

CITY OF SAN DIEGO
M E M O R A N D U M

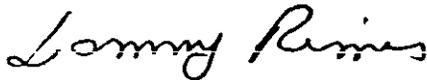
DATE: December 31, 2007

TO: Mary P. Wright, AICP, Deputy Director

FROM: Tammy Rimes, Purchasing Agent

SUBJECT: Sole Source Request for Sole Source Contract for Administration of Workforce Shelter Grant

Your Sole Source Request for the above subject with Groundwork San Diego was approved and is valid through 06/30/2008. In order for a Purchase Order to be issued, your department has to submit a purchase requisition. In the internal header notes of the requisition, please reference Sole Source Case Number 1775. For questions, please contact Pam Glover at x65554.



Tammy Rimes
Purchasing Agent

TR/mw

cc: William Anderson, FAICP Deputy Chief Operating Officer, Land Use and Economic Development

000137

THE CITY OF SAN DIEGO
MAYOR JERRY SANDERS

M E M O R A N D U M

DATE: December 19, 2007

TO: Tammy Rimes, Purchasing Agent, Purchasing and Contracting

FROM: Mary P. Wright, AICP, Deputy Director, City Planning & Community Investment and
William Anderson, FAICP Deputy Chief Operating Officer, Land Use and
Economic Development

SUBJECT: Sole Source Contract for Administration of Workforce Shelter Grant

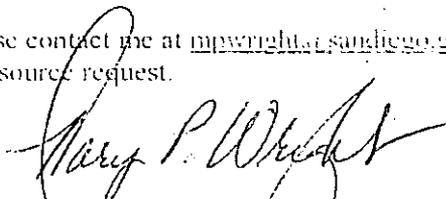
This memorandum is to describe the basis for a sole source consultant contract to administer funds in a Workforce Shelter Grant.

In 2005, the City of San Diego was awarded approximately \$616,000 from the State Department of Housing and Community Development as a reward for having an adopted housing element and meeting certain housing goals. The City Council resolution, authorizing acceptance of the grant, allocated the funds among four projects, one of which was for \$144,000 for Chollas Creek improvements at two specific sites. We are now proposing to use all or part of these funds at a new site along Chollas Creek.

The funds must be expended by May, 2008. City Planning & Community Investment has been working with a local not-for-profit organization, Groundwork San Diego to move forward with the implementation of the Chollas Creek Enhancement Program. They have now been incorporated as a 501(c)(3) corporation for the sole purpose of fostering urban stream restoration at Chollas Creek, and implementing the Chollas Creek Enhancement Program. They are prepared to use these funds to do habitat restoration and cleanup activities at one or more sites along Chollas Creek as described in the Enhancement Program. Additionally, a portion of the funds may be used for necessary background studies and detailed project planning at one site behind the Jackie Robinson YMCA.

Given the severe time constraints involved and the fact that Groundwork San Diego has been engaged in detailed project planning relating to implementation of the Chollas Creek Enhancement Plan for over two years now, we believe that they are the only entity that can do the necessary coordination and work required to spend these funds within the required time frame.

Please contact me at mpwright@sanidiego.gov or (619) 533-4528, if you have any questions about this sole source request.


Mary P. Wright


William Anderson

000139

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR'S USE ON

N/A

101
1/29

TO: CITY ATTORNEY	2. FROM: (ORIGINATING DEPARTMENT) CITY PLANNING & COMMUNITY INVESTMENT	3. DATE December 18, 2007
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4. SUBJECT: (MAXIMUM OF 10 WORDS)
AUTHORIZATION TO CHANGE PROPOSED LOCATION OF CHOLLAS CREEK WORKFORCE HOUSING GRANT

5. PRIMARY CONTACT (NAME, PHONE, MAIL STA.) Myles Pomeroy, 235-5219, MS 4A	6. SECONDARY CONTACT (NAME, PHONE, MAIL STA.) Mary Wright, 533-4528, MS 4A	7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED: <input type="checkbox"/>
-------------------------------------------------------------------------------	-------------------------------------------------------------------------------	-------------------------------------------------------------------------

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	38336				9. ADDITIONAL INFORMATION / ESTIMATED COST:
DEPARTMENT	38336				
ORGANIZATION					
OBJECT ACCOUNT	4222				
JOB ORDER	300909				
C.I.P. NUMBER	37-446.0				
AMOUNT	144,000				

