



# Council Agenda Report

To: Mayor Pierson and the Honorable Members of the City Council

Prepared by: Elizabeth Shavelson, Assistant to the City Manager

Approved by: Reva Feldman, City Manager

Date prepared: August 12, 2020 Meeting date: August 24, 2020

Subject: Community Development Block Grant Subrecipient Agreement Between the City of Malibu and the Boys and Girls Club Malibu

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**RECOMMENDED ACTION:** Authorize the City Manager to execute Community Development Block Grant (CDBG) Subrecipient Agreement with Boys and Girls Club Malibu.

**FISCAL IMPACT:** There is no fiscal impact to the General Fund associated with the recommended action. Funding for this agreement will come from the City's Community Development Block Grant Fund.

**WORK PLAN:** This item was not included in the Adopted Work Plan for Fiscal year 2020-2021. It is part of normal staff operations.

**DISCUSSION:** On August 10, 2020, the City Council held a public hearing and approved the use of \$47,000 of CDBG and COVID-19 CDBG funds for the Boys and Girls Club Malibu (BGCM) to provide childcare services and remote learning support during the COVID-19 pandemic to income-qualified households. In order for the City to distribute funds to the BGCM in accordance with CDBG guidelines, the City needs to have a CDBG Subrecipient Agreement in place with BGCM. The CDBG Subrecipient Agreement between the City of Malibu and the BGCM is provided as Attachment 1.

**ATTACHMENT:** CDBG Subrecipient Agreement Between the City of Malibu and the BGCM

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**  
**SUBRECIPIENT AGREEMENT**  
**BETWEEN CITY OF MALIBU**  
**AND**  
**BOYS AND GIRLS CLUB MALIBU**

This agreement is entered this **24** of **August 2020** by and between the **City of Malibu** hereinafter called the ("**CITY**") and **Boys and Girls Club Malibu**, hereinafter called the "CONTRACTOR", located at **30215 Morning View Dr., Malibu, CA 90265** and is made with reference to the following agreements.

The CITY has entered into an Agreement with the United States of America through its Department of Housing and Urban Development (HUD) to execute the LOS ANGELES COUNTY Community Development Block Grant (CDBG) Program under the Housing and Community Development Act of 1974, Public Law 93-383, as amended, hereinafter called the "Act," and

WHEREAS, the CITY wishes to engage the SUBRECIPIENT to assist the CITY in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

**1. THE SCOPE OF SERVICE**

The SUBRECIPIENT will be responsible for administering the **Child-Care Services for Income-Qualified Households Program** with **\$47,000 in prior year unallocated CDBG Program funds, B-15-UC-06-0505**, in a manner satisfactory to the CITY and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

A. Activities

The **Child-Care Services for Income-Qualified Households Program** includes **child-care activities including virtual learning supervision, homework assistance, tutoring, reading, arts and crafts, recreation, English language development courses and social skills development. for children under the age of thirteen. CDBG funds will be used for child-care financial assistance (scholarships).**

B. Levels of Accomplishment

In addition to the normal administrative services required as part of this Agreement, the Subrecipient agrees to provide the following levels of program services: **childcare for 53 number of children at the Boys and Girls Club Malibu.**

C. Performing Monitor

The CITY will monitor the performance of the SUBRECIPIENT against goals and performance standards required herein. Substandard performance as determined by the CITY will constitute non-compliance with this agreement. If action to correct such substandard performance is not taken by the SUBRECIPIENT within a reasonable period of time after being notified by the CITY, contract suspension or termination procedures will be initiated.

2. **TIME OF PERFORMANCE**

Services of the SUBRECIPIENT shall start on the execution date of the contract, **August 24, 2020**, and end on the **June 30, 2021**. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the SUBRECIPIENT remains in control of CDBG funds or other assets including program income for no more than two (2) additional years.

3. **METHOD OF PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the CITY under this contract shall not exceed **\$47,000**. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in the Program Budget, Exhibit A herein and in accordance with performance.

Payments may be contingent upon certification of the SUBRECIPIENT's financial management systems in accordance with the standards specified in 2 CFR Part 200.

4. **NOTICES**

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee  
**Kasey Earnest**  
**Executive Director**

Subrecipient  
**Lisa Soghor**  
**Assistant City Manager**

Address of CITY is as follows:

**City of Malibu**  
**ATTN: Lisa Soghor**  
**23825 Stuart Ranch Road**  
**Malibu, CA, 90265**

Address of CONTRACTOR

**Boys and Girls Club Malibu**  
**ATTN: Kasey Earnest**  
**30215 Morning View Dr**  
**Malibu, CA 90265**

5. **SPECIAL CONDITIONS**

The SUBRECIPIENT agrees to comply with the requirements of Title 24 Code of Federal Regulations, Part 570 of the U.S. Department of Housing and Urban Development regulations concerning Community Development Block Grant (CDBG) and all federal regulations and policies issued pursuant to these regulations. The SUBRECIPIENT further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

6. **GENERAL CONDITIONS**

A. General Compliance

The SUBRECIPIENT agrees to comply with all applicable federal, state and local laws and regulations governing the funds provided under this agreement.

