavez@bellgardens.org
City of Montebello James Enriquez, Director of Public Works 1600 W Beverly Blvd. Montebello, CA 90640	Phone: (323) 887-1200 Email: jenriquez@cityofmontebello.com



Infrastructure Engineers
3060 Saturn Street, Suite 250
Brea, CA 92821

City of Huntington Park

PS&E Services for CIP 2019-14 ATP Cycle V Project No. ATPSBIL-5150(017)

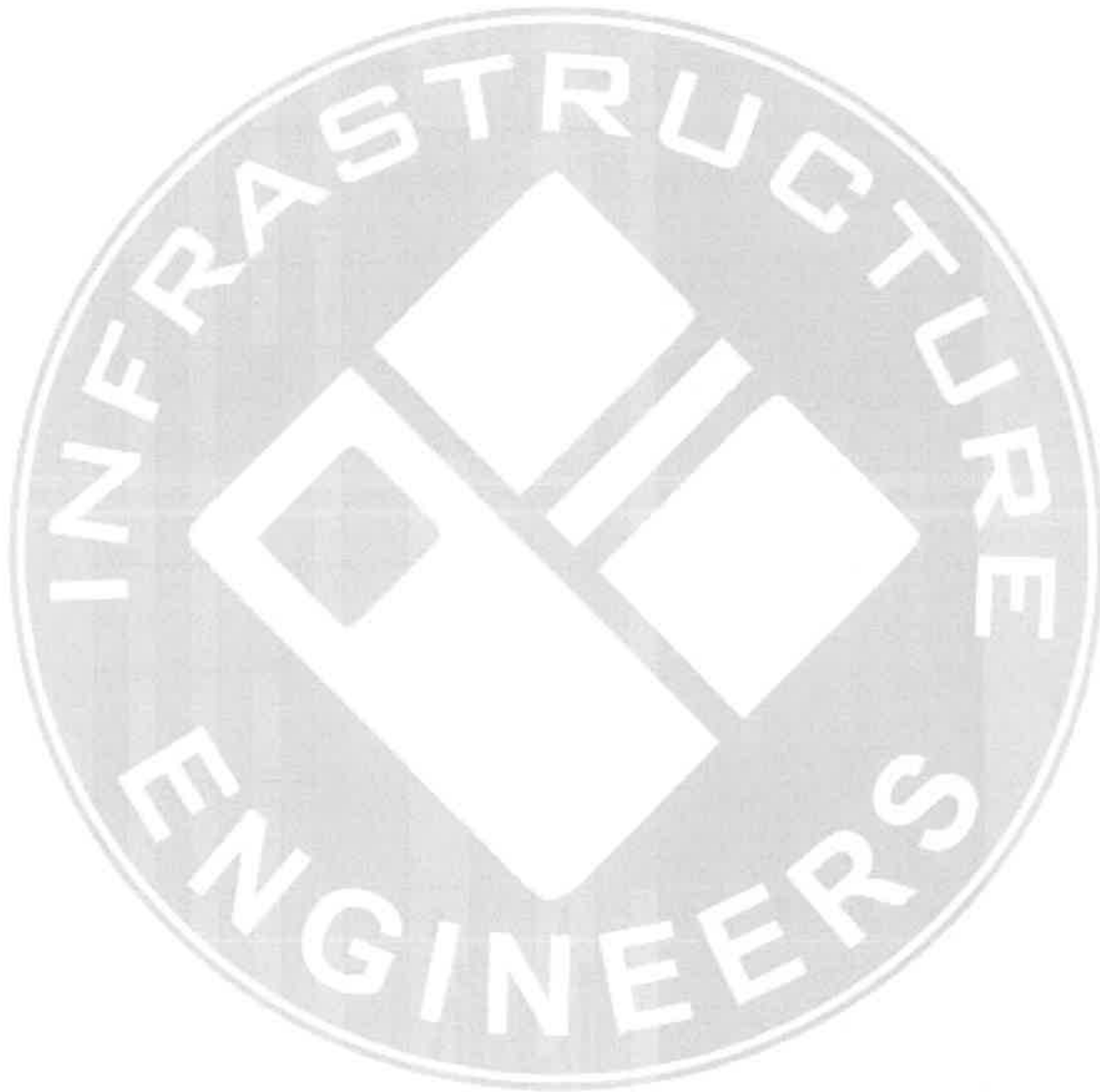
Prepared by Infrastructure Engineers

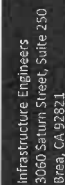
Project Schedule

[illegible]

Fee Schedule/ Cost Proposal

Infrastructure Engineers' "Cost Proposal" appears in a separate sealed envelope, per the RFP.





Infrastructure Engineers
3060 Saturn Street, Suite 250
Brea, CA 92821

City of Huntington Park
PS&E Services for CIP 2019-14 ATP Cycle V Project No. ATPSBIL-5150(017)
Prepared by Infrastructure Engineers
Cost Proposal

Task	TASK DESCRIPTION	PRINCIPAL-IN-CHARGE Ray Abassi, MSCE, PE, ITE, QSP/QSD	PROJECT MANAGER Amir Farahani, PE, FE	SENIOR ENGINEER Christopher Ley, PE	CAD MANAGER Shawrit Bashmanlian	ENGINEERING ASSISTANT Bahar Baradaran	ADMINISTRATIVE SUPPORT Roshelle Lehtsch	ARMSTRONG & WALKER Subconsultant	ASSOCIATED SOILS ENGINEERING Subconsultant	ON-PONT LAND SURVEYING INC. Subconsultants	TOTAL
1	Two (2) Kickoff Scope Meetings	\$238	\$169	\$170	\$135	\$115	\$90	Lump Sum	Lump Sum		\$2,130
2	Six (6) Review Meetings with City		6	6							\$6,390
3	Prepare & Submit 30% Design PS&E: Data Collection, Review and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Corridor; Coordination: Due March 16, 2023.	6	32	32	24	64	2	\$1,550.00		\$35,000.00	\$60,118
4	Prepare & Submit 65% Design PS&E: Data Collection, Review and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Corridor; Coordination: Due April 17, 2023	10	34	40	34	108	52	\$3,560.00			\$40,720
5	Prepare & Submit 95% Design PS&E: Data Collection, Review and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Corridor; Coordination: Due May 18, 2023	2	16	24	8	32	2	\$2,420.00			\$14,876
6	Prepare & Submit 100% Design PS&E: Data Collection, Review, and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Corridor; Coordination: Due June 19, 2023	4	12	20	8	24	2	\$370.00			\$10,592
7	Geotechnical Investigation (Pavement Coring)	2	2	6					\$12,000.00		\$13,886
8	Geotechnical Report	1	1	6							\$1,443
9	Third party laboratory testing (Caltrans certified)								\$13,225.00		\$13,225
10	Answer Bidding RFIs/RFCs		4	12							\$2,760
11	Attend Pre-Construction Meeting		4	4							\$1,420
12	Answer Construction RFIs/RFCs		4	12		16					\$4,620
13	Review Construction Submittals/Shop Drawings		8	8							\$2,840
14	As-Builts/Record Drawings		8	24	36	52					\$16,400
Team Member Totals		\$5,950	\$27,565	\$36,040	\$14,850	\$34,040	\$5,320	\$7,900	\$25,225	\$ 35,000.00	\$191,420

ATTACHMENT "B"

Attachment 2

CIP 2019-14 ATP Cycle V - Other Proposal



City of Huntington Park

Proposal for:

Professional Plans, Specifications,
and Estimate (PS&E) Services for
CIP 2019-14 ATP Cycle V

Project No. ATPSB1L-5150(017)

December 7, 2022

Submitted by:

West & Associates Engineering, Inc.

WEST&ASSOCIATES
ENGINEERING, INC.

December 7, 2022

Cesar Roldan
Director of Public Works
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Subject: Professional Plans, Specifications, and Estimate (PS&E) Services for CIP 2019-14 ATP Cycle V

Dear Mr. Roldan:

West & Associates is pleased to submit our Proposal for Professional Plans, Specifications, and Estimate (PS&E) Services for CIP 2019-14 ATP Cycle V for the City of Huntington Park.

We recently had the pleasure of working with the City on the Project Approval and Environmental Design (PA&ED) Phase of this Project. We are also in the final stages of engineering services for the City's ATP Cycle IV Project. A significant portion of that project overlaps with this project. In particular, we have already mapped and **prepared plan sheet-cuts for all of Gage Avenue**. Therefore, we will be able to focus on the **details** of this project design to a **greater degree**.

Having prepared the Project Study Report Equivalent (PSRE) for this project, we are thoroughly familiar with the needs of this project. In particular, we understand that this project will involve six (6) categories of improvements, of which the key improvements are: 1) HAWK Beacons, 2) Pedestrian Scramble/Crosswalk, and 3) Placemaking Islands. We have included **Exhibit A** in this proposal which provides an overview of this project and **Exhibit B** which provides a potential design alternative at Florence Ave & Bissell Street (for the City's consideration). Our goal will be to provide the City with design savings to implement this recommendation (and/or similar ones) for the benefit of the City.

According to the City's ATP funding application for this cycle (Cycle V), we understand that **the City** has secured **\$257,000 in funding for the design** of this Project and **\$3.5 million in funding for the construction** of this project. Therefore, we understand that the project design must be optimized to ensure that construction costs are maintained within the \$3.5 million budget.

I have read, understood, and agreed to all statements in this Request for Proposal and acknowledge receipt of all addendums/amendments as well as to the terms, conditions, and attachments referenced. This proposal is valid for a period of no less than one-hundred & twenty (120) calendar days from the date of this submittal. We hereby acknowledge that **no addendums** have been issued for this RFP, although the City has issued an "Answers to RFIs" (see following page).

Thank you for this project opportunity. Please contact me if you have any questions.

Sincerely,



Phillip West, P.E., QSD/QSP
Principal/President
West & Associates Engineering, Inc.
Office: (949) 716-7670
Cell: (714) 728-8082
philw@westaeng.com

November 28, 2022

CITY OF HUNTINGTON PARK
Phillip West

11/28/2022

Date

Answers to Request for Information/Clarification No. 1**REQUEST FOR PROPOSAL OF CIP 2019-14 ATP CYCLE V**

The following questions were posed by individuals interested in the Request for Proposal (RFP) for CIP 2019-14 ATP Cycle V. The answers to the questions are highlighted in yellow.

1. On Page 9 of the RFP, Section 12 mentions that we are to submit three copies of the proposal, but the number in parenthesis states (2). Please clarify if the City requires 2 or 3 copies of the proposal.?

2 copies plus one electronic submittal.

2. The RFP mentions "potholing" under Task 1. Although we understand that the term potholing can be synonymous with pavement coring (geotech), we believe that the City intends to have both utility potholing and geotechnical borings conducted for this project. Therefore, should the fee on Page 9 include a separate row for utility potholing (in addition to the geotechnical borings)?

The purpose of potholing is to ensure that footings for the HAWK pedestrian signals, signs, etc. that are placed in the parkway are not located above an underground utility. Design consultant to ensure that all new structures avoid being placed over a gas, water, electrical, crude oil, sewer, fiberoptic, etc. lines. Design engineer to properly design project and coordinate with utility companies to relocate said lines or come up with alternative design methods that avoid underground utilities.

3. Regarding 3rd party coordination, we understand that the HAWK beacons should require SCE coordination (for extensions of or modifications to existing electrical service – as necessary). We don't see that this is explicitly mentioned in the RFP. Should we include a line item in the fee (on Page 9) for this, or should we include it within the Tasks 3 to 6 (i.e. general utility company coordination)?