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	
1.	DEPARTMENT DIRECTOR	<i>William Anderson</i> WILLIAM ANDERSON	12-18-07	8.	DEPUTY CHIEF	<i>William Anderson</i> WILLIAM ANDERSON	1-7-08	
2.	DSD/EAS	<i>M. Frank Hermann</i> M. FRANK HERMANN	12/19/07	9.	COO	<i>John Goldstone</i> JOHN GOLDSTONE	1-8-08	
3.	COUNCIL LIAISON	<i>Ed Plank</i> ED PLANK	12/19/07	10.	CITY ATTORNEY	<i>Nina Fain</i> NINA FAIN	1/15/08	
4.	AUDITOR	<i>John Toward</i> JOHN TOWARD	12/21/07	11.	ORIGINATING DEPARTMENT	<i>Myles Pomeroy</i> MYLES POMEROY	1/15/08	
5.	EOCP	EXEMPT PER MEMO DATED 11-15-05			DOCKET COORD:	<i>Ed Plank</i> 1/17/08	COUNCIL LIAISON <i>Ed Plank</i> 1/17	
6.	READ	<i>Lane Mackenzie</i> LANE MACKENZIE	12/21/07	✓	COUNCIL PRESIDENT	<input type="checkbox"/> SPOB	<input checked="" type="checkbox"/> CONSENT	<input type="checkbox"/> ADOPTION
7.	FM	<i>Ed Plank</i> ED PLANK	12/27/07		COUNCIL DATE: 1/29/08			

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

SEE ATTACHED

11.A. STAFF RECOMMENDATIONS:
Prepare resolution

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): 4, 8

COMMUNITY AREA(S): Encanto, Southeastern

ENVIRONMENTAL IMPACT: This activity (executing an Amendment to an Agreement and expenditure Grant funds) is not a "project" and is therefore exempt from CEQA pursuant to State CEQA Guidelines Section §15060(c)(2). Any project for which the fund expenditure will be used would be subject to site specific CEQA review.

HOUSING IMPACT: None

OTHER ISSUES: None

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO
PREPARATION OF RESOLUTIONS:

1. Authorizing the Mayor or his representative to make application to HCD for amendment to the Workforce Housing Standard Agreement No. 04-WFH-052 to revise the Scope of Work [Exhibit A of the Agreement] to allow \$144,000 of grant funds previously designated for improvements to Segments 2A and 8 of the Chollas Creek South Branch Implementation Program to be expended equally between planning or habitat restoration projects at Segment 7 (within District 8) and for any one of the following Segments (within District 4):

Potential Council District 4 Sites:

- Segment 1 - Gompers Outdoor Learning Laboratory - Habitat restoration and equipment purchase for outdoor science lab;
- Segment 2A- Science Education Center - Habitat restoration from Guymon Street to Market Creek;
- Segment 3- City Water Department Parcel east of 47th Street at Castana - Habitat restoration;
- Segment 4 - between 47th Street and the culvert under I-805 - Habitat restoration; or
- Segment 5 - Jackie Robinson YMCA - Habitat restoration, planning and studies.

2. Authorizing the Mayor or his representative to take all necessary actions to secure funding from the HCD for planning and habitat restoration within Council Districts 4 and 8.

3. Authorizing the Auditor and Comptroller to accept, appropriate, and expend funds if Workforce Housing Grant Funds are secured.

4. Authorizing the Auditor and Comptroller to establish a special interest-bearing fund for the Workforce Housing Grant pursuant to the terms of the Workforce Housing Standard Agreement No. 04-WFH-052, as amended.

5. Authorizing the addition of CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration to Segments 7 and Segment 1, 2A, 3, 4, or 5, to the Fiscal Year 2008 Capital Improvements Program.

6. Authorizing a \$144,000 increase in the Fiscal Year 2008 Capital Improvements Program Budget, CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration to Segments 7 and Segment 1, 2A, 3, 4, or 5.

7. Authorizing the City Auditor and Comptroller to appropriate and expend \$144,000 from CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration to Segments 7 and Segment 1, 2A, 3, 4, or 5 contingent upon receipt of a fully executed amended grant agreement.

8. Authorizing the Mayor or his representative to make application for Proposition 84 and Wetlands Recovery Project funding using the \$144,000 of available Workforce Housing Grant

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO
PREPARATION OF RESOLUTIONS:

funds as local matching funds for the application(s), contingent upon receipt of the grant funds pursuant to an executed amended Workforce Housing Standard Agreement.

9. Authorizing the Mayor or his representative to execute right-of-entry documents to allow the proposed improvements to be completed on the Chollas Creek Segments selected by the Council, as appropriate.