B. Amendments

The CITY or SUBRECIPIENT may amend this Agreement at any time provided that such amendments make a specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the CITY's governing body. Such amendments shall not invalidate this Agreement, or relieve or release the CITY or SUBRECIPIENT from its obligations under this Agreement.

The CITY may, at its discretion, amend this Agreement to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of, the activities to be undertaken as part of this agreement, such modifications will be incorporated only by written amendments signed by both the CITY and SUBRECIPIENT.

C. Patent Rights

If this agreement results in any discovery or invention which may develop in the course of or under contract, the CITY reserves the right to royalty-free, non-exclusive and irrevocable license to use and to authorize others to use, the work for government purpose.

D. Copyright

If this agreement results in any copyrightable material, the CITY and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work for government purpose.

E. Suspension or Termination

In accordance with 24 CFR 85.43, either party may terminate this contract at any time given written notices to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date such as termination. Partial terminations of the Scope of Service in Paragraph 1.A above may only be undertaken with the prior approval of the CITY. In compliance with 24 CFR 85.44 and in the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other material reported by SUBRECIPIENT under this Agreement shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

The CITY may also suspend or terminate this Agreement, in whole or in part, if SUBRECIPIENT materially fails to comply with any term of this Agreement, or with any of the rules, regulations, or provisions referred to herein; and the CITY may declare the SUBRECIPIENT ineligible for any further participation in the CITY contracts, in addition to other remedies as provided by law. In the event there is probable cause to believe the SUBRECIPIENT is in compliance with any applicable rules or regulations, the CITY may withhold up to fifteen percent (15) of said contract funds until such time as the SUBRECIPIENT is found to be in compliance by the CITY, or is otherwise adjudicated to be in compliance.

F. County Lobbyist Ordinance (*APPLICABLE TO ALL CONTRACTS*)

The SUBRECIPIENT affirms that in the procurement and performance of this contract, it was and is in compliance with Los Angeles County Ordinance No. 93-0031.

G. Federal Anti-Lobbying Provision (*APPLICABLE TO CONTRACTS \$100,000 and OVER*)

The SUBRECIPIENT affirms that in the procurement and performance of this contract, it was and is in compliance with the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352).

H. Awards to Parties on Federal Excluded Parties List (EPLS)

The SUBRECIPIENT affirms that it is not on the Federal Excluded Parties List, and agrees to comply with 2 CFR Part 200 – Appendix II(A), which prohibits Federal funds as contract awards to any entity on the Federal Excluded Parties List maintained on [www.sam.gov](http://www.sam.gov).

7. **ADMINISTRATIVE REQUIREMENTS**

A. Financial Management

1. Accounting Standard

The SUBRECIPIENT agrees to comply with 2 CFR Part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all cost incurred.

2. Cost Principles

The SUBRECIPIENT shall administer its program in conformance with 2 CFR Part 200 Subpart E “Cost Principles” as applicable; for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record-Keeping

1. Records to be Maintained

The SUBRECIPIENT shall maintain all records by the Federal regulations specified in 24 CFR 570.506 and 24 CFR 84.53 and that are pertinent to the activities to be funded under this Agreement. Such records shall include but not limited to:

- a.* Records providing a full description of each activity undertaken;
- b.* Records demonstrating that each activity undertaken meets one the National Objectives of the CDBG program;
- c.* Records required to determine the eligibility of activities;
- d.* Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e.* Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f.* Financial records as required by 2 CFR Part 200; and
- g.* Other records necessary to document compliance with Subpart K of 24 CFR 570.

2. Retention

The SUBRECIPIENT shall comply with Los Angeles County Auditor-Controller requirement (Auditor Controller Contract Accounting and Administration Handbook, Accounting and Financial Reporting, Section 3.1, Retention) and retain all records pertinent to expenditures incurred under this contract for a period of five (5) years after the termination of all activities funded under this agreement, or after the resolution of all Federal audit findings, whichever occurs later. Records for non-expendable property acquired with funds under this contract shall be retained for five (5) years after final disposition of such property. Records for any displaced person must be kept for five (5) years after he/she has received final payment.