Design engineer is 100% responsible to coordinate with Southern California Edison (SCE) to ensure that the HAWK pedestrian signal is 100% operational. SCE plans must accompany the bid set to inform contractors of the need to coordinate with SCE.

4. Regarding the geotech investigation, is it safe to assume that the geotech investigation will be limited to determining thickness of pavement sections (i.e. no soils/R-value analysis is necessary)?

Yes.

5. Request for Proposals are due December 7, 2022 by 2:00 P.M.

Yes.

Request for Proposal

End of Request for Information No. 1

By order of the City of Huntington Park, Public Works Department

Acknowledged

By: _____
Cesar Roldan, Director of Public Works

 11/28/2022
Phillip West Date

Date: _____

TABLE OF CONTENTS

CONTENTS

SECTION 1: COVER LETTER (1 PAGE)

ANSWERS TO RFIs (ACKNOWLEDGEMENT)

SECTION 2: CONSULTANT'S BACKGROUND (1.5 PAGES)

SECTION 3: QUALIFICATIONS AND EXPERIENCE OF CONSULTANT'S PERSONNEL (2 PAGES)

SECTION 4: PROJECT APPROACH (2 PAGES)

SECTION 5: PROPOSED PERSONNEL (2 PAGES)*

SECTION 6: QUALITY ASSURANCE/QUALITY CONTROL (1.5 PAGES)

SECTION 7: REFERENCES (1 PAGE)

SECTION 8: SCHEDULE AND SCHEDULE CONTROL (1/4 PAGE)

SECTION 9: FEE SCHEDULE/COST PROPOSAL (1 PAGE)**

SECTION 10: COMPLIANCE WITH RFP AND CONTRACT AGREEMENT (1 PAGE)

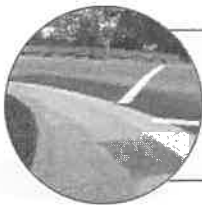
**This Section includes resumes. Resumes not included in page count.*

***Fee is provided in a separate envelope*

SECTION 2: CONSULTANT'S BACKGROUND

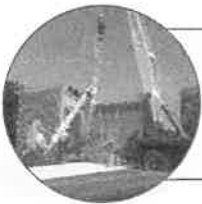
Company Background

West & Associates Engineering, Inc. was started in 2015 by Mr. Phillip West. We provide consulting services to clients throughout the state of California for a broad range of services, including planning, design, and construction management. In particular, we **specialize** in the following types of work:



GENERAL CIVIL / ROADWAYS

Streets & Streetscapes, Grading, Parks, Parking Lots, etc.



FACILITIES

Wells, Pumping Stations, Lift Stations, Valve Vaults, Tanks, Reservoirs, Structures



PIPELINES

Water Mains, Sewers, Storm Drains, Etc.



QSD/QSP SERVICES

Including preparation and inspection of SWPPPs, WQMPS, etc.

Services Listed Include ALL Major Phases of Work:

- Planning
- Design
- Construct. Management

Other Notable Services:

- Plan Check
- Staffing Augmentation
- Specialty Studies

Nearly all of the past experience by the West project team members has been with public agencies. As such, **our focus is on public clients**. Mr. West and the project team members have experience with over **sixty (60)** public agencies throughout Southern California. A good portion of these clients are repeat clients that the team members have worked with over the years. Clients that Mr. West and the project team members have worked with include **Cities (49), Water Agencies (14), and County Agencies (2)**.

SECTION 2: CONSULTANT'S BACKGROUND

Our Project Team members have served clients all over Southern California, regardless of the distance. In fact, we have completed services for municipal agencies which are nearly **four (4) hours away from our office**. We are versatile and able to accommodate your needs!

Office Location and Contact Information

We are a small California "S" Corporation. Our office is located in Foothill Ranch (Lake Forest) in Orange County, California. Mr. Phillip West acts as the Principal/President of the firm.



www.westaeng.com

- Started in 2015
- California "S" Corporation (Fed I.D. No. 81-5259524)
- Contact: Phillip West, P.E., QSD/QSP
- Office: (949) 716-7670
- Cell: (714) 728-8082
- philw@westaeng.com

Subconsultants

Brief descriptions of our sub-consultants are provided in **Section 5** of this Proposal.

SECTION 3: QUALIFICATIONS AND EXPERIENCE OF CONSULTANT'S PERSONNEL

Related Project Examples

We have experience with **over sixty (60) public agencies** in Southern California, **including experience with the City of Huntington Park**. The following experience includes related project experience for our firm. A list of references with contact information is provided in **Section 7** of this proposal.



CITY OF HUNTINGTON PARK

6550 Miles Avenue, Huntington Park CA 90255

Cesar Roldan, Director of Public Works (323) 584-6320

croldan@hpca.gov

West & Associates is currently involved with the City of Huntington Park on the following project(s):

1. ATP CYCLE IV PROJECT

Currently providing engineering services for Phase IV of the City's ATP project. The services first included Project Approval & Environmental Design (PA&ED) work in preparation for the PS&E phase. The services also included PS&E services for the completion of "complete streets" for six (6) streets, with a pedestrian focus, including bicycle sharrows, curb bulbouts, continental crosswalks, striping modifications, and signage.

2. ATP CYCLE V PROJECT

Engineering services for Phase V of the City's ATP project. The services included Project Approval & Environmental Design (PA&ED) work in preparation for the solicitation of PS&E. The PA&ED phase will lay the groundwork for the completion of "complete streets" for three (3) streets, with a pedestrian focus, including HAWK signal beacons and "placemaking" islands.



CITY OF ALHAMBRA

900 New Avenue, Alhambra, CA 91801

Robert Bias, Engineer (626) 570-5062

rbias@cityofalhambra.org

West & Associates was recently involved with the City of Alhambra on the following project(s):

FY 2020-21 STREET REHABILITATION PROJECT

Engineering services for the City's FY 2020-21 SB1 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five separate streets in the City. The total length of the project was about 30,000 feet.

SECTION 3: QUALIFICATIONS AND EXPERIENCE OF CONSULTANT'S PERSONNEL



CITY OF SIERRA MADRE

232 W. Sierra Madre Blvd. Sierra Madre CA 91024

Chris Cimino, Director of Public Works [626-355-7135](tel:626-355-7135)

ccimino@cityofsierramadre.com

West & Associates was recently involved with the City of Sierra Madre on the following project(s):

FY 2020-21 STREET REHABILITATION PROJECT

Engineering services for the City's FY 2020-21 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, and restoration of pavement striping. The total length of the project was 10,000 feet.

Total Related Experience

The following table provides a partial listing of relevant projects. Some of this experience is past experience for Mr. West prior to the formation of West & Associates:

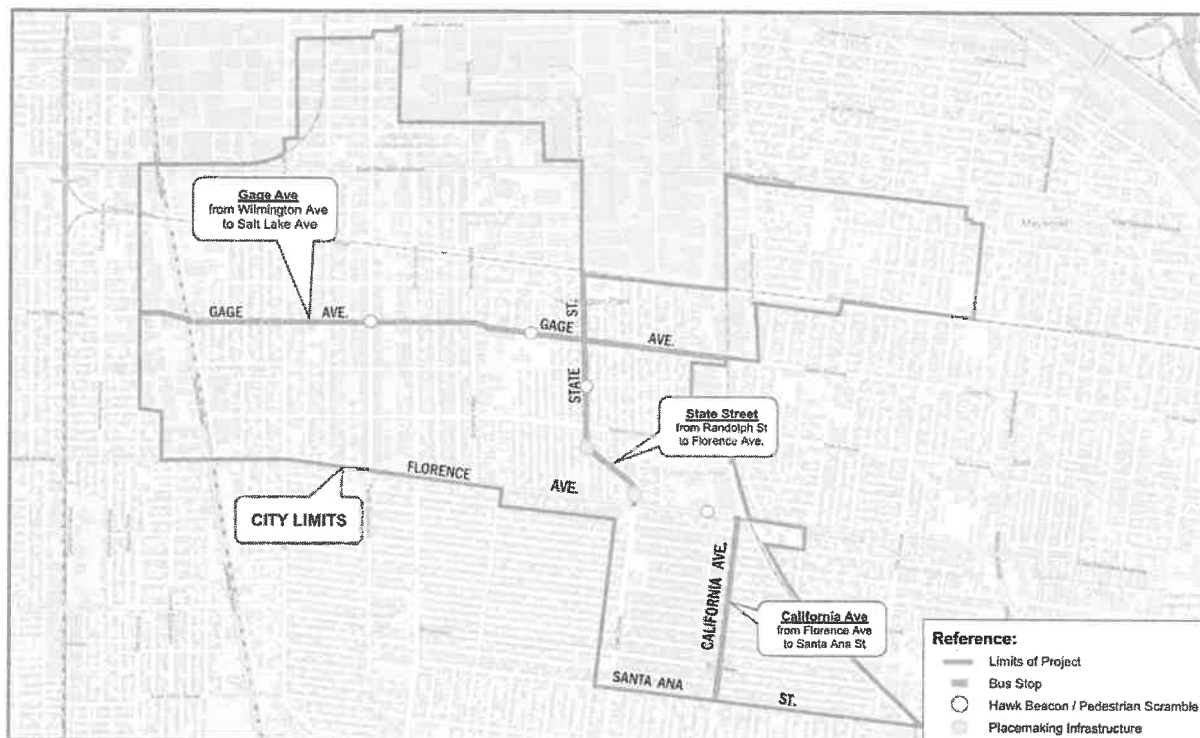
AGENCY	PROJECT NAME
City of Alhambra	FY 20-21 Street Rehabilitation
City of Azusa	Gladstone Elementary Safe Routes to School Survey
City of Baldwin Park	Street Condition Assessment
City of Bellflower	Palo Verde Ave Rehabilitation
City of Culver City	Wash. Blvd. & Wash. Pl. Streetlight Improvements
City of Hawaiian Gardens	Fedde Middle School Safe Routes to School
City of Huntington Park	ATP Cycle IV Project
City of Huntington Park	ATP Cycle V Project
City of Irvine	Barranca Parkway Rehabilitation
City of Irvine	Culver-Main/Culver-Alton Intersection Improvements
City of Montebello	Beach Street Pavement Rehabilitation Project
City Ranchos Palos Verdes	Infrastructure Report Card
City of Rancho Santa Margarita	Melinda Road Median Extension
City of San Dimas	Foothill Blvd. Rehabilitation
City of San Dimas	San Dimas Canyon Rehabilitation
City of Sierra Madre	FY 20-21 Street Rehabilitation
City of Sierra Madre	FY 19-20 Street Rehabilitation
City of Sierra Madre	City Recreation Center Parking Lot Improvements
City of Simi Valley	Lost Canyons Drive Improvements
14 DIFFERENT CLIENTS SERVED	19 RELATED PROJECTS

SECTION 4: PROJECT APPROACH

Project Understanding

In accordance with the RFP, we understand that the City is seeking consulting engineering design services for the preparation of Plans, Specifications, and Cost Estimates (PS&E) for the design of three (3) street segments and six (6) intersections. The improvements will have a pedestrian focus, including replacement of approximately 4,804 lineal feet of deficient sidewalk, replacement of pedestrian ramp improvements at 106 locations (including ramp islands and bulb-outs), construction of placemaking infrastructure at two (2) locations, installation of three (3) high-visibility pedestrian crossing signal beacons (known as “HAWK” beacons), installation of one (1) pedestrian scramble (diagonal crosswalk), and construction of four (4) bus pads.

