



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JANUARY 14, 2025
FROM: HOUSING AND HUMAN SERVICES WARD: 2

SUBJECT: PROPOSED AMENDMENT TO THE CITY OF RIVERSIDE FISCAL YEAR 2023/2024 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ANNUAL ACTION PLAN TO ALLOCATE \$400,695 OF COMMUNITY DEVELOPMENT BLOCK GRANT UNPROGRAMMED FUNDS TO THE RIVERSIDE ACCESS CENTER RENOVATION PROJECT LOCATED AT 2880 HULEN PLACE AND APPROVE A DESIGN/BUILD AGREEMENT WITH CAL-CITY CONSTRUCTION INC., OF CERRITOS, CALIFORNIA, FROM REQUEST FOR PROPOSALS NO. 2381 FOR DESIGN SERVICES AND CONSTRUCTION FOR THE RIVERSIDE ACCESS CENTER RENOVATION PROJECT IN THE AMOUNT OF \$1,339,000 PLUS A 15% CONTINGENCY IN THE AMOUNT OF \$200,850 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$1,539,850

ISSUES:

Approve an amendment to the City of Riverside Fiscal Year 2023/2024 United States Department of Housing and Urban Development Annual Action Plan to allocate \$400,695 of Community Development Block Grant Unprogrammed Funds to the Riverside Access Center renovation project located at 2880 Hulen Place and approve a Design/Build Agreement with Cal-City Construction Inc. of Cerritos, California, from Request for Proposals No. 2381 for design services and construction for the Riverside Access Center renovation project in the amount of \$1,339,000 plus a 15% contingency in the amount of \$200,850 for a total not to exceed the amount of \$1,539,850.

RECOMMENDATIONS:

That the City Council:

1. Authorize an amendment to the City of Riverside Fiscal Year 2023-2024 United States Department of Housing and Urban Development Annual Action Plan to allocate \$400,695 of Community Development Block Grant Unprogrammed Funds to the Riverside Access Center renovation project located at 2880 Hulen Place;
2. Authorize a transfer in the amount of \$400,695 within the Community Development Block Grant Fund Unprogrammed Funds account to the Riverside Access Center Rehabilitation Project account;
3. Authorize the City Manager, or his designee, to execute a First Amendment to a Memorandum of Understanding with the Department of Housing and Human Services for an additional allocation of \$400,695 of Community Development Block Grant funds for the

2023-2024 Riverside Access Center Renovation Project, including making minor non-substantive changes, and to sign all documents and instruments necessary to implement this action;

4. With at least five affirmative votes and upon execution of the Memorandum of Understanding, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation of \$400,695 in the Grants and Restricted Programs Fund 23/24 Riverside Access Center Rehabilitation account, and a supplemental appropriation in the same amount to the inter-fund account for reimbursement of CDBG-related expenditures;
5. Approve a Design/Build Agreement with Cal-City Construction, Inc. of Cerritos, California from Request for Proposal No. 2381 for design services and construction for the Riverside Place Access Center renovation project in the amount of \$1,339,000;
6. Approve a 15% contingency change order authority in the amount of \$200,850 for a total not to exceed amount of \$1,539,850; and
7. Authorize the City Manager, or designee, to execute the Design-Build Agreement including making minor, and non-substantive changes.

BACKGROUND:

The City's Hulen Place Access Center serves as the entry point and central hub within the City's continuum of care, offering a wide range of services all under one roof. These services include homeless street outreach, housing placement, employment development, benefits enrollment, healthcare access, mental health services, substance abuse recovery, veteran services, life skills training, financial counseling, legal assistance, client stabilization resources, computer access, transportation assistance, and basic emergency needs.

On May 9, 2023, the City Council approved a \$661,000 Community Development Block Grant (CDBG) funding allocation to the Riverside Access Center Rehabilitation Project to include replacing the roof, heating, ventilation and air conditioning (HVAC) system, flooring, exterior doors, windows, rehabilitation of staff and guest restrooms, and reconfiguring the interior space for homeless street outreach offices and creation of a training room (Access Center Rehabilitation Project).

On August 1, 2023, the City Council approved an allocation of \$178,155 in Measure Z funds towards the Project.

On March 12, 2024, the City Council approved reallocating \$300,000 of Community Development Block Grant (CDBG) funds from 2348 University Avenue to the Access Center Rehabilitation Project since the structure located at 2348 University Avenue is being demolished and CDBG funds cannot be used for new construction of housing bringing the total CDBG funding allocation to \$961,000.