10. Authorizing the Mayor or his representative to negotiate and execute a sole source contract with Groundwork San Diego not to exceed \$144,000 for the purpose of administering and completing planning and habitat restoration under the terms and conditions of the Workforce Housing Standard Agreement No. 04-WFH-052, as amended, in Council Districts 4 and 8, utilizing the funds in CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration, contingent upon the Auditor and Comptroller certifying that the funds are available.

11. Directing that the contract with Groundwork San Diego shall be contingent upon Groundwork San Diego obtaining all necessary licenses and permits required for the performance and completion of its obligations under the contract.

12. Authorizing the City Auditor and Comptroller, upon advice from the administering City Department, to return unexpended Workforce Housing Grant funds remaining at the end of the contract period or termination date to the HCD with accrued interest within thirty (30) days of the contract termination or expiration date.

13. Authorizing the City Auditor and Comptroller, upon advice from the administering City Department, to return grant funds not expended within 90 days of receipt by the City to the HCD with accrued interest.

EXECUTIVE SUMMARY SHEET

DATE REPORT ISSUED:

ATTENTION: Council President and City Council
ORIGINATING DEPARTMENT City Planning & Community Investment
SUBJECT: Amendment to Workforce Housing Grant Standard Agreement
COUNCIL DISTRICTS: 4, 8
STAFF CONTACT: Myles Pomeroy (235-5219)/Mary Wright (533-4528)

REQUESTED ACTIONS

Authorize the actions necessary to change the location of proposed Chollas Creek improvement projects to be funded by the State Workforce Housing Reward Grant Program. The actions also authorize a sole source contract with Groundwork San Diego and the expenditure of \$144,000 in funding for the project.

EXECUTIVE SUMMARY

In October of 2005, the California Department of Housing and Community Development (HCD) awarded the City \$618,686 from the Workforce Housing Reward Grant (WFH) Program. On October 10, 2005, the City Council adopted Resolution No. R-300909 allocating these funds to four projects including \$144,000 for improvements at Chollas Creek, Segments 2A and 8 as identified in the Chollas Creek Enhancement Program. Segment 2A, Science Education Center, is at the intersection of Euclid Avenue and Market Street, and Segment 8, Southcrest – 252 Corridor, is at the intersection of 38th and Alpha. Improvements at these sites have either have other funding identified and allocated (Segment 8) or require further site planning (Segment 2A).

Consequently, the City Planning and Community Investment (CPCI) Department is proposing to amend the Workforce Housing Standard Agreement No. 04-WFH-052 to allow funds previously identified for improvements to Segments 2A and 8 to be used for habitat restoration or planning projects to Segment 7 - Chollas Walk in Council District 8 and one other site in Council District 4 (either 1, 2A, 3, 4 or 5), to be selected by City Council.

CPCI is also proposing that a sole source contract be negotiated and executed with Groundwork San Diego, a not-for-profit organization. The Workforce Housing Standard Agreement No. 04-WFH-052 requires that the grant funds be expended by June 30, 2008. Consequently, CPCI believes that Groundwork San Diego is the only source from which the City will be able to procure the needed services to perform under the Workforce Housing Standard Agreement No. 04-WFH-052 as amended, and there is no permissible substitute within the time constraints of the contract. If the work is not complete by the June 30, 2008 deadline, the City will lose the funding. CPCI is also proposing to work with Groundwork San Diego and the Urban Corps of San Diego to leverage these grant funds to obtain funds for additional improvements and removal of non-native vegetation.

Due to the short time frame by which these funds must be expended and the limited amount of this funding, the scope of work would be limited to planning and habitat restoration. If the Jackie Robinson YMCA site in Council District 4 is selected as a site, the funds would be utilized for background studies required for a subsequent grant application.

FISCAL CONSIDERATIONS:

The \$144,000 will be provided through HCD's Workforce Housing Reward Grant Program.

PREVIOUS COUNCIL and/or COMMITTEE ACTION

On October 10, 2005, the City Council adopted Resolution number R-300909, giving the City Manager the authority to apply for, accept and expend grant funds from the State Department of Housing and Community Development pursuant to their Workforce Housing Reward Grant Program. The grant was for \$618,686 of which \$144,000 was identified for Chollas Creek improvements at Segments 2A and 8.

COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS:

CPCI and Groundwork San Diego have partnered with numerous organizations and groups in undertaking habitat restoration and cleanup projects in Chollas Creek. District 4 Chollas Creek work has been supported by many organizations, including GWSDCC, Wetlands Recovery Project, San Diego City Schools, Friends of Canyons, Encanto Planning Group, Jacobs Foundation, SEDC, and the Jackie Robinson YMCA. GWSDCC will include these and its new Green Team and Student Stream Stewards in all restoration activity.