The major services required for this project include: 1) Collect Data (As-Builts, Field Survey, Pavement Coring), 2) Prepare Plans, Specs, and Cost Estimates, and 3) Provide Permitting and Regulation Support Services. The entire project is presented in **Exhibit A** of this Proposal. The three (3) street segments and six (6) intersections locations are shown in the map below:



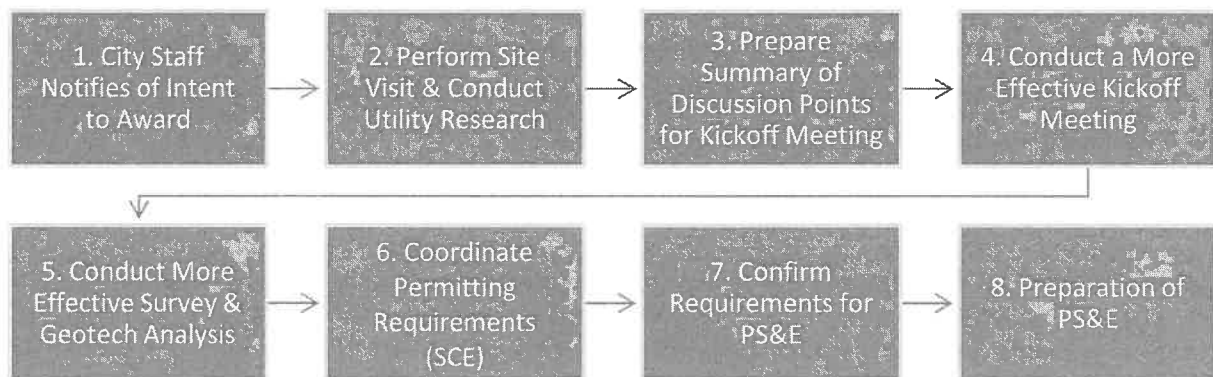
PROJECT SITE LOCATIONS

Although not continuous, this project encompasses approximately **17,700 feet** of street segments in the City. We estimate that this will result in **roughly 50 sheets of Plans**. The total estimated construction cost (based on the PSRE) is **\$3.5 million**.

SECTION 4: PROJECT APPROACH

Project Approach

According to the schedule in the RFP, the City desires to complete this project within six (6) months from Notice to Proceed. To accomplish this, we intend to **begin preliminary work upon notification of award** by City Staff (instead of upon the official Notice to Proceed). Typically, this is about two to four weeks prior to the Kickoff Meeting. The preliminary work will include utility outreach and field walks to identify all areas of special needs, as well as **coordinating with SCE and LA Metro** as this will be necessary for the purpose of **permitting for electrical service** and/or confirming design requirements (i.e. bus pads). We will also reach out to the survey and geotechnical sub-consultants in order to **commence these phases of work as soon as possible**. This preliminary work will allow for a more productive kickoff meeting, confirm the field survey efforts, and may likely save time. The following is our project approach:



Scope of Work

We acknowledge the tasks described in the RFP. Our proposed Scope of Work will **include the entirety of the Scope described in the RFP**. Due to the page limits stipulated in the RFP, we have consolidated the Scope into the following short-list of four (4) phases:

- Phase I – Preliminary Engineering Services
 - Task 1 – Data Collection, Technical Research, and Review
 - Task 2 – Topographic Survey and Geotechnical Investigation
 - Task 3 – 1st Submittal (30%) Construction Documents
 - Task 4 – 2nd Submittal (65%) Construction Documents
 - Task 5 – 3rd Submittal (95%) Construction Documents
 - Task 6 – Permitting and Regulations (Including SCE)
- Phase II – FINAL (100%) Engineering Services
 - Task 7 – FINAL (100%) Bid-Ready Construction Documents
- Phase III – Bidding & Construction Support
 - Task 8 – Bidding Phase Services
 - Task 9 – Construction Phase Services
- Phase IV – As-Built Preparation
 - Task 10 – As-Built Preparation

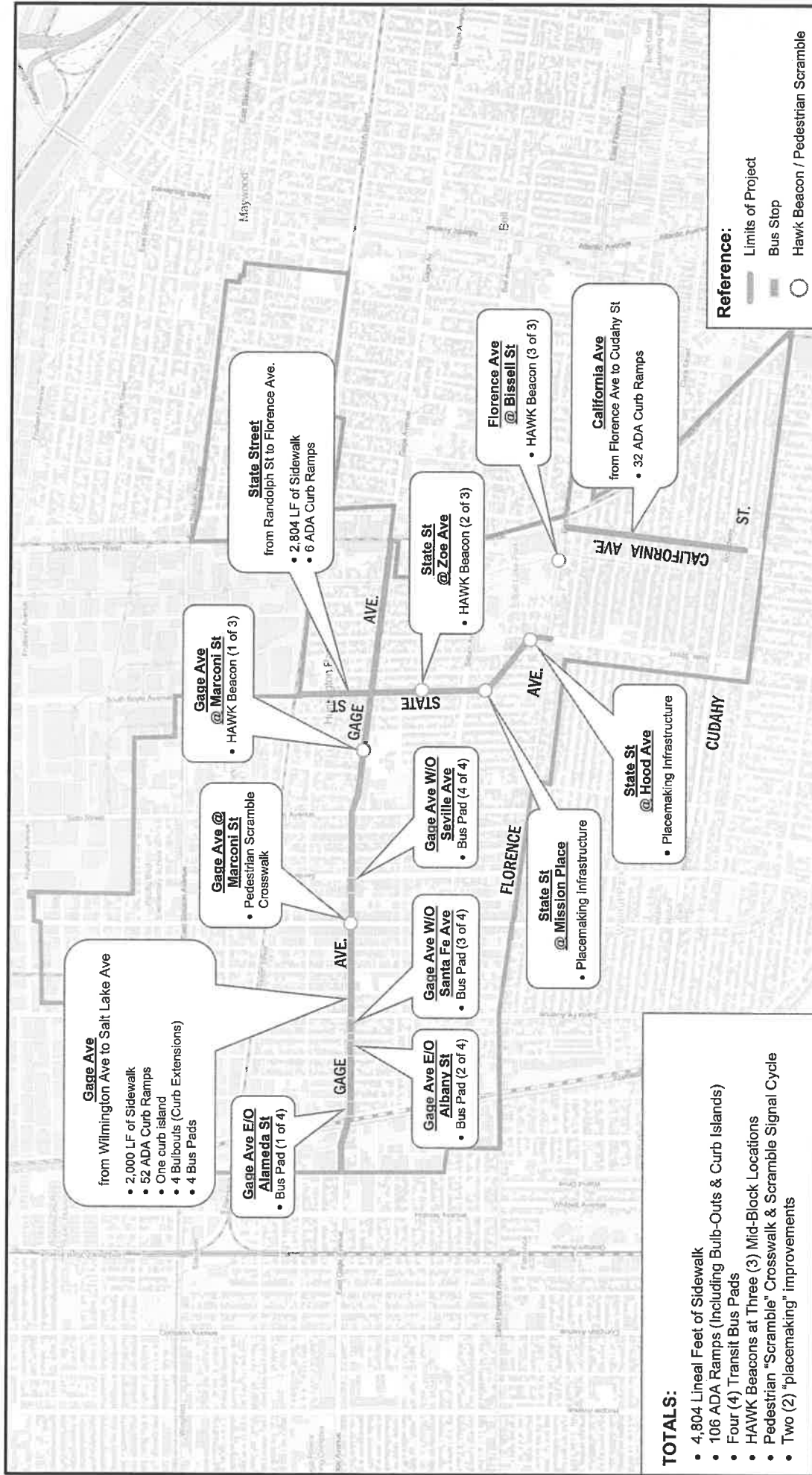


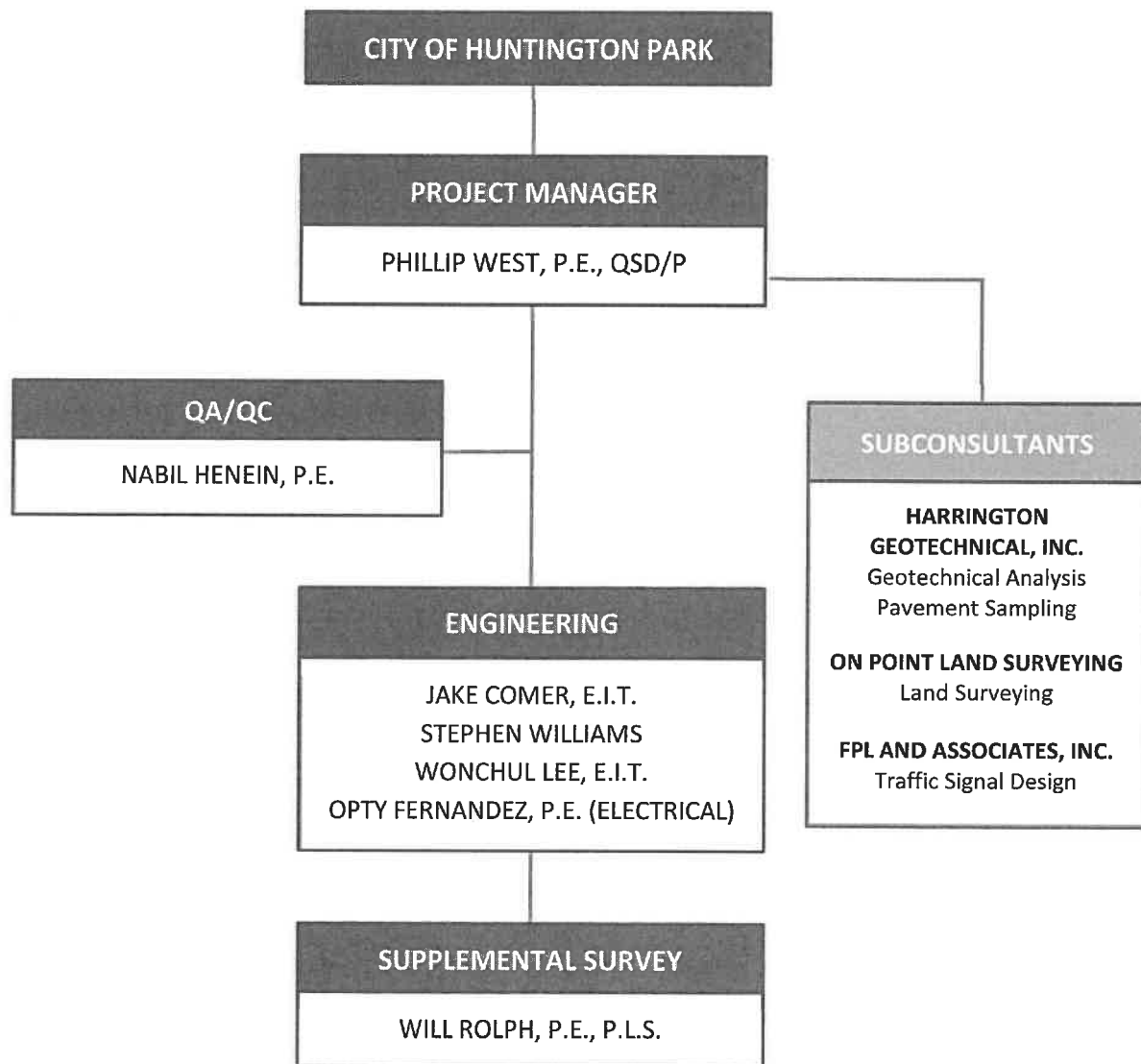
EXHIBIT A

PROJECT SCOPE OF WORK (CIP 2019-14 ATP CYCLE V)

SECTION 5: PROPOSED PERSONNEL

Organizational Chart

The project team will consist of the individuals below:



Resumes of the above individuals are provided later in this section.

