




**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Housing	<b>CEQA:</b> Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	<b>Coordination:</b> City Attorney's Office, City Manager's Budget Office	<b>Dept. Approval:</b>  /s/ Erik L. Soliván
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b>  6/5/24

**SUBJECT: SECOND AMENDMENT TO THE CONSULTANT AGREEMENT WITH THE PUN GROUP, LLP, FOR GRANT FUND MONITORING SERVICES**

**RECOMMENDATION:**

Adopt a resolution authorizing the Director of Housing to negotiate and execute an amendment to an agreement with The PUN Group, LLP, for grant fund monitoring services to increase the maximum total compensation by \$150,000 from \$551,500 to \$701,500 and extend the term retroactively from July 1, 2024 through June 30, 2025.

**BASIS FOR RECOMMENDATION:**

The City's Housing Department has the responsibility to monitor the programmatic and financial activities of its grant sub-recipients to ensure the proper stewardship of federal funds, achievement of performance goals, and compliance with the terms and conditions of the grant agreements. The City receives entitlement grants from the United States Department of Housing and Urban Development to fund a variety of activities through the Community Development Block Grant, HOME Investment Partnerships, Housing Opportunities for Persons with AIDS, and Emergency Solutions Grants programs. In addition, the City has received grants related to COVID-19 recovery, through the Coronavirus Aid, Relief, and Economic Security Act and the American Recovery and Reinvestment Act.

The City has been in contract with The PUN Group, LLP since February 2022. Recently, The Pun Group, LLP completed a monitoring of grant agreements to ensure proper financial use of funds, performance goal achievement, and compliance with grant terms. After a review of the monitoring findings, City staff expanded the scope of the monitoring work to include all participants' eligibility served under the high-risk grant agreements. The additional \$150,000 will provide the funding necessary to extend the contract term with The Pun Group, LLP, expand the scope of work, and continue monitoring activities as described above into Fiscal Year 2024-2025. This action requests retroactive approval to July 1, 2024, due to the fact that the City Council action will take place after the dates necessary (by June 10, 2024) to finalize a contract amendment with the City Clerk's Office.

Commission Recommendation/Input: No Commission recommendation or input is associated with this action.

**COST AND FUNDING SOURCE:**

The table below identifies funds and appropriations proposed to fund the actions recommended as part of this memorandum.

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Amendment	2023-2024 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
440	2453	Housing and Homeless Projects	\$2,700,000	\$150,000	1018	6/20/2023, Ord. 30933

**FOR QUESTIONS CONTACT:** Mark Gerhardt, Administrative Officer, (408) 535-8242.