

COUNTY OF NEVADA HEALTH & HUMAN SERVICES AGENCY

Housing & Community Services Division

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: June 13, 2023

TO: Board of Supervisors

FROM: Mike Dent – Housing & Community Services

SUBJECT: Resolution approving Amendment NO 2 of the Sub-Recipient agreement with Nevada County Housing Development Corporation as awarded through the Coronavirus-Program Community Development Block Grant Standard Agreement #20-CDBG-CV2-3-00270 and #20-CDBG-CV2-3-00272 in the maximum amount of \$1,138,114.05 from January 1, 2022, through October 30, 2023 an increase of \$29,664.05. (RES. 21-095, RES. 21-399, RES. 22-514, Res. 23-010)

RECOMMENDATION: Adopt the Resolution.

<u>FUNDING</u>: Funding for this project will be paid from the Housing and Community Services Fiscal Year 2022-2023 budget in the maximum amount of \$1,138,114.05. There is no impact on the General Fund.

BACKGROUND: Per previous Board action, on April 13, 2021, per Resolution 21-095, reaffirmed on September 14, 2021, per Resolution 21-399, and on September 27, 2022, per Resolution 22-514 the Nevada County Board of Supervisors approved the submission of a Coronavirus- Program Community Development Block Grant (CDBG) application and amendment to the California Department of Housing and Community Development (HCD). The Health and Human Service Agency through its Housing and Community Services Division (HCS) has been awarded \$1,219,881 in CDBG-CV2/3 funding of which \$1,108,450 is to be allocated to Nevada County Housing Development Corporation (AMI). Additionally, HCS received approval to use of up to \$182,781 in future Program Income receivables, should they be realized, for the project.

Funding under this award will be used by AMI to convert the current Empire Mine Courtyard complex, formerly the Coach N Four Motel, from transitional housing to permanent housing. The property was purchased and converted to transitional housing through the County's award of HomeKey funds. The HomeKey program requires that the transitional housing units be converted to permanent housing within two years. Under the CDBG Coronavirus 2/3- Program funds were made available to complete the transition of properties purchased through the HomeKey program to permanent housing. On April 26, 2022, per Resolution 22-179, the Nevada County Board of Supervisors approved a subrecipient agreement with the Nevada County Housing Development Corporation to convert the transitional housing units to permanent housing units. On January 10, 2023, per Resolution 23-010, your Board approved Amendment No 1, increasing the project budget from \$624,000 to \$1,108,450, an increase of \$484,450, due to unforeseen structural deficiencies and cost increases for supplies and materials. Unfortunately, due to the age of the facility, additional unforeseen structural deficiencies have been discovered and HCS seeks to amend the agreement increasing the project budget from 1,108,450 to \$1,138,114.05 an increase of \$29,664.05 and extending the contract from January 1, 2022, through October 30, 2023.

The Housing and Community Division recommends the approval of this resolution.

Item Initiated by: Rob Choate, Administrative Services Associate

Approved by: Mike Dent, MPA, Director of Child Support,

Housing and Community Services