### 3. Client Data

The SUBRECIPIENT shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not limited to, client name, address, income level, ethnicity, female head of household, or other basis for determining eligibility, and a description of services provided. Such information shall be made available to the CITY monitors or their designees for review upon request.

### 4. Property Records

The SUBRECIPIENT shall maintain real property inventory records which identify properties purchased, improves or sold. Properties retained shall continue to meet eligibility criteria and shall conform with the "Changes in Use" restrictions specified in 24 CFR 570.503(b)(7)(i)(ii).

### 5. National Objectives

The SUBRECIPIENT agrees to maintain documentation that demonstrates that the activities carried out with funds provided under this contract meet one or more of the CDBG program's national objectives:

- 1) benefit low-to moderate-income persons,
- 2) aid in the prevention or elimination of slums or blight,
- 3) Meet community development needs having a particular urgency – as defined in 24 CFR 570.208.

### 6. Close-Outs and Reversion of Assets

Per 24 CFR 570.503(b)(7)(i)(ii), SUBRECIPIENT obligation to the CITY shall not end until close-out requirements are completed within 30 days after expiration of this contract. Activities during this close-out period shall include, but are limited to: making final payments, disposing of program assets {including the return of all unused materials, equipment, unspent cash advances, program income, balances, and receivable accounts to the CITY }, and determining the custodianship of records.

### 7. Audits & Inspections

All SUBRECIPIENT records with respect to any matters covered by this agreement shall be made available to the CITY, grantor agency, their designees or the Federal Government, at any time during normal business hours, as often as the CITY deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the SUBRECIPIENT within 30 days after receipt by the SUBRECIPIENT. Failure of the SUBRECIPIENT to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The SUBRECIPIENT hereby agrees to have an annual agency audit conducted in accordance with current CITY policy concerning SUBRECIPIENT audits.

## C. Reporting and Payment Procedures

### 1. Budgets

The SUBRECIPIENT will submit a detailed contract budget of a form and content prescribed by the CITY for approval. The CITY and the SUBRECIPIENT may agree to revise the budget from time to time in accordance with existing CITY policies.

### 2. Program Income

The SUBRECIPIENT shall report quarterly all program income as defined at 24 CFR 570.500(a) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the SUBRECIPIENT may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unused program income shall be returned to the CITY at the end of the contract period. Any interest earned on cash advances from U.S. Treasury is not program income and shall be remitted promptly to the Grantee.

3. Indirect Cost

If indirect costs are charges, the SUBRECIPIENT will develop an indirect cost allocation plan in accordance with 2 CFR Part 200.414(e), for determining the appropriate CITY share of administrative costs and shall submit such plan to CITY for approval, prior to the execution of the contract.

4. Payment Procedures

The CITY will pay to the SUBRECIPIENT funds available under this contract based upon information submitted by the SUBRECIPIENT and consistent with any approved budget and CITY policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the SUBRECIPIENT and not to exceed actual cash requirements. Payments will be adjusted by the CITY in accordance with advance fund and program income balances available in SUBRECIPIENT accounts. In addition, the CITY reserves the right to liquid funds available under this contract for costs incurred by the CITY on behalf of the SUBRECIPIENT.

D. Procurement

1. Compliance

The SUBRECIPIENT shall comply with current CITY policy concerning the purchase of equipment and shall maintain an inventory of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the CITY upon termination of this contract.

2. Procurement Standards

The SUBRECIPIENT shall procure materials in accordance with the requirements of 2 CFR Part 200.318-329, covering utilization and disposal of property.

3. Relocation, Acquisition and Displacement

The SUBRECIPIENT agrees to comply with 24 CFR 570.606 and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) relating to the acquisition and disposition of all real property utilizing grant funds, and to the displacement of persons, businesses, nonprofit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds. The SUBRECIPIENT agrees to comply with applicable CITY Ordinances, Resolutions, and Policies concerning displacement of individuals from their residences.

**8. PERSONNEL & PARTICIPANT CONDITIONS**

I. Civil Rights

a. Compliance

The SUBRECIPIENT agrees to comply with all local and State civil laws and with:

- Title VI of the Civil Rights Act of 1964 as amended
- Title VIII of the Civil Rights Act of 1964 as amended
- Section 109 of Title I of the Housing and Community Development Act 1974
- Section 504 of Rehabilitation Act of 1973
- Architectural Barriers Act of 1968
- Americans with Disabilities Act of 1990
- Age Discrimination Act of 1975
- Fair Housing Act
- Executive Order 11063
- Executive Order 11246 as amended by Executive Orders 11375, 11478, 12086, and 12107
- Executive Order 12372.

J. Nondiscrimination

The SUBRECIPIENT will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital status, or status with regard to public assistance. The SUBRECIPIENT will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay of other