

RESOLUTION NO. 3521-2012

RESOLUTION OF THE FORT BRAGG CITY COUNCIL APPROVING A CONTINGENT SUBRECIPIENT AGREEMENT WITH MENDOCINO COAST HOSPITALITY CENTER TO USE FUNDS FROM COMMUNITY DEVELOPMENT BLOCK GRANT FOR PUBLIC FACILITY IMPROVEMENTS AND AUTHORIZING CITY MANAGER TO EXECUTE SAME UPON EXECUTION BY SUBRECIPIENT (AMOUNT TBD; SOURCE: CDBG 2012 GRANT)

WHEREAS, the City of Fort Bragg is applying for a grant from the 2012 State of California Department of Housing and Community Development, State Community Development Block Grant (CDBG) Community Development Allocation to fund a Public Facility Project at the Harrison Street House Transitional Housing facility, which is operated by Mendocino Coast Hospitality Center; and

WHEREAS, the City of Fort Bragg's CDBG Community Development Allocation application states that the City will engage the Mendocino Coast Hospitality Center (MCHC) as Subrecipient to assist in implementing the Harrison Street House Transitional Housing Rehabilitation Project if funded by the grant; and

WHEREAS, the City has worked with the MCHC previously to successfully implement CDBG rehabilitation activities; and the MCHC is sufficiently experienced and knowledgeable of CDBG procedures such that its staff and board are competent to assist in implementing the project; and

WHEREAS, a Subrecipient Agreement is required by State CDBG regulations to contractually obligate the MCHC to perform the grant-funded activity in accordance with the City's Standard Agreement with the State Department of Housing and Community Development, if awarded, and in compliance with all State and Federal overlay requirements for the CDBG programs; and

WHEREAS, in order to maximize the competitive status of the City's CDBG application, CDBG encourages applicants to submit executed Subrecipient Agreements with the grant applications, the terms of which are contingent upon grant award; and

WHEREAS, the Harrison Street House Transitional Housing Rehabilitation Project will be subject to environmental clearance activities under the Federal National Environmental Protection Act (NEPA) and environmental clearance activities for the Project will commence as part of the CDBG Special Conditions clearance process if the grant is awarded; and

WHEREAS, the City has requested a total of \$670,625 in funding for the Harrison Street House Transitional Housing Rehabilitation Project, including Activity Delivery estimated at up to 10% of program funding; and

WHEREAS, if funded, the grant will also provide General Administration funding in the amount of up to 7.5% of grant funding; and

WHEREAS, the City and the MCHC will determine actual funding apportionments if and when actual funding is awarded, and apportionment to MCHC is expected to consist of Activity funding plus up to one-half of Activity Delivery funding, which is sufficient funding to implement activities described in this Subrecipient Agreement; and

WHEREAS, the City is expected to retain at least one-half of Activity Delivery funding to perform direct project implementation tasks, and all General Administration funding in order to perform associated reporting, monitoring, and other grant administration activities; and

WHEREAS, environmental impacts of these activities are subject to CDBG clearance if the grant is awarded, and activities that will be conducted by MCHC if the grant is awarded will not have a direct physical impact or result in any physical changes and are therefore anticipated to be Exempt from further environmental review per the Federal National Environmental Protection Act (NEPA) 24 CFR Section 58.4; and

WHEREAS, the Project is exempt pursuant to the California Environmental Quality Act ("CEQA") and Title 14, the California Code of Regulations ("CEQA Guidelines"), Section 15301 for the restoration of an existing facility; and

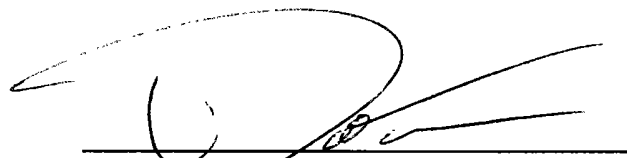
WHEREAS, based on all the evidence presented, the City Council finds as follows:

1. The Mendocino Coast Hospitality Center is a qualified subrecipient and with City assistance, is sufficiently capable and experienced in implementation and management of CDBG-funded projects.
2. If the grant is awarded, adequate funding will be available on a reimbursement basis through the State CDBG program to complete the work as described in the Subrecipient Agreement.
3. If the grant is awarded, contingent terms included in the Subrecipient Agreement will be specified and agreed upon by the parties prior to commencement of program activities.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg does hereby approve a CONTINGENT Subrecipient Agreement with Mendocino Coast Hospitality Center to use funds from the 2012 Community Development Block Grant for Public Facility Improvements and authorizes City Manager to execute same upon execution by Subrecipient (Amount TBD; Source: 2012 CDBG Grant).

The above and foregoing Resolution was introduced by Councilmember Hammerstrom, seconded by Councilmember Gjerde, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 26th day of March, 2012, by the following vote:

AYES:	Councilmembers Courtney, Gjerde, Hammerstrom, and Mayor Turner.
NOES:	None.
ABSENT:	None.
ABSTAIN:	None.


DAVE TURNER,
Mayor

ATTEST:


Cynthia M. VanWormer, CMC
City Clerk