SECTION 5: PROPOSED PERSONNEL

Subconsultants

Brief descriptions of our sub-consultants are provided below:

Geotechnical (Pavement Coring) Services:

Harrington Geotechnical, Inc

1590 N. Brian Street
Orange, CA 92867
714.637.3093

Company Overview: Geotechnical services for Southern California clients. Harrington Geotechnical was started in 1990 and has been in business for over 32 years. They provide a complete range of Geotechnical Services all over Southern California. Combined, their team has over 50 years of municipal project experience, including many cities in Los Angeles and Orange Counties.

Land Surveying:

On Point Land Surveying

1906 Orange Tree Lane,
Suite 240
Redlands, CA 92374
909.792.2221

Company Overview: Land Surveying services for California. On Point Land Surveying Inc. began in 2010 and provides surveying services for residential, commercial, and municipal projects up to \$100 million. Combined, their licensed land surveyors have over 20 years of municipal project experience, including many cities in Los Angeles and Orange Counties.

Traffic Signal Design:

FPL & Associates Inc.

30 Corporate Park #401,
Irvine, CA 92606

Company Overview: FPL and Associates, Inc. is a privately-held corporation that provides comprehensive civil and traffic engineering services to federal, state, municipal, and private clients across the western United States, particularly in the Southern California region.

Phillip West, P.E., QSD/QSP
Principal/Project Manager**EDUCATION:**
California State University,
Long Beach
B.S. Civil Engineering**REGISTRATION:**Registered Civil Engineer, California
No. 77453
Qualified SWPPP Developer (QSD)
Qualified SWPPP Practitioner (QSP)
Certificate No. 25034**OVERVIEW:**

As Principal/President at West & Associates, Mr. West also serves as a Project Manager for all projects. The entirety of Mr. West's career has been **solely focused on public clients**, and he has served **over sixty (60) public agency clients** throughout his career. His experience has been very diverse and involves planning, design, construction management, field surveying, and even staffing augmentation. Most importantly for this particular project, a good portion of Mr. West's background involves **street design and/or construction management**, including widening, medians, ADA Ramps, rehabilitation etc. A handful of these projects have **involved funding through Caltrans**.

RELATED PROJECT EXPERIENCE

Mr. West has been involved with the related projects described below. These projects are only a portion of Mr. West's overall experience:

CITY OF HUNTINGTON PARK

Engineering services for Phase IV of the City's ATP project. The services first included Project Approval & Environmental Design (PA&ED) work in preparation for the PS&E phase. The services also included PS&E services for the completion of "complete streets" for six (6) streets, with a pedestrian focus, including bicycle sharrows, curb bulbouts, continental crosswalks, striping modifications, and signage.

Engineering services for Phase V of the City's ATP project. The services included Project Approval & Environmental Design (PA&ED) work in preparation for the solicitation of PS&E. The PA&ED phase will lay the groundwork for the completion of "complete streets" for three (3) streets, with a pedestrian focus, including HAWK signal beacons and "placemaking" islands.

CITY OF HAWAIIAN GARDENS

Engineering services for the City's Fedde Middle School Safe Routes to School project. The project involved new curb ramps, new crosswalk striping, new speed humps, and a new overhead pedestrian traffic signal along 214th St. and Elaine Ave. in the City of Hawaiian Gardens.

CITY OF ALHAMBRA

Project management services for the City's FY 2020-21 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

CITY OF SIERRA MADRE

Project management services for the City's FY 2020-21 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

Project management services for the City's FY 2019-20 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

Project management services for the City's Recreation Center Parking Lot Improvements project. The project involved grind & overlay, removal of curb and gutter, removal of grass parkway, removal of existing trees, construction of new parking spaces and curb islands, construction of new sidewalk and curb ramps, replacement of driveways, and installation of new striping.

CITY OF BELLFLOWER

Construction Management services for the City's Rehabilitation of Palo Verde Avenue Project. The project involved grind and overlay, removal and replacement, curb and gutter work, ADA curb ramps, striping, and traffic signal modifications. This project also involved Caltrans coordination for funding purposes.

CITY OF CULVER CITY

Design services for the City's Washington Blvd. and Washington Pl. streetlight improvements project. The project involved new streetlights in the City's two main thoroughfares as well as some sidewalk, curb, gutter, street, and ramp work. Project involved nearly 6,000 feet of street.

CITY OF IRVINE

Assisted with engineering services for the City's Barranca Parkway Pavement Restoration Project. The project involved rehabilitation of 10,000 ft. of Barranca Parkway, including grind & overlay, new driveway ramps near the Broadcom building, re-grading of certain portions of street, striping, landscaping adjustments, and adjustment of pedestrian curb ramps.

Engineering services for the City's Culver-Alton & Culver-Main Intersection Improvements project. The project involved re-configuring of a landscaped median, re-grading of a street intersection, re-configuring of turn pocket islands, striping, landscaping adjustments, and adjustment of pedestrian curb ramps.

CITY OF MONTEBELLO

Recently provided engineering services for the City's Beach Street Pavement Rehabilitation Project. The project involves removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five separate streets in the City. The total length of the project was 5,000 feet.

CITY OF RANCHOS PALOS VERDES

Engineering services for the preparation of an Infrastructure Report Card. The Infrastructure Report Card evaluated the City's infrastructure, including the City's streets. The Report Card provided an assessment of existing street infrastructure conditions, recommendations on rehabilitation or replacement needs, a cost estimate for infrastructure improvements of one letter grade, and the costs to improve infrastructure from the current assigned grade all the way to an "A" grade. The project also involved field site visits, presentations to City staff, and a final presentation to the City Council. The City's street's received an "A" grade.

CITY OF RANCHO SANTA MARGARITA

Engineering services for the City's Melinda Road Median Extension Project. The project involves extension of an existing median in Melinda Road at Paseo Alegria near the 241 toll road. The project involves removal of concrete curbs, stamped concrete, landscaping, striping, existing asphalt pavement, and traffic signs, construction of new concrete curbs, construction of new stamped concrete, installation of new asphalt pavement, grind and overlay of asphalt for smooth "feathered" transition for drainage, installation of new project signs and posts, curb painting, and restoration of pavement striping.

Nabil Henein, P.E.
Inspector
Quality Assurance/Control

EDUCATION:
Ain Shams University,
Cairo, Egypt
B.S. Civil Engineering

REGISTRATION:
Registered Civil Engineer, California
No. 40764

OVERVIEW:

Mr. Henein has over 42 years-experience in municipal civil engineering design and construction. He has served as City Engineer or Public Works Director for several agencies throughout Southern California. Mr. Henein has overseen a wide variety of projects including water, sewer, storm drain, streets, parks, and grading.

RELATED PROJECT EXPERIENCE (CITY ENGINEER OR PUBLIC WORKS DIRECTOR)

Mr. Henein has served as City Engineer or Public Works Director for the following agencies:

- City of Buena Park
- City of Newport Beach
- City of Lynwood
- City of South El Monte
- City of Montebello

RELATED PROJECT EXPERIENCE (OTHER AGENCY EXPERIENCE)

Mr. Henein has served as Principal, Senior, or Associate Engineer for the following agencies:

- City of Montebello
- City of Sierra Madre
- City of Huntington Park

RECENT PROJECT EXPERIENCE

Mr. Henein has recently provided Inspection Services for the following projects:

CITY OF MONTEBELLO

Inspection services for the City's Beach Street Pavement Rehabilitation Project. The project involves removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five separate streets in the City. The total length of the project was 5,000 feet.

CITY OF SIERRA MADRE

Inspection services for the City's FY 2021-22 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on two separate streets in the City. The total length of the project was 5,000 feet.

CITY OF HUNTINGTON PARK

Engineering and inspection services for the City's NPDES Program. The services included analysis of the City's industrial and commercial properties, outreach to properties, inspection, reporting, and data management. The project goals were to provide data reporting for compliance with the LA County Municipal Separate Storm Sewer (MS4) Program, under oversight by the California Regional Water Quality Control Board.

**Jake Comer, E.I.T.
Engineer****EDUCATION:**
California State University,
Long Beach
B.S. Civil Engineering**REGISTRATION:**
Engineer-In-Training, CA (No. 18-460-16)
Licensed Engineer, CA (In Progress)**OVERVIEW:**

Mr. Comer serves as an engineer for various projects, including water, sewer, and storm drain projects. Mr. Comer has experience in hydrologic and hydraulic analyses, engineering design work with both AutoCAD and MicroStation, field data collection, and GIS analyses. The majority of Mr. Comer's experience has been with public agencies. Mr. Comer recently provided engineering services for several street improvement projects, including Active Transportation Program (ATP) projects.

RELATED PROJECT EXPERIENCE

Mr. Comer has been involved with the related projects described below and on the following page. These projects are only a portion of Mr. Comer's overall experience:

CITY OF HUNTINGTON PARK

Engineering services for Phase IV of the City's ATP project. The services first included Project Approval & Environmental Design (PA&ED) work in preparation for the PS&E phase. The services also included PS&E services for the completion of "complete streets" for six (6) streets, with a pedestrian focus, including bicycle sharrows, curb bulbouts, continental crosswalks, striping modifications, and signage.

Engineering services for Phase V of the City's ATP project. The services included Project Approval & Environmental Design (PA&ED) work in preparation for the solicitation of PS&E. The PA&ED phase will lay the groundwork for the completion of "complete streets" for three (3) streets, with a pedestrian focus, including HAWK signal beacons and "placemaking" islands.

CITY OF ALHAMBRA

Engineering services for the City's FY 2021-22 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

Engineering services for the City's FY 2020-21 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

CITY OF MONTEBELLO

Recently provided engineering services for the City's Beach Street Pavement Rehabilitation Project. The project involves removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five separate streets in the City. The total length of the project was 5,000 feet.

CITY OF SIERRA MADRE

Project management services for the City's FY 2020-21 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

Stephen Williams
Engineer**EDUCATION:**
Penn State University,
B.S. Business (Org. Leadership)**OVERVIEW:**

Mr. Williams provides engineering, surveying, construction inspection and drafting services for West & Associates. Prior to his experience in the water/wastewater industry, Mr. Williams had worked in the manufacturing industry for about 10 years, wherein he supervised a team. His skills with the finer details add to the precision of work for the project team. Mr. Comer recently provided engineering services for several street improvement projects, including Active Transportation Program (ATP) projects.

PROJECT EXPERIENCE

Mr. Williams has been involved with the related projects described below:

CITY OF HUNTINGTON PARK

Engineering services for Phase IV of the City's ATP project. The services first included Project Approval & Environmental Design (PA&ED) work in preparation for the PS&E phase. The services also included PS&E services for the completion of "complete streets" for six (6) streets, with a pedestrian focus, including bicycle sharrows, curb bulbouts, continental crosswalks, striping modifications, and signage.

Engineering services for Phase V of the City's ATP project. The services included Project Approval & Environmental Design (PA&ED) work in preparation for the solicitation of PS&E. The PA&ED phase will lay the groundwork for the completion of "complete streets" for three (3) streets, with a pedestrian focus, including HAWK signal beacons and "placemaking" islands.

CITY OF ALHAMBRA

Engineering services for the City's FY 2021-22 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

Engineering services for the City's FY 2020-21 Street Rehabilitation Project. The project involved pavement removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five streets in the City.