KEY STAKEHOLDERS and PROJECTED IMPACTS (if applicable):

All of the organizations and groups listed above are stakeholders in Chollas Creek. Other stakeholders include key permit agencies including the State Water Quality Control Board, Army Corps of Engineers and State Department of Fish and Game. Primary impacts would be a cleaner creek in those segments where cleanup and habitat restoration are focused.

Respectfully Submitted,

C. Padman for M. Wright

Mary P. Wright, AICP
Deputy Director
City Planning & Community Investment

William Anderson

William Anderson, FAICP
Deputy Chief Operating Officer
Executive Director of City Planning & Development

WA/MW/MP

BACKGROUND INFORMATION ON CHOLLAS CREEK SEGMENTS

Segment 1 – Gompers Outdoor Learning Laboratory – Site is owned and managed by San Diego City Schools. Some infrastructure is already in place due to a previous CALTRANS Environmental Enhancement and Mitigation Grant. Existing infrastructure includes walkways, portable structures, a canopy shaded seating/study area and an amphitheatre facing the creek. *Additional improvements could include habitat restoration and equipment purchase for an outdoor science lab.*

Segment 2A – Science Education Center – This work involves habitat restoration a trail system and an outdoor learning laboratory. The habitat restoration has been completed but the trail system and outdoor lab must still be done. This site is part of the City of Villages Pilot Village project. Detailed project planning at this site has been deferred pending development of more detailed site planning by the Jacobs Foundation.

Segment 3 – A new linear park is proposed along the Chollas Creek flood plain east of 47th Street in the area between Imperial Avenue and Market Street. The parcel south of the El Rey Trailer Park is owned by the City's Water Department. Although the Water Department intends to maintain the parcel for future use, they would consider allowing a trail through the parcel. This creates the opportunity to create a link with the existing trail segment running through Market Creek Plaza done by the Jacobs Foundation.

Segment 4 – This segment spans westward between 47th Street and a culvert under I-805 and is surrounded by condominium complexes. A trail here could involve one of several alternatives as outlined in the Chollas Creek Enhancement Program South Branch Report: (a) trail could be in the actual creek bed if safe passage provisions could be made; (b) an easement could be acquired for a trail adjacent to the creek or (c) trail could be along the existing public right-of-way leading to the Jackie Robinson YMCA. These alternatives will need to be researched further.

Segment 5- This segment is adjacent to and behind the Jackie Robinson YMCA. The project would involve background studies necessary for the ultimate removal of a concrete culvert and creation of a naturalized channel, habitat restoration and development of a trail segment that could potentially link to Segment 4 if that trail segment were to be developed.

Segment 7 – This segment runs from north of Ocean View Blvd. to Southcrest Park and continues westwardly along existing sidewalks on San Pasqual Street. The project would involve habitat restoration initially. Ultimately, the sidewalks could be enhanced with street trees, interpretive and directional signage and a number of public art projects, thus creating an urban art trail.

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE APPLICATION FOR AMENDMENT TO WORKFORCE HOUSING STANDARD AGREEMENT NO. 04-WFH-052 WITH THE STATE OF CALIFORNIA AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A SOLE SOURCE CONTRACT WITH GROUNDWORK SAN DIEGO FOR CHOLLAS CREEK PLANNING AND HABITAT RESTORATION.

WHEREAS, the City Council by Resolution No. R-300909, adopted on October 10, 2005, authorized and empowered the City to apply for, appropriate, accept, and expend up to \$616,686 in Workforce Housing Grant Funds from the California Department of Housing and Community Development [HCD]; and

WHEREAS, the City Council by Resolution No. R-300909, adopted on October 10, 2005 authorized the increase of the Capital Improvement Program Budget by \$144,000 for Fiscal Year 2006 for CIP 37-446.0 Chollas Creek Enhancement Program Segments 2A and 8 for partial expenditure of the Workforce Housing Grant Funds; and

WHEREAS, On December 22, 2005, the California Department of Housing and Community Development granted the City Workforce Housing Grant funds and executed Standard Agreement Number 04-WFH-052 that included Scope of Work for Chollas Creek Segment 2A Improvements; and

WHEREAS, Chollas Creek improvements at Segments 2A and 8 of the Chollas Creek Enhancement Program either have other funding identified and allocated or require further site planning prior to completion, thus the City Planning and Community Investment Department

would like to amend Standard Agreement Number 04-WFH-052 to include other Chollas Creek Enhancement Program habitat restoration and planning projects at Segment 7 (Council District 8) and one of Segments 1, 2A, 3, 4, or 5 (Council District 4) as determined by City Council; and