DISCUSSION:

On July 10, 2024, Request for Proposal (RFP) No. 2381 was posted on the City's online bidding system, Planet Bids, seeking prospective bidders to provide develop design plans, construction documents, and technical specifications for the renovation of the Access Center. The solicitation notification is summarized in the table on the following page:

Action	Number of Vendors
External Vendors Notified	500
City of Riverside Vendors Notified	433
Vendors who downloaded the RFP	106
Proposals received	2

A non-mandatory pre-proposal meeting was held on July 25, 2024, with 12 vendors in attendance. RFP 2381 closed on August 22, 2024, with a total of 2 responses. One response was found to be responsive and responsible, and the other was deemed nonresponsive for not having the required licenses. Under the guidance of the purchasing department, three City staff members evaluated the proposal to determine if the vendor is able to provide the specified scope of work. The evaluation criteria, total points and rankings for each evaluation round are summarized in the tables below.

Round 1

Evaluation Criteria	Total Points
Qualifications	20%
Experience (Projects of similar size & scope)	40%
Professional References	10%
Pricing	30%

Evaluation Results

Vendor	Location	Total Cost	Total Average Points
Cal-City Construction Inc	Cerritos, CA	\$1,377,000	950.00

Cal-City Construction Inc entered into negotiations with the City Staff and reduced their pricing without changing scope, from \$1,377,000 to \$1,339,000, resulting in a \$38,000 savings.

Purchasing Resolution 24101, Section 508 Awards states, “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible, except that... (c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications.”

The Purchasing Manager concurs that the recommended actions are in accordance with Purchasing Resolution 24101.

As a result of the project cost increasing to \$1,539,850, staff is requesting authorization to amend the City of Riverside Fiscal Year 2023-2024 United States Department of Housing and Urban Development Annual Action Plan to allocate \$400,695 of Community Development Block Grant Unprogrammed Funds to the cover the funding shortfall for the Riverside Access Center renovation project located at 2880 Hulen Place.

A public notice was issued announcing the proposed amendment to the HUD Annual Action Plan and a 30-day public comment period was provided in compliance with HUD regulations. The original notice was published in the Press Enterprise on Friday, December 13, 2024, and included the date this action would be considered by the City Council.

Contingent on the approval of this amendment is the authorization to enter into a Design-Build Agreement with Cal-City Construction, Inc. of Cerritos, California for \$1,539,850. The General Services Director concurs with this report.

STRATEGIC PLAN ALIGNMENT:

This project supports the City’s Strategic Priority No. 6 Infrastructure, Mobility and Connectivity, and Goal No. 6.2 to maintain, protect and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The facility renovations benefit the City’s homeless population, and result in greater public good.
2. **Equity** – This report facilitates equitable access to individuals and family experiencing homelessness and having equal access to services and support, regardless of their background or circumstances.
3. **Fiscal Responsibility** – The Riverside Access Center renovation project has been competitively bid following City procurement policy, ensuring the best possible pricing is obtained.
4. **Innovation** – The renovation to the Riverside Access Center located at 2880 Hulen Place is inventive to provide staffing with a renovated facility to ensure services are addressed to our homeless community’s needs.
5. **Sustainability & Resiliency** – The Riverside Access Center is a crucial asset in providing assistance to our homeless community. The proposed renovation of the facility and its interior space will help to ensure that the future needs of the community are met.

FISCAL IMPACT:

The total fiscal impact of the action is \$1,539,850, which includes 15% contingency in the amount of \$200,850. There is \$961,000 available in the CDBG Access Center Rehab Account 9926300-440120 and \$178,155 in the Measure Z Riverside Access Center Rehab Account No. 9926309-462050. A transfer in the amount of \$400,695 within the Community Development Block Grant Fund Unprogrammed Funds account to the Access Center Rehabilitation Project account is required.

Fund	Project	Account	Amount
CDBG	CDBG Unprogrammed Funds	2520100-453001	(\$400,695)
	OHS Access Center Rehab Project	9280200-440120	\$400,695
	Total		\$0
Grants & Restricted Programs	Riverside Access Center Rehab	9926300-440120	\$400,695
		9926300-895220	(\$400,695)
	Total		\$0

Prepared by: Michelle Guzman, Senior Project Manager
Approved by: Michelle Davis, Housing and Human Services Director
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/
Treasurer
Approved as to form: Jack Liu, Interim City Attorney

Attachments:

1. Agreement
2. First Amendment to a Memorandum of Understanding
3. RFP Recommendation
4. Presentation