CITY OF MONTEBELLO

Recently provided engineering services for the City's Beach Street Pavement Rehabilitation Project. The project involves removal and replacement, grind and overlay, slurry seal, removal of trees, curb and gutter replacement, sidewalk replacement, sidewalk repair, driveway replacement, curb ramp replacement, restoration of pavement striping, and manhole adjustment on five separate streets in the City. The total length of the project was 5,000 feet.

CITY OF RANCHO SANTA MARGARITA

Engineering services for the City's Melinda Road Median Extension Project. The project involves extension of an existing median in Melinda Road at Paseo Alegria near the 241-toll road. The project involves removal of concrete curbs, stamped concrete, landscaping, striping, existing asphalt pavement, and traffic signs, construction of new concrete curbs, construction of new stamped concrete, installation of new asphalt pavement, grind and overlay of asphalt for smooth "feathered" transition for drainage, installation of new project signs and posts, curb painting, and restoration of pavement striping.

**Wonchul Lee, EIT
Engineer****EDUCATION:**
California State Polytechnic
University, Pomona
B.S. Civil Engineering, 2017**REGISTRATION:**
Engineer in Training (EIT), Civil**OVERVIEW:**

Mr. Lee has over 5 years-experience in land development and public works engineering. He has served as Project Engineer for several agencies throughout Southern California. Mr. Lee has experience with a wide variety of projects including water, sewer, storm drain, streets, parks, and grading.

RECENT PROJECT EXPERIENCE

Mr. Lee has recently provided Engineering Services for the following projects:

CITY OF ALHAMBRA

Currently providing engineering services for the City's 2022 Alley Reconstruction Plan Project. The project involved full-depth asphalt removal and replacement with concrete alleys at five (5) separate areas in the City. Currently, the project is in Phase 1/Area A of the overall project.

CITY OF CHINO

Engineering services for the Schaefer Avenue Sewer Main Replacement project. The project involved replacing approximately 3,000 feet of 10-inch sewer main with 15-inch. The project also included coordination with the Inland Empire Utilities Agency (IEUA) for connection to a 33-inch trunk sewer. The project also included a sewer study which evaluated design alternatives and calculated sewer flows and capacity of the existing and new main.

CITY OF HUNTINGTON PARK

Engineering services for Phase IV of the City's ATP project. The services first included Project Approval & Environmental Design (PA&ED) work in preparation for the PS&E phase. The services also included PS&E services for the completion of "complete streets" for six (6) streets, with a pedestrian focus, including bicycle sharrows, curb bulbouts, continental crosswalks, striping modifications, and signage.

Engineering services for Phase V of the City's ATP project. The services included Project Approval & Environmental Design (PA&ED) work in preparation for the solicitation of PS&E. The PA&ED phase will lay the groundwork for the completion of "complete streets" for three (3) streets, with a pedestrian focus, including HAWK signal beacons and "placemaking" islands.

PAST RELATED PROJECT EXPERIENCE

In Mr. Lee's past experience for other firms, he has provided engineering services for various projects for the following agencies:

- City of Los Angeles
- City of Santa Monica
- City of Long Beach
- LA County of Public Works
- City of Santa Monica
- City of South Gate
- Pershing Square Renovation
- Ambrose Apartments – Affordable Housing Units

Opty Fernandez, P.E.
Electrical Engineer**EDUCATION:**
California State University,
Long Beach
B.S. Electrical Engineering**REGISTRATION:**
Registered Electrical Engineer,
California
No. 12496**OVERVIEW**

Mr. Fernandez has known Mr. West for over 10 years and provides Electrical Engineering for a portion of West & Associates' projects as an extension of West & Associates' staff. Mr. Fernandez has over 37 years of diverse experience in all facets of electrical engineering, including low and medium voltage power distribution, process instrumentation and controls, power quality studies, and value engineering. He has **vast experience with electrical design for public agencies.**

PROJECT EXPERIENCE

Mr. Fernandez has been involved with the projects described below:

CITY OF LYNNWOOD

The project consists rehabilitation of five well pump stations, rehabilitation of a booster pump station and the upgrade of the electrical service equipment of the public works yard. The rehabilitation involves the removal of pressure tanks, addition of sand separators, the addition of emergency generators and replacement of the motor control center and RTUs, the improvement of the delivery method and increase efficiency thereby saving the City thousands of dollars per year in energy cost.

The project is the equipping of a new municipal-supply water well for the City of Lynwood. The proposed new well is estimated to be at a depth of 1,100 ft. and pump at a rate of 2,000 gpm. The well pump motor is 250 horsepower driven by a variable frequency drive and backed by a 350-kW emergency diesel generator. The generator is housed in a CMU building.

CITY OF COMPTON

The project consists of the addition of a natural gas engine motor to work in conjunction with an electric motor for a groundwater well pump station. The project included the interlocking of the existing electrical control systems with a Murphy Controller for the engine motor. The new control system and the existing chlorination equipment were interfaced with the City's existing SCADA system.

WALNUT PARK WATER DISTRICT WELL PUMP #12

The project entails the installation of a new 4,000 gpm (450hp) well pump. The design includes upgrading the existing MCC and integration of the controls with the existing control panel. A load shedding and interlocking control scheme was developed in order to utilize the existing standby generator which is not originally designed sized for the new load.

WALNUT PARK WATER DISTRICT BOOSTER PUMP STATION REPLACEMENT

Project Status: Operating since 03/04. The project encompasses the replacement of a closed system booster pump station and associated equipment which includes the replacement of existing electrical service equipment, pumps and motors, motor control center and provisions for a future 1500 gpm well. In addition, a new PLC based control system and instruments were provided to control the new booster station, the existing two (2) 125 hp well pumps and the existing administration building. Furthermore, the existing 400 kW diesel generator and automatic transfer switch were salvaged and integrated with the new electrical system as well as feed to the existing well pumps and chlorination facility.

IRVINE RANCH WATER DISTRICT, SHADY CANYON PUMP STATION AND RESERVOIR

The Shady Canyon domestic water reservoir is a 24-foot high 0.75 million-gallon rectangular tank with two separate compartments. Each compartment is equipped with a separate intake and discharge line but with a single main intake and discharge line. Each intake and discharge line to the compartments is equipped with motor operated valve that are controlled by a PLC. The PLC is tied to IRWD's existing SCADA system.

**Will Rolph, P.E., P.L.S., QSD/P
Surveyor****EDUCATION:**
California State University,
Long Beach
B.S. Civil Engineering**REGISTRATION:**Licensed Civil Engineer, CA. No. 76698
Licensed Surveyor, CA 9381
Qualified SWPPP Developer (QSD)
Qualified SWPPP Practitioner (QSP)
Certificate No. 00812**OVERVIEW:**

Mr. Rolph has over fifteen (15) years of engineering and land surveying experience. Mr. Rolph assists Mr. West with a portion of West & Associates' projects. As a surveyor, Mr. Rolph's primary focus is large residential and commercial developments, but he also has experience working with local municipalities. Mr. Rolph's engineering background involves a strong component of water and sewer utility design.

PROJECT EXPERIENCE

Mr. Rolph has worked with Mr. West on the following projects described below. These projects represent just a small portion of Mr. Rolph's experience:

CITY OF ALHAMBRA

Land surveying & mapping services for the Winchester Avenue and Winthrop Drive Water Main Replacement project. The project involved replacing distribution mains and a transmission main along with new service laterals, hydrants, air-vacs and blow-offs, connections to existing mains, and abandonment of existing facilities. The total length of the project was approximately 10,000 feet. Finally, the project also involved street rehabilitation.

Land surveying & mapping services for the Chapel Avenue Sewer Main Replacement project. The project involved replacing an existing 8-inch sewer main with a 12-inch sewer main, including manhole rehabilitation, connections to existing sewer service laterals, and street rehabilitation. The work also included a Preliminary Design Report (PDR) which evaluated design alternatives and calculated sewer flows and capacity of the existing and new main. Finally, the project also involved street rehabilitation.

CITY OF CHINO

Oversight of surveying & mapping services for the Baker Avenue Water Main Replacement project. The project involved replacing a distribution main along with new service laterals, hydrants, air-vacs and blow-offs, connections to existing mains, and abandonment of existing facilities. The total length of the project was approximately 700 feet.

CITY OF CHINO HILLS

Oversight of surveying & mapping services for the Maroon Bell – Winchester Water Main Replacement project. The project involved replacing distribution mains along with new service laterals, hydrants, air-vacs and blow-offs, connections to existing mains, and abandonment of existing facilities. The project also involved street rehabilitation. The total length of the project was approximately 3,500 feet.

CITY OF RANCHO SANTA MARGARITA

Oversight of surveying & mapping services for the City's Melinda Road Median Extension Project. The project involved the extension of an existing curbed median in Melinda Road north of the 241-toll road.

CITY OF SIERRA MADRE

Oversight of surveying & mapping services for the City's FY 2019-20 Street Improvements Project. The project involved the rehabilitation of over 10,000 feet of City streets, including full-depth replacement, grind and overlay, slurry seal, replacement of curb, gutter, sidewalk, and curb ramps.

SECTION 6: QUALITY ASSURANCE/QUALITY CONTROL

Quality Assurance/Control of Procedures

The following are quality control methods that we plan on implementing for this project:

Direct Project Management

The project manager, Mr. Phillip West, will be directly involved on this project. Instead of periodic reviews and dictations to engineering staff, he will work alongside engineering staff to ensure the work is done properly. All staff members have access to the same files and can edit as the needs arise without things being “lost-in-translation”. This drastically reduces errors during the work process.

Communication Plan

We will strive to address all issues the first time, so that the issues do not have to be re-addressed down the road, thus saving time and money. To accomplish this, we will apply the following procedures:

- Coordinate with the City to schedule meetings at such a day/time which allows the maximum number of City staff to attend the meeting (in order to provide better input for the City).
- Maintain regular communication via telephone and email. Important information will be made in writing via email in order to be accessible by all parties throughout the duration of the project
- Strive for a high level of responsiveness and timeliness with all email and telephone communication. Typically, we respond to all phone calls or emails within a few hours or less. This reduces re-work if communication corrects a design issue that would have otherwise been resolved improperly.

Permitting Plan

This project will require outreach and coordination with outside agencies (Caltrans, County of Los Angeles, City of Los Angeles, etc.). Outreach with utility companies (SCE, AT&T, etc.) will also be required. To avoid any project delays related to outside agency coordination, we intend to coordinate with these agencies as follows:

- Shortly after project kickoff, we will conduct “preliminary” coordination with these agencies in order to establish a contact individual and inform them of the technical details of the project. The “preliminary” communication will continue up to the 2nd (65%) design submittal. The initial

SECTION 6: QUALITY ASSURANCE/QUALITY CONTROL

feedback from the agency will be provided to the City so that the City can assess the impact of the agency's requirements during the City's review of the 65% Plans. This will allow the City to review the 65% plans more effectively.

- The intent is to **"lock-in"** the design such that after the City provides comments to the 65% Plans, the design is "locked-in" (as far as any design items that concern the permitting agency). Significant changes in design requested by the City after a submittal has been made to the permitting agency can delay the permitting process if the changes concern the permitting agency.

Since the City will have "locked-in" the design at the 65% level, we will coordinate with the agency contact individual until approval by the agency. The City can still request changes to the Plans at 95% and 100% design levels, but **it is our goal to reduce the number and intensity of revisions** in order to avoid any delays in permitting/approval.