WHEREAS, the City Planning and Community Investment Department seeks approval to negotiate and execute a sole source contract with Groundwork San Diego for the completion of the Scope of Work under the Workforce Housing Standard Agreement Number 04-WFH-052, as amended; NOW THEREFORE

BE IT RESOLVED, by the Council of the City of San Diego that the Mayor or his representative is authorized to make application to HCD for amendment to the Workforce Housing Standard Agreement No. 04-WFH-052 to revise the Scope of Work [Exhibit A of the Agreement] to allow \$144,000 of grant funds previously designated for improvements to Segments 2A and 8 of the Chollas Creek South Branch Implementation Program to be expended equally between planning or habitat restoration projects at Segment 7 (within District 8) and for any one of the following Segments (within District 4):

Potential Council District 4 Sites:

- Segment 1 - Gompers Outdoor Learning Laboratory - Habitat restoration and equipment purchase for outdoor science lab;
- Segment 2A- Science Education Center - Habitat restoration from Guymon Street to Market Creek;
- Segment 3- City Water Department Parcel east of 47th Street at Castana - Habitat restoration;
- Segment 4 - between 47th Street and the culvert under I-805 - Habitat restoration; or
- Segment 5 - Jackie Robinson YMCA - Habitat restoration, planning and studies.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the Mayor or his representative is authorized to take all necessary actions to secure funding from the HCD for planning and habitat restoration within Council Districts 4 and 8.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the Auditor and Comptroller is authorized to accept, appropriate, and expend funds if Workforce Housing Grant Funds are secured.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the Auditor and Comptroller is authorized to establish a special interest-bearing fund for the Workforce Housing Grant pursuant to the terms of the Workforce Housing Standard Agreement No. 04-WFH-052, as amended.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the addition of CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration to Segments 7 and Segment 1, 2A, 3, 4, or 5, to the Fiscal Year 2008 Capital Improvements Program is authorized.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that a \$144,000 increase in the Fiscal Year 2008 Capital Improvements Program Budget, CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration to Segments 7 and Segment 1, 2A, 3, 4, or 5 is authorized.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the City Auditor and Comptroller is authorized to appropriate and expend \$144,000 from CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration to Segments 7 and Segment 1, 2A, 3, 4, or 5 contingent upon receipt of a fully executed amended grant agreement.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the Mayor or his representative is authorized to make application for Proposition 84 and Wetlands Recovery Project funding using the \$144,000 of available Workforce Housing Grant funds as local matching funds for the application(s), contingent upon receipt of the grant funds pursuant to an executed amended Workforce Housing Standard Agreement.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the Mayor or his representative is authorized to execute right-of-entry documents to allow the proposed improvements to be completed on the Chollas Creek Segments selected by the Council, as appropriate.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the Mayor or his representative is authorized to negotiate and execute a sole source contract with Groundwork San Diego not to exceed \$144,000 for the purpose of administering and completing planning and habitat restoration under the terms and conditions of the Workforce Housing Standard Agreement No. 04-WFH-052, as amended, in Council Districts 4 and 8, utilizing the funds in CIP 37-446.0, Chollas Creek South Branch Phase I, Planning and Habitat Restoration, contingent upon the Auditor and Comptroller certifying that the funds are available.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the contract with Groundwork San Diego shall be contingent upon Groundwork San Diego obtaining all necessary licenses and permits required for the performance and completion of its obligations under the contract.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the City Auditor and Comptroller is authorized, upon advice from the administering City Department, to return unexpended Workforce Housing Grant funds remaining at the end of the contract period

or termination date to the HCD with accrued interest within thirty (30) days of the contract termination or expiration date.

BE IT FURTHER RESOLVED, by the Council of the City of San Diego that the City Auditor and Comptroller is authorized, upon advice from the administering City Department, to return grant funds not expended within 90 days of receipt by the City to the HCD with accrued interest.

