

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: July 19, 2016



Contra
Costa
County

Subject: CONTRACT FOR PROCUREMENT OF RELOCATION SERVICES FOR RESIDENTS OF LAS DELTAS IN SUPPORT OF RENTAL ASSISTANCE DEMONSTRATION (RAD) EFFORTS

RECOMMENDATIONS

APPROVE and AUTHORIZE the Executive Director of the Housing Authority, or designee, to execute a contract with Overland, Pacific & Cutler, Inc. (OPC) in an amount not to exceed \$301,753 to allow OPC to provide relocation services to public housing residents of the Las Deltas development as part of the process to vacate the property and prepare it for disposition under HUD's RAD program for the period beginning July 20, 2016 through September 30, 2017.

BACKGROUND

On December 17, 2013, the Board approved submission of two RAD applications for the conversion of 90 vacant public housing units at Las Deltas in North Richmond to RAD project-based voucher (PBV) units that could be used to fund development of affordable housing throughout the County. On March 30, 2015, HUD approved these two applications.

When staff submitted HACCC's RAD application in December 2013, the intention was to also submit a Section 18 Demolition/Disposition (Section 18) application to HUD for the remaining, occupied units at Las Deltas. The primary advantage of a Section 18 application

Action of Board On: **07/19/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Mary N. Piepho,
 Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

ABSENT: Fay Nathaniel,
 Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 19, 2016

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

is that it provides a better long-term subsidy stream than the RAD program does. The disadvantages are that HUD has made it very difficult to get a Section 18 application approved, the funding for replacement vouchers under such an application continues to shrink (meaning you may not get any) and HUD does not provide replacement funding for vacant units under a Section 18 application. In discussions with HUD and others it became clear that it would be difficult to get a Section 18 application approved for Las Deltas and HACCC's best option was

BACKGROUND (CONT'D)

to submit a RAD application for the remaining 124 units at Las Deltas in order to maximize the chances that the entire property can be converted to project-based assistance that can be used to develop replacement housing elsewhere. As a result, on August 18, 2015, the Board authorized submission of two more RAD applications to HUD that would increase HACCC's previously approved applications for 90 vacant units to include all 214 units at Las Deltas in North Richmond.

Based on discussions with HUD, staff believe that HACCC's August 18, 2015, applications will be approved within the next month or two. Once these approvals are received, the next step will be to help the families living at Las Deltas find new, affordable places to live. It is expected that most, if not all, of the tenants at Las Deltas will relocate using either a housing choice voucher or will move to another public housing property. All of the residents living at Las Deltas at the time of conversion, must be assisted under the laws and regulations set forth in the Uniform Relocation Act, California Relocation Assistance Law and the California Relocation Assistance and Real Property Acquisition Guidelines. The services of a relocation consultant will ensure that HACCC meets all of its legal obligations surrounding relocation. The relocation consultant will also provide comprehensive housing search assistance to Las Deltas tenants as well.

FISCAL IMPACT

Funding for the relocation contract (and all direct relocation costs to families) will be paid from HACCC's approved annual Capital Fund Program (CFP) budget.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners not approve the proposed contract for procurement of relocation services for residents of Las Deltas in support of HACCC's RAD conversion, HACCC would not be in compliance with HUD's procurement regulations since the contract would not be awarded to the lowest responsive and responsible bidder. Also, if a contract is not approved, HACCC would have to rely on internal staff who are inexperienced regarding relocation requirements of the Uniform Relocation Act, California Relocation Assistance Law and the California Relocation Assistance and Real Property Acquisition Guidelines.

CLERK'S ADDENDUM