Quality Assurance/Control of Products

All work will go through a QA/QC process before submittal to the client. We strive to have all projects reviewed by an experienced individual not directly involved in the project, although general familiarity with the project and the client is desirable. During the QA/QC process, Adobe PDF software is utilized to review documents as opposed to printing hard copies. This is not done to be "green", but rather to **save time and to keep records of our quality control**. This is also important if any quarantines persist during this project. The review of the construction documents shall focus on three key areas including: 1) quality of drafting, 2) quality of design, and 3) constructability.

SECTION 7: REFERENCES

References

The following are key references for this proposal:



CITY OF HUNTINGTON PARK
6550 Miles Avenue, Huntington Park CA 90255
Cesar Roldan, Director of Public Works (323) 584-6320
croldan@hpca.gov



CITY OF ALHAMBRA
900 New Avenue, Alhambra, CA 91801
Thomas Amare, Engineer (626) 300-1562
tamare@cityofalhambra.org
Robert Bias, Engineer (626) 570-5062
rbias@cityofalhambra.org



CITY OF SIERRA MADRE
232 W. Sierra Madre Blvd. Sierra Madre CA 91024
Chris Cimino, Director of Public Works (626) 355-7135
ccimino@cityofsierramadre.com



CITY OF RANCHO SANTA MARGARITA
22112 El Paseo, Rancho Santa Margarita CA 92688
Tri Nguyen, Principal Engineer 949-635-1813
tnguyen@cityofrsm.org



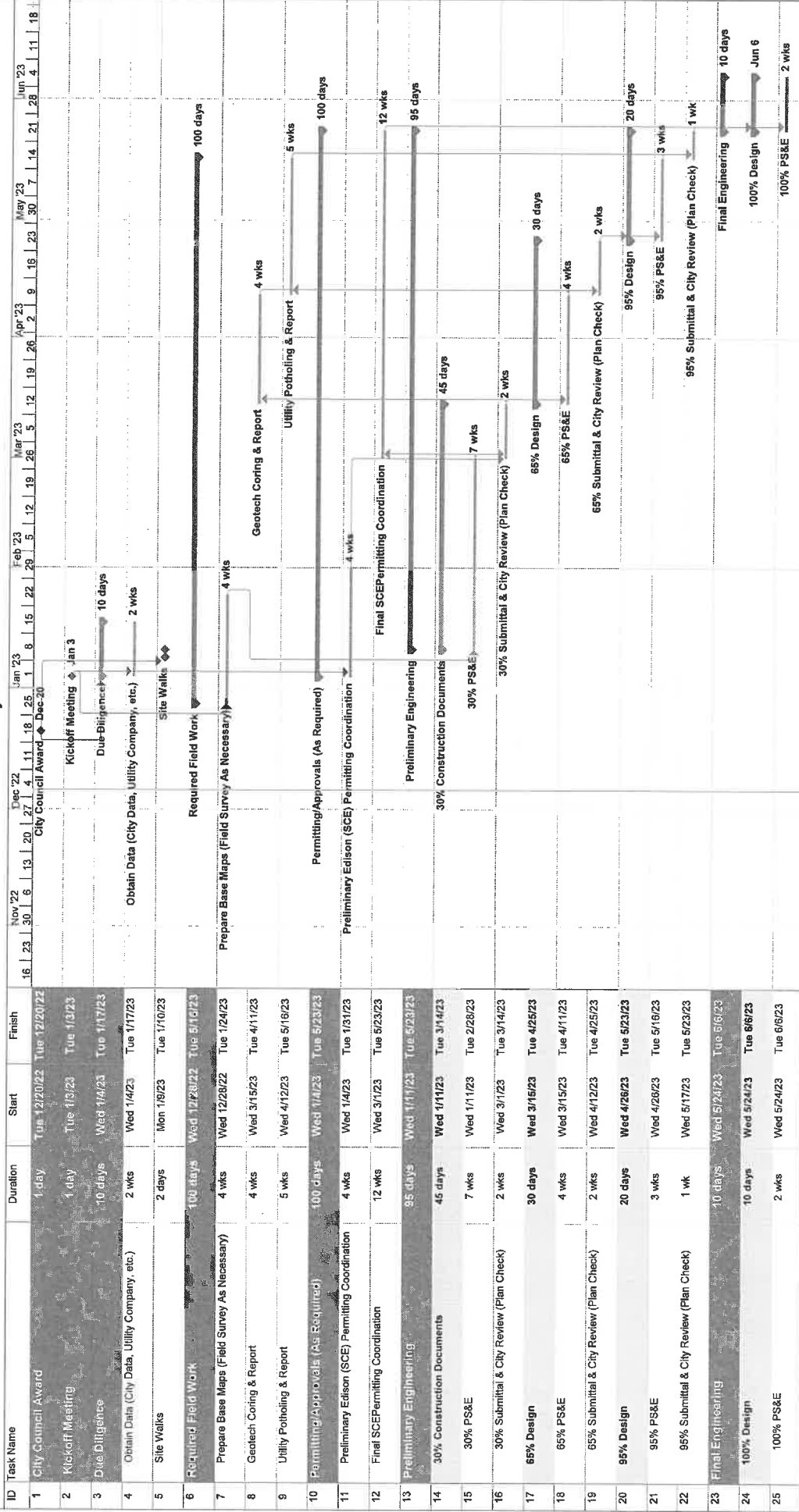
CITY OF MONTEBELLO
1600 W Beverly Blvd. Montebello, CA 90640
Albert Mendoza, Deputy Director of Public Works (323) 887-1200
amendoza@cityofmontebello.com

SECTION 8: SCHEDULE

Project Schedule

We have included our project schedule on the following page in MS Project format. The schedule is based on a start date (Kickoff Meeting) of January 3, 2023 in accordance with the Notice to Proceed date as shown in the RFP (Attachment 1 – “Important Dates”). The schedule shows submittal of 100% FINAL PS&E to the City by June 6, 2023, which is about two (2) weeks prior to the completion date shown in the RFP.

**City of Huntington Park
Professional Plans, Specifications, and Estimate (PS&E)
CIP 2019-14 ATP Cycle V**



SECTION 10: COMPLIANCE WITH RFP AND CONTRACT AGREEMENT

Statement(s)

At this time, we have no objections to the terms or conditions of the RFP or to the City's standard agreement for professional services. Our insurance coverage meets or exceeds the minimum insurance requirements outlined in the City's agreement for professional services. A sample copy of our insurance certificate is shown below.

ACORD®		CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY)			
				9/29/2022			
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.							
IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).							
PRODUCER		CONTACT		FAX			
IOA Insurance Services		Name: Betty Tran		949-297-5962			
130 Vantis, Suite 250		Phone (A.C. No. Ext.): 949-297-5962		(A.C. No.): 949-297-5960			
Aliso Viejo, CA 92656		E-MAIL					
		ADDRESS: betty.tran@ioausa.com					
www.ioausa.com		INSURER(S) AFFORDING COVERAGE		NAIC #			
CA License #0E67768		INSURER A: RLI Insurance Company		13056			
INSURED		INSURER B: Travelers Casualty and Surety Co America		31194			
West & Associates Engineering, Inc.		INSURER C:					
78 Anacapa Court		INSURER D:					
Foothill Ranch CA 92610-2436		INSURER E:					
		INSURER F:					
COVERAGES		CERTIFICATE NUMBER: 70561026		REVISION NUMBER:			
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR	TYPE OF INSURANCE	ADDITIONAL	SUBROGATION	POLICY NUMBER	POLICY EFF	POLICY EXP	LIMITS
1	TH	INSUR	WVD		(MM/DD/YYYY)	(MM/DD/YYYY)	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Prim/NonCon <input checked="" type="checkbox"/> Wvr of Subr GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PCT <input type="checkbox"/> JECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PSB0006154 Scheduled Al Endt #PPB3130212 Professional Services performed by the insured are Excluded	9/19/2022	9/19/2023	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED <input type="checkbox"/> AUTOS ONLY <input checked="" type="checkbox"/> HIRED <input type="checkbox"/> AUTOS ONLY <input checked="" type="checkbox"/> Prim/Non <input checked="" type="checkbox"/> Wvr of Subr <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PSA0003094 Designated Insured Endt #CA20481013; Prim/NonCon and Blkt Wvr of Subr included on pg 2 of Form #PPA3000313	9/19/2022	9/19/2023	COMBINED SINGLE LIMIT (Per occurrence) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/> CLAIMS-MADE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PSE0002695 Excludes Professional Liability	9/19/2022	9/19/2023	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	PSW0004148 Waiver of Subrogation Endt: #WC0403060484	9/19/2022	9/19/2023	<input checked="" type="checkbox"/> PER <input type="checkbox"/> OTH <input type="checkbox"/> STATUTE <input type="checkbox"/> ER EL EACH ACCIDENT \$1,000,000 EL DISEASE - EA EMPLOYEE \$1,000,000 EL DISEASE - POLICY LIMIT \$1,000,000
B	<input checked="" type="checkbox"/> Professional Liability <input checked="" type="checkbox"/> Claims-Made			106587562	9/19/2022	9/19/2023	\$2,000,000 Each Claim \$2,000,000 Annual Aggregate
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)							
Certificate Holder is an Additional Insured with respect to General Liability (GL) and Automobile Liability when required by contract with the insured, but only to the extent provided within the Endorsements noted above. GL includes Separation of Insureds and Contractual Liability per limitations in the BusinessOwners' Coverage form. A Workers' Compensation Waiver is included for the person or organization named in the Schedule that are parties to a written contract, but only to the extent provided within the Endorsement noted above. Coverage is subject to all policy terms, conditions, limitations and exclusions. 30 Day Notice of Cancellation / 10 Days for Non-Payment in accordance with policy provisions.							
CERTIFICATE HOLDER				CANCELLATION			
Engineering Services for Sewer Main Replacement, Schaefer Ave & Yorba Ave (SW211) City of Chino, its officials, officers and employees 13220 Central Avenue Chino CA 91710				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.			
				AUTHORIZED REPRESENTATIVE			
				(AVC) Alicia K. Igram 			

ACORD 25 (2016/03)

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WEST&ASSOCIATES
ENGINEERING, INC.

FEE PROPOSAL

Detailed Fee Estimate (Attachment 1 of RFP)

TASKS	ITEM	TOTAL
1	Two (2) Kickoff Scoping Meetings	\$2,248
2	Six (6) Review Meetings with City	\$3,648
3	Prepare & Submit 30% Design PS&E: Data Collection, Review and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Company Coordination: Due March 16, 2023	\$33,546
4	Prepare & Submit 65% Design PS&E: Data Collection, Review and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Company Coordination: Due April 17, 2023	\$43,306
5	Prepare & Submit 95% Design PS&E: Data Collection, Review and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Company Coordination: Due May 18, 2023	\$43,306
6	Prepare & Submit 100% Design PS&E: Data Collection, Review, and Site Investigations, Prepare AutoCAD Base Maps and Field Topo Survey & Prepare Map, Utility Company Coordination: Due June 19, 2023	\$26,966
7	Geotechnical Investigation (Pavement Coring)	\$11,000
8	Geotechnical Report	\$2,000
9	Third party laboratory testing (Caltrans certified)	\$2,000
10	Answer Bidding RFIs/RFCs	\$1,120
11	Attend Pre-Construction Meeting	\$840
12	Answer Construction RFIs/RFCs	\$1,640
13	Review Construction Submittals/Shop Drawings	\$3,720
14	As-Builts/Record Drawings	\$4,160
TOTAL DETAILED FEE SCHEDULE		\$179,500

Total Non-Optional RFP Scope: \$179,500

Detailed Fee Breakdown Provided on Following Page.

FEE PROPOSAL

Detailed Fee Estimate (Consultant)

Task No.	ITEM	PM \$150	ENG \$130	CAD \$102	SRVY \$240	QA/QC \$130	SEC \$72	TOTAL HRS. \$	
NON-OPTIONAL WORK LISTED IN RFP									
Pt. 1 - PRELIMINARY ENGINEERING									
1	Kickoff/Scoping Meeting Including Preparation of Agenda & Minutes	4	4				2	10	\$1,264
2	Data Collection, Review, and Site Investigation(s)	4	8	4				16	\$2,048
3	Prepare AutoCAD Base Maps for Streets Not Requiring Survey	6	12	40				58	\$6,540
4	Field Survey & Prepare Map (AutoCAD) for Select Streets/Segments	6	8	40	100			154	\$30,020
5	Utility Company Coordination	8	16				8	32	\$3,856
6	2nd "Kickoff"/Scoping Meeting with City (1)	3	3				2	8	\$984
Subtotal		31	51	84	100	0	12	278	\$44,712
Pt. 2 - FINAL ENGINEERING									
1	Prepare & Submit 30% Design PS&E	14	40	50		10	8	122	\$14,276
2	Prepare & Submit 65% Design PS&E	24	80	80		10	8	202	\$24,036
3	Prepare & Submit 95% Design PS&E	24	80	80		10	8	202	\$24,036
4	Prepare & Submit 100% (FINAL) Design PS&E	14	12	24		10	4	64	\$7,696
5	Review Meetings with City (6)	12	12				4	28	\$3,648
Subtotal		88	224	234	0	40	32	618	\$73,692
Pt. 3 - PERMITTING & REGULATIONS									
1	Preliminary SCE Coordination	4	12				4	20	\$2,448
2	SCE Coordination	10	50				8	68	\$8,576
Subtotal		14	62	0	0	0	12	88	\$11,024
Pt. 4 - BIDDING AND CONSTRUCTION SUPPORT									
1	Review/Respond to RFIs, RFCs During Bidding (Estimate of 8 RFIs)	4	4					8	\$1,120
2	Attend Pre-Construction Meeting	3	3					6	\$840
3	Review/Respond to RFIs, RFCs During Const. (Estimate of 10 RFIs)	4	8					12	\$1,640
4	Review Contractor's Submittals (Estimate 20 Submittals)	4	24					28	\$3,720
5	As-Builts/Record Drawings	8	8	16			4	36	\$4,160
Subtotal		23	47	16	0	0	4	90	\$11,480
Direct Costs (printing, reproduction, shipping, mileage, etc.)								N/A	\$1,592
TOTAL NON-OPTIONAL WORK		156	384	334	100	40	60	1,074	\$142,500

Non-Optional RFP Scope: \$142,500

SUBCONSULTANT WORK									
1	Geotechnical Investigation (Pavement Coring). Estimate of 10 Corings.							N/A	\$15,000
2	Utility Potholing. Estimate of 15 Potholes							N/A	\$22,000
Subtotal		0	0	0	0	0	0	0	\$37,000
TOTAL FOR SUBCONSULTANT WORK		0	0	0	0	0	0	0	\$37,000

Subconsultant Work: \$37,000

TOTAL FEE FOR NON-OPTIONAL SERVICES: \$179,500

FEE PROPOSAL

HOURLY RATE CHART AND EXPENSE REIMBURSEMENT SCHEDULE

Key Positions

Position	Hourly Rates
Project Manager	\$150
Engineer	\$130
CAD Designer (Assistant Engineer Level)	\$102
2-Man Survey Crew	\$240
Quality Assurance/Control	\$130
Secretary	\$72

Subconsultants

Position	Typical Rates
Geotechnical/Pavement Corings (Per Coring) Including Laboratory Analysis	\$1,400*
Utility Potholing	\$1,200*

*Subconsultant Activity. Price may vary depending on number of potholes/borings.

Reimbursable In-House Costs

Vehicle mileage, between engineer's office and project site and/or client offices	\$ 0.58/mile
Reproduction, printing, and any other services performed by subcontractor	cost + 15%
Postage Delivery Service, Express Mail	cost + 15%

NOTE: All rates are effective until the end of this contract.

ITEM 14



CITY OF HUNTINGTON PARK

Finance Department
City Council Agenda Report

December 20, 2022

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

**CONSIDERATION AND APPROVAL OF A RESOLUTION APPROVING
AMENDMENT TO THE CITY OF HUNTINGTON PARK MASTER FEE SCHEDULE
ADOPTING FEES ASSOCIATED WITH PROCESSING CARRY CONCEALED
WEAPON (CCW) PERMITS**

IT IS RECOMMENDED THAT CITY COUNCIL:

1. Conduct a public hearing and received testimony from the public.
2. Adopt a Resolution adopting fee amounts associated with processing Carry Concealed Weapon (CCW) Permits, as required by State law.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On June 23, 2022, the United States Supreme Court issued its decision in *New York State Rifle & Pistol Association v. Bruen*, wherein the Court concluded that the State of New York's requirement that "proper cause" be demonstrated in order to obtain a permit to carry a concealed weapon (CCW) in most public places, violates the Second and Fourteenth Amendments.

In response to the Supreme Court's decision, on June 24, 2022, the California Department of Justice, Office of the Attorney General issued Legal Alert no. OAG-2022-02, declaring California's "good cause" standard to secure a CCW permit similarly unconstitutional to the "proper cause" New York standard. Accordingly, the Attorney General removed the "good cause" standard from the requirements to secure a CCW permit in California.

Historically, the Los Angeles County Sheriff's Department (LASD) has processed CCW permits on behalf of the Huntington Park Police Department (HPPD). However, in response to the Attorney General's action, the Los Angeles County Sheriff's Department (LASD) issued a letter on July 7, 2022, indicating that effective August 1, 2022, in anticipation of a significant increase in the submission of CCW permit applications by

CONSIDERATION AND APPROVAL OF A RESOLUTION APPROVING AMENDMENT TO THE CITY OF HUNTINGTON PARK MASTER FEE SCHEDULE ADOPTING FEES ASSOCIATED WITH PROCESSING CARRY CONCEALED WEAPON (CCW) PERMITS

December 20, 2022

Page 2 of 2

residents of Los Angeles County, LASD will no longer process CCW permits on behalf of non-LASD contract cities, to include HPPD.

Therefore, the responsibility to process and issue CCW permits on behalf of Huntington Park residents now rests entirely on the City's Chief of Police; Penal Code 26155.

FISCAL IMPACT/FINANCING

There is no fiscal impact associated with this item. The fees associated with processing and issuing CCW permits are codified by law; Penal Code section 26190.

With the approval of this item, the following fees will be adopted to the City's Master Fee Schedule;

- DOJ Fees:
 - Initial Application \$93
 - Renewal \$52
- Processing Fee:
 - Initial Application \$100
 - Renewal \$25
 - Amendments \$10
- Psychological Exam (optional) \$150

CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,

RICARDO REYES
City Manager



COSME LOZANO
Chief of Police

ATTACHMENT(S)

- A. Office of the Attorney General Legal Alert No. OAF-2022-02
- B. Los Angeles County Sheriff's Department July 2, 2022 Letter
- C. Penal Code 26155 (reference)

**CONSIDERATION AND APPROVAL OF A RESOLUTION APPROVING
AMENDMENT TO THE CITY OF HUNTINGTON PARK MASTER FEE SCHEDULE
ADOPTING FEES ASSOCIATED WITH PROCESSING CARRY CONCEALED
WEAPON (CCW) PERMITS**

December 20, 2022

Page 2 of 2

- D. Penal Code 26190 (reference)
- E. Resolution

ATTACHMENT "A"

California Department of Justice

OFFICE OF
THE ATTORNEY GENERAL



Legal Alert

Subject:

U.S. Supreme Court's Decision in *New York State Rifle & Pistol Association v. Bruen*, No. 20-843

No.

OAG-2022-02

Date:

June 24, 2022

Contact for information:

CCWinfo@doj.ca.gov

TO: All California District Attorneys, Police Chiefs, Sheriffs, County Counsels, and City Attorneys

On June 23, 2022, the United States Supreme Court issued its decision in *New York State Rifle & Pistol Association v. Bruen*, No. 20-843 (*Bruen*).¹ In that case, the Court concluded that the State of New York's requirement that "proper cause" be demonstrated in order to obtain a permit to carry a concealed weapon in most public places violates the Second and Fourteenth Amendments. Although *Bruen* concerns a New York law, the *Bruen* majority specifically identifies California as one of six States that has an analogue to New York's "proper cause" standard. *Bruen*, slip op. 5-6. Accordingly, it is the Attorney General's view that the Court's decision renders California's "good cause" standard to secure a permit to carry a concealed weapon in most public places unconstitutional. Permitting agencies may no longer require a demonstration of "good cause" in order to obtain a concealed carry permit. However, local officials can and should continue to apply and enforce all other aspects of California law with respect to issuing public-carry licenses. In particular, the requirement that a public-carry license applicant provide proof of "good moral character" remains constitutional. Law enforcement agencies that issue licenses to carry firearms in public should consult with their own counsel, carefully review the decision in *Bruen*, take the following guidance into account, and continue protecting public safety while complying with state law and the federal Constitution.

California law authorizes local law enforcement officials—sheriffs and chiefs of police—to issue licenses allowing license holders to "carry concealed a pistol, revolver, or other firearm capable of being concealed upon the person." Cal. Pen. Code §§ 26150, 26155. In counties where the population is less than 200,000, local officials are also authorized to issue licenses permitting open carry in only that jurisdiction. *Id.* §§ 26150(b)(2); 26155(b)(2). These licenses, whether for concealed carry or open carry, exempt the holder from many generally applicable restrictions on the carrying of firearms in public. Local officials are only authorized to issue such licenses, however, upon proof that (1) "the applicant is of good moral character," (2) "[g]ood cause exists for issuance of the license," (3) the applicant is a resident of the relevant county or city (or has their principal place of business or employment in that county or city), and (4) the applicant has completed a course of training. *Id.* §§ 26150(a), 26155(a).

Although California law was not directly at issue in the *Bruen* decision, the decision makes clear that "good cause" requirements such as those in California Penal Code sections 26150(a)(2) and 26155(a)(2) are inconsistent with the Second and Fourteenth Amendments. Under the Supremacy

¹ The decision is available at https://www.supremecourt.gov/opinions/21pdf/20-843_7j80.pdf.

Clause of the United States Constitution, state and local officials must comply with clearly established federal law.

In accordance with *Bruen*, the Attorney General now considers the “good cause” requirements set forth in California Penal Code sections 26150(a)(2) and 26155(a)(2) to be unconstitutional and unenforceable. The immediate implications for law enforcement agencies that issue public-carry licenses (“issuing authorities”) are as follows:

First, effective immediately, issuing authorities should no longer require proof of good cause for the issuance of a public-carry license. Issuing authorities may still inquire into an applicant’s reasons for desiring a license to the extent those reasons are relevant to other lawful considerations, but denial of a license for lack of “good cause” now violates the Second and Fourteenth Amendments under the Supreme Court’s decision in *Bruen*.