BE IT FURTHER RESOLVED, that this activity (executing an Amendment to an Agreement and expenditure Grant funds) is not a "project" and is therefore exempt from CEQA pursuant to State CEQA Guidelines Section §15060(c)(2). Any project for which the fund expenditure will be used would be subject to site specific CEQA review.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By

Nina M. Fain
Deputy City Attorney

NMF:mm
01/16/08
Or.Dept:City Planning & Comm. Investment
R-2008-594
MMS#5812

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego at its meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

AGREEMENT NUMBER 04-WFH-052
REGISTRATION NUMBER

- This Agreement is entered into between the State Agency and the Contractor named below:
 STATE AGENCY'S NAME
 Department of Housing and Community Development
 CONTRACTOR'S NAME
 City of San Diego
- The term of this Agreement is: Upon HCD Approval through June 30, 2008
- The maximum amount of this Agreement is: **\$ 616,868.00**
- The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Scope of Work	1 Page(s)
Exhibit B - Budget and Detail and Payment Provisions	2 Page(s)
Exhibit C - HCD General Terms and Conditions	2 Page(s)
Exhibit D - State of California General Terms and Conditions	6 Page(s)

TOTAL NUMBER OF PAGES ATTACHED: 11 Pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		California Department of General Services Use Only
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.) City of San Diego		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS 202 C Street, 4 th Floor San Diego, CA 92101		
STATE OF CALIFORNIA		
AGENCY NAME Housing and Community Development		<input checked="" type="checkbox"/> Exempt from: Department of General Services Approval
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Susan J. Phillips, Manager, Budget and Contracts Branch		
ADDRESS 1800 Third Street, Rm. 350, Sacramento, CA 95814		

EXHIBIT A

Authority, Purpose and Scope of Work1. Authority:

Pursuant to Chapter 3.8 of Part 2 of Division 31 of the Health and Safety Code, commencing with Section 50550, as added by Section 2 of Chapter 482 of the Statutes of 2002, the State has established the Workforce Housing Reward Program (the "Program"). This Agreement is entered into under the authority of, and in furtherance of the purposes of, the Program as set forth in Health and Safety Code Section 50550. Pursuant to Health and Safety Code Section 50550.1, known as the Workforce Housing Reward Program, the State has issued a Notice of Funding Availability and Guidelines (NOFA) governing the Program.

2. Purpose:

In accordance with the authority cited above, the Contractor has applied to the State for financial assistance in the form of a Grant from the Program (the "Grant"). The State has agreed to make the Grant, as a financial incentive based on the issuance of building permits, for housing units affordable to very low and low-income households by the Contractor pursuant to the terms of the NOFA. Based on the representations made in the Contractor's Application, which is hereby incorporated as if set forth in full, the State shall provide a Grant in the amount shown below for the purpose of paying for the capital improvement(s).

The State and the Contractor have agreed to enter into this Agreement in accordance with the terms and conditions herein, subject to all the provisions of the applicable statutes, the NOFA, and further subject to the State laws and requirements governing State contracts.

3. Scope of Work:

Mi Pueblo Pilot Village Traffic Calming: Construct a roundabout at the reconfigured intersection of San Ysidro Boulevard and Via de San Ysidro. The project includes shade-producing street trees, sidewalk treatment, and pedestrian-oriented lighting and benches.

Chollas Creek Segment 2A Improvements: Construct a pedestrian trail, amphitheater/educational center area and associated landscaping along a segment of Chollas Creek.

29th St. Right-of-Way (Lara Gates): Hardscape and landscape improvements to the 29th Street right-of-way.

Washington Street Median Improvements between Falcon and Dove: Median improvements including street trees, shrubs, colorful ground covers, automatic irrigation and enhanced paving.

EXHIBIT B**Budget Detail and Payment Provisions****1. Allowable Uses of Grant Funds:**

Grant funds shall only be used for projects approved by the State that involve the construction, rehabilitation and/or acquisition of capital assets as defined by Government Code, Section 16727(a) that benefit the community within the Contractor's jurisdiction. Capital assets include tangible physical property with an expected useful life of 15 years or more, equipment with an expected useful life of two years or more, or major maintenance, reconstruction, demolition for purposes of reconstruction and/or retrofitting work.

Incidental expenses shall not be paid by Grant funds unless they are directly related to the construction or acquisition of an eligible capital asset. Such expenses include costs associated with planning, engineering, construction management, environmental impact reports, appraisals, site acquisitions or necessary easements.

Grant funds shall not be expended for the administrative costs of persons directly employed by the Contractor or for other "soft" costs that are not directly related to the construction or acquisition of capital assets.

2. Work to be Performed:

Contractor shall take such actions, pay such expenses and do all things necessary to complete the work specified in Attachment A in accordance with the schedule for completion set forth therein and within the terms and conditions of this Agreement.

3. Fiscal Administration:

A. Term: The effective date of this Agreement is the date upon which it is executed by the State after execution by the Contractor. All funds must be encumbered by the Contractor by June 30, 2006. This Agreement shall terminate upon completion of the work and acceptance by the State of the final report, but no later than June 30, 2008, by which date the Contractor must have expended all Grant funds and submitted its final report.

B. The Contractor shall make any and all request(s) for disbursement no earlier than 90 days from the anticipated need for the funds using the form attached hereto as Attachment B. The Contractor shall expend the funds within 90 days from the date of receipt from the State.

EXHIBIT B

Budget Detail and Payment Provisions

- C. A separate checking account for the Grant funds is not required. However, the Contractor shall deposit Grant funds in an interest bearing checking or savings account, or the State may require the Contractor to deposit all Grant funds into a segregated account in an institution whose deposits are insured by the federal or state government. All interest earned from the deposit of Grant funds shall be used for allowable, Program purposes and accounted for to the State. All funds not expended within 90 days of receipt shall be returned to the State with accrued interest.
- D. The Contractor shall make a good faith effort to minimize the number of disbursement requests to the State by anticipating and requesting in advance the maximum amount of funds that can be expended within the 90 day time frame.
- E. The Contractor shall inform the State within a reasonable amount of time in the event that expenditures related to an authorized project(s) are less than the total Grant award. The Contractor may expend the balance of Grant funds on additional capital assets projects, upon written State approval. Contractor shall provide the State with a letter of request that describes the additional project(s) to be funded.
- F. The Contractor shall immediately inform the State, but no later than September 1, 2007, if it is anticipated that the Contractor will not be able to expend all Grant funds by June 30, 2008.
- G. The Contractor is responsible for maintaining records which fully disclose the activities funded by the Grant. Adequate documentation of each transaction shall be maintained to permit the determination, through an audit if requested by the State, of the accuracy of the records and the allowability of expenditures charged to Grant funds. If the allowability of an expenditure cannot be determined because records or documentation are inadequate, the expenditure may be disallowed, and the State shall determine the reimbursement method for the amount disallowed. The State's determination of the allowability of any expense shall be final, absent fraud, mistake or arbitrariness.
- H. Any unexpended funds remaining at the end of the contract period or termination date must be returned to the State with accrued interest. Checks shall be made payable to the Department of Housing and Community Development (HCD) and shall be mailed within thirty (30) days of the contract termination or expiration date.

EXHIBIT C**HCD General Terms and Conditions****1. Report Requirements:**

- A. The Contractor shall submit a bi-annual report to the State within 60 days after the first anniversary of the effective date, and every 6 months thereafter for as long as the Contractor has not expended all Grant funds. The bi-annual report shall contain (1) the progress the Contractor has made in completing the approved projects partially or wholly funded by the Grant, including a description of the community benefit, (2) the amount of Grant funds drawn down and expended to date by the Contractor, and (3) a description of projects completed.
- B. Upon complete expenditure of the Grant funds, the Contractor shall submit a Final Report in a manner satisfactory to the State. The Final Report shall be submitted to the State within 60 days of the final Grant funds being expended or by August 30, 2008, whichever date is sooner. The final report shall contain (1) a description of the final capital assets constructed or purchased with the Grant funds, and (2) the number of certificates of occupancy issued in relation to the number of building permits issued in calendar year 2004. The Contractor shall use the form attached hereto as Attachment C for the submission of the final report.

2. State Coordinator:

The coordinator of this Agreement for the State is the Program Manager for the Workforce Housing Reward Grant Program, Division of Housing Policy Development. Any notice, report, or other communication required by this Agreement shall be mailed first class to the State Coordinator at the following address:

Department of Housing and Community Development
Division of Housing Policy Development
1800 3rd Street, Room 430
P.O. Box 952053
Sacramento, California 94252-2053
Attention: WFH Program Manager

EXHIBIT C**HCD General Terms and Conditions****3. Audit/Retention and Inspection of Records:**

Contractor agrees that the State or its delegatee will have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Contractor agrees to provide the State or its delegatee with any relevant information requested and shall permit the State or its delegatee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with Public Contract Code section 10115 et seq., Government Code section 8546.7 and Title 2, California Code of Regulations, section 1896.60 et seq. Contractor further agrees to maintain such records for a period of three (3) years after final payment under this Agreement. Contractor shall comply with the caveats and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code section 10115.10.

4. Special Conditions:

The State reserves the right to add any special conditions to this Agreement it deems necessary to assure that the policy and goals of the Program are achieved.