Second, issuing authorities should continue to apply and enforce all other aspects of California law with respect to public-carry licenses and the carrying of firearms in public. Issuing authorities are still required to take an applicant’s fingerprints and to wait for the results of the background check that is run by the California Department of Justice (DOJ). Licenses “shall not be issued if the [DOJ] determines that the person is prohibited by state or federal law from possessing, receiving, owning, or purchasing a firearm.” Cal. Pen. Code § 26195(a). Moreover, because the Court’s decision in *Bruen* does not affect the other statutory requirements governing public-carry licenses, issuing authorities must still require proof that (1) “the applicant is of good moral character,” (2) the applicant is a resident of the relevant county or city (or has their principal place of business or employment in that county or city), and (3) the applicant has completed a course of training. *Id.* §§ 26150(a), 26155(a). Issuing authorities may also still require psychological testing. *Id.* § 26190(f).

Bruen recognizes that States may ensure that those carrying firearms in their jurisdiction are “law-abiding, responsible citizens.” *Bruen*, slip op. p. 30 n.9; see also *id.* slip op. p. 2 (Kavanaugh, J., concurring) (States may “require a license applicant to undergo a background check, a mental health records check, and training in firearms handling and in laws regarding the use of force, among other possible requirements”). Accordingly, in assessing whether an applicant has established “good moral character,” issuing authorities should recognize that *Bruen* does not eliminate the duty or authority of local officials to protect the communities that they know best by ensuring that licenses are only issued to individuals who—by virtue of their character and temperament—can be trusted to abide by the law and otherwise ensure the safety of themselves and others. The investigation into whether an applicant satisfies the “good moral character” requirement should go beyond the determination of whether any “firearms prohibiting categories” apply, such as a mental health prohibition or prior felony conviction. Those categories, which may be found to apply during the DOJ-conducted background check (including the many categories pertaining to an applicant’s criminal history), simply determine whether the applicant is even eligible to own or possess firearms under state and federal law. When it comes to evaluating an applicant’s moral character, however, the issue is not whether the applicant meets the minimum qualifications to own or possess firearms under other statutory criteria. “Good moral character” is a distinct question that requires an independent determination.

Existing public-carry policies of local law enforcement agencies across the state provide helpful examples of how to apply the “good moral character” requirement. The Sacramento County Sheriff’s Office, for example, currently identifies several potential reasons why a public-carry license may be denied (or revoked), which include “[a]ny arrest in the last 5 years, regardless of the disposition” or

"[a]ny conviction in the last 7 years."² It is reasonable to consider such factors in evaluating an applicant's proof of the requisite moral character to safely carry firearms in public. See, e.g., *Bruen*, slip op. p. 63 (referencing "law-abiding citizens"). Other jurisdictions list the personal characteristics one reasonably expects of candidates for a public-carry license who do not pose a danger to themselves or others. The Riverside County Sheriff's Department's policy, for example, currently provides as follows: "Legal judgments of good moral character can include consideration of honesty, trustworthiness, diligence, reliability, respect for the law, integrity, candor, discretion, observance of fiduciary duty, respect for the rights of others, absence of hatred and racism, fiscal stability, profession-specific criteria such as pledging to honor the constitution and uphold the law, and the absence of criminal conviction."³

As a starting point for purposes of investigating an applicant's moral character, many issuing authorities require personal references and/or reference letters. Investigators may personally interview applicants and use the opportunity to gain further insight into the applicant's character. And they may search publicly-available information, including social media accounts, in assessing the applicant's character. Finally, we note that it remains reasonable—and constitutional—to ask applicants why they are interested in carrying their firearms in public. Although applicants do not need to demonstrate good cause for the issuance of a license, an applicant's reasons for seeking a license may alert authorities to a need for psychological testing, be considered as part of the "good moral character" requirement, or provide information relevant to other statutory requirements.

² Sacramento County Sheriff's Office, *CCW Application/Permit Denials/Revocations*, <<https://www.sacsheriff.com/documents/ccw/REVO-DENIAL-REASONS.pdf>> [last visited June 23, 2022].)

³ Riverside County Sheriff's Department, *Riverside County Sheriff's Department Standards Manual (DSM)*, <<https://www.riversidesheriff.org/DocumentCenter/View/6791/Department-Standards-Manual-5222>> [last visited June 23, 2022].

ATTACHMENT "B"



OFFICE OF THE SHERIFF

COUNTY OF LOS ANGELES

HALL OF JUSTICE

ALEX VILLANUEVA, SHERIFF



July 7, 2022

Gene Harris, President
Los Angeles County Police Chiefs' Association
Chief of Police, San Gabriel Police Department
625 South Del Mar Avenue
San Gabriel, California 91776

Dear Chief Harris:

**NEW YORK STATE RIFLE & PISTOL ASSOCIATION, INC., ET AL. v. BRUEN,
SUPERINTENDENT OF NEW YORK STATE POLICE, ET AL.**

On April 14, 2021, the Los Angeles County Sheriff's Department (LASD) allowed residents of Los Angeles County to submit their Conceal Carry Weapon (CCW) application directly to LASD Headquarters or any Sheriff's Station without first requiring them to apply with the chief of police of their city of residence and the receipt of a denial letter.

On June 23, 2022, the Supreme Court of the United States (SCOTUS) ruled in the above-titled matter that "New York's proper-cause requirement violates the Fourteenth Amendment in that it prevents law-abiding citizens with ordinary self-defense needs from exercising their right to keep and bear arms." California similarly requires CCW applicants to show "good cause," and this decision likely renders it unconstitutional. Consequently, the LASD expects a significant increase in the submission of CCW applications by Los Angeles County (County) residents.

Although the LASD can process CCW applications, as currently staffed, there will be significant delays because we do not have sufficient personnel required for the anticipated surge. As such, any unnecessary delays would violate the SCOTUS decision, thus violating the rights of the citizens of Los Angeles County and opening the LASD and other law enforcement agencies to otherwise avoidable litigation.

211 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

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JUL 11 2022

SAN GABRIEL PD
ADMINISTRATION

Therefore, to comply with the SCOTUS decision in good faith, we request law enforcement agencies throughout the County to provide staffing to the LASD CCW Unit to assist with the processing of CCW applications up to and including the denial of or issuance of licenses. Otherwise, effective August 1, 2022, the LASD will only accept first-time CCW applications from those who reside within our contract cities or unincorporated communities and encourage applicants residing in a municipality other than those served by the LASD to contact their local police chief and apply for a CCW license.

All first-time CCW applications submitted, received, or postmarked before the indicated date; the LASD will accept and continue to process.

I look forward to working with all law enforcement agencies throughout the County and promptly processing CCW applications of our residents.

If your agency requires assistance, information, or training regarding the CCW application process or if you have any questions, please do not hesitate to contact my aide, Lieutenant Michael Shaw at (213) 229-3079.

Sincerely,

ALEX VILLANUEVA, SHERIFF

A handwritten signature in dark ink, appearing to read "Timothy K. Murakami", written in a cursive style.

TIMOTHY K. MURAKAMI
UNDERSHERIFF

ATTACHMENT C

Sec. 26155

(a)

When a person applies for a license to carry a pistol, revolver, or other firearm capable of being concealed upon the person, the chief or other head of a municipal police department of any city or city and county may issue a license to that person upon proof of all of the following:

(1)

The applicant is of good moral character.

(2)

Good cause exists for issuance of the license.

(3)

The applicant is a resident of that city.

(4)

The applicant has completed a course of training as described in Section 26165.

(b)

The chief or other head of a municipal police department may issue a license under subdivision (a) in either of the following formats:

(1)

A license to carry concealed a pistol, revolver, or other firearm capable of being concealed upon the person.

(2)

Where the population of the county in which the city is located is less than 200,000 persons according to the most recent federal decennial census, a license to carry loaded and exposed in only that county a pistol, revolver, or other firearm capable of being concealed upon the person.

(c)

Nothing in this chapter shall preclude the chief or other head of a municipal police department of any city from entering an agreement with the sheriff of the county in which the city is located for the sheriff to process all applications for licenses, renewals of licenses, and amendments to licenses, pursuant to this chapter.

ATTACHMENT “D”

California Penal Code **Sec. 26190**

(a)(1)Each applicant for a new license or for the renewal of a license shall pay at the time of filing the application a fee determined by the Department of Justice. The fee shall not exceed the application processing costs of the Department of Justice for the direct costs of furnishing the report required by Section 26185.

(2)After the department establishes fees sufficient to reimburse the department for processing costs, fees charged shall increase at a rate not to exceed the legislatively approved annual cost-of-living adjustments for the department's budget.

(3)The officer receiving the application and the fee shall transmit the fee, with the fingerprints if required, to the Department of Justice.

(b)(1)The licensing authority of any city, city and county, or county may charge an additional fee in an amount equal to the actual costs for processing the application for a new license, including any required notices, excluding fingerprint and training costs, but in no case to exceed one hundred dollars (\$100), and shall transmit the additional fee, if any, to the city, city and county, or county treasury.

(2)The first 20 percent of this additional local fee may be collected upon filing of the initial application. The balance of the fee shall be collected only upon issuance of the license.

(c)The licensing authority may charge an additional fee, not to exceed twenty-five dollars (\$25), for processing the application for a license renewal, and shall transmit an additional fee, if any, to the city, city and county, or county treasury.

(d)These local fees may be increased at a rate not to exceed any increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations.

(e)(1)In the case of an amended license pursuant to Section 26215, the licensing authority of any city, city and county, or county may charge a fee, not to exceed ten dollars (\$10), for processing the amended license.

(2)This fee may be increased at a rate not to exceed any increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations.

(3)The licensing authority shall transmit the fee to the city, city and county, or county treasury.

(f)(1)If psychological testing on the initial application is required by the licensing authority, the license applicant shall be referred to a licensed psychologist used by the licensing authority for the psychological testing of its own employees. The applicant may be charged for the actual cost of the testing in an amount not to exceed one hundred fifty dollars (\$150).

(2)Additional psychological testing of an applicant seeking license renewal shall be required only if there is compelling evidence to indicate that a test is necessary. The cost to the applicant for this additional testing shall not exceed one hundred fifty dollars (\$150).

(g)Except as authorized pursuant to this section, no requirement, charge, assessment, fee, or condition that requires the payment of any additional funds by the applicant, or requires the applicant to obtain liability insurance, may be imposed by any licensing authority as a condition of the application for a license

ATTACHMENT "E"

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RESOLUTION NO. 2022-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF HUNTINGTON PARK, CALIFORNIA,
ADDING CERTAIN FEE AMOUNTS FOR CITY
SERVICES IN ACCORDANCE WITH THE CITY OF
HUNTINGTON PARK MASTER FEE SCHEDULE**

WHEREAS, cost recovery for related services is essential to providing the public with the services listed; and

WHEREAS, the amounts set forth in Exhibits A through E, are equal to or less than the cost of providing the services for which the fees are charged.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City of Huntington Park shall charge the fee amount specified in this Resolution – Proposed Fee Changes to the Master Fee Schedule for Fiscal Year 2022-23, attached hereto and incorporated herein by this reference, for each itemized service listed herein.

DOJ Fees:	Processing Fee:	Psychological Exam Fee: (Optional)
Initial Application - \$93	Initial Application - \$100	Psych. Exam - \$150
Renewal - \$52	Renewal - \$25	
	Amendments - \$10	

SECTION 2. The fees contained in this resolution shall become effective after approval and adoption by the City Council of Huntington Park.

SECTION 3. The fees contained in this resolution shall supersede and replace any and all such fees adopted for the same listed services in any prior resolution of the City of Huntington Park.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 20th day of December 2022.

Eduardo Martinez, Mayor

ATTEST:

Eduardo Sarmiento, City Clerk