5. Prevailing Wages:

- A. Where funds provided through this Agreement are used for construction work, or in support of construction work, Contractor shall ensure that the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of the Labor Code (pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations) are met.
- B. For the purpose of this requirement "construction work" includes, but is not limited to rehabilitation, alternation, demolition, installation or repair done under contract and paid for, in whole or in part, through this Agreement. All construction work shall be done through the use of a written contract, with the properly licensed building contractor incorporating these requirements (the "construction contractor"). Where the construction contract will be between the Contractor and a licensed building contractor the Contractor shall serve as the "awarding body" as that term is defined in the Labor Code. Where the Contractor will provide funds to a third party that will enter into the construction contract with a licensed building contractor, the third party shall serve as the "awarding body". Prior to any disbursement of funds, including but not limited to release of any final retention payment, the State may require a certification from the awarding body that prevailing wages have been or will be paid.

EXHIBIT D**State of California
General Terms and Conditions****1. Approval**

This Agreement is of no force and effect until signed by both parties.

2. Amendment

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. Assignment

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. Indemnification

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work services, materials or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this Agreement.

5. Disputes

Contractor shall continue with the responsibilities under this Agreement during any dispute.

6. Termination for Cause

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. [See Exhibit C for additional breach, notice and provisions.]

7. Independent Contractor

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

EXHIBIT D

State of California
General Terms and Conditions8. Non-Discrimination Clause

- A. During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
- B. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

9. Timeliness

Time is of the essence in this Agreement.

10. Governing Law

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

11. Child Support Compliance Act

If this Agreement is in excess of \$100,000, by executing this Agreement, Contractor acknowledges and agrees to the following:

- A. The Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. The Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

EXHIBIT D

State of California
General Terms and Conditions12. Severability

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

*13. Union Activities

By signing this agreement Contractor hereby acknowledges the applicability of Government Code Section 16645 through Section 16649 to this agreement and agrees to the following:

- A. Contractor will not assist, promote or deter union organizing by employees performing work on a state service contract, including a public works contract.
- B. No state funds received under this agreement will be used to assist, promote or deter union organizing.
- C. Contractor will not, for any business conducted under this agreement, use any state property to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote or deter union organizing, unless the state property is equally available to the general public for holding meetings.
- D. If Contractor incurs costs, or makes expenditures to assist, promote or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs, and that Contractor shall provide those records to the Attorney General upon request.

***This provision is stayed pending the outcome of the litigation entitled, *Chamber of Commerce v. Lockyer* (April 2004) 364 F3d 1154.**

14. Drug-Free Workplace Requirements

Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and shall provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- B. Establish a Drug-Free Awareness Program to inform employees about: (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available counseling, rehabilitation and employee assistance programs; and (4) penalties that may be imposed upon employees for drug abuse violations.

EXHIBIT D**State of California
General Terms and Conditions**

- C. Every employee who works on the proposed contract will: (1) receive a copy of the Contractor's drug-free workplace policy statement; and (2) agree to abide by the terms of the Contractor's statement as a condition of employment under this agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the State determines that any of the following has occurred: (1) the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Government Code section 8350 et seq.)

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California:

15. Conflict of Interest

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

A. Current State Employees (Public Contracts Code section 10410):

1. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
2. No officer or employee shall contract on his or her own behalf as an independent Contractor with any state agency to provide goods or services.

B. Former State Employees (Public Contracts Code section 10411):

1. For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
2. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

EXHIBIT D**State of California
General Terms and Conditions**

- C. If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Public Contracts Code section 10420)
- D. Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Public Contracts Code section 10430 (e))

16. Labor Code/Workers' Compensation

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code section 3700)

17. Americans With Disabilities Act

Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

18. Contractor Name Change

An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change, the State will process the amendment.

19. Corporate Qualifications to Do Business in California:

- A. If Contractor is a corporation, the State may verify that the Contractor is currently qualified to do business in California in order to ensure that all obligations due to the State are fulfilled.
- B. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the State not be subject to the franchise tax.
- C. Both domestic and foreign corporations (those incorporated outside California) must be in good standing in order to be qualified to do business in California. If Contractor is a corporation, the State will determine whether Contractor is in good standing by contacting the Office of the Secretary of State.

20. Resolution

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

EXHIBIT D**State of California
General Terms and Conditions****21. Air or Water Pollution Violation**

Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of the provisions of federal law relating to air or water pollution.

22. Payee Data Record Form Std. 204

This form must be completed by all contractors that are not another state agency or other government entity.

23. National Labor Relations Board Certification

If Contractor is receiving federal funds under this Agreement, Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Not applicable to public entities)

24. Domestic Partners

Commencing on July 1, 2004 Contractor certifies that it is in compliance with Public Contract Code section 10295.3 with regard to benefits for domestic partners. For any contracts executed or amended, bid packages advertised or made available, or sealed bids received on or after July 1 2004 and prior to January 1, 2007, a contractor may require an employee to pay the costs of providing additional benefits that are offered to comply with PCC 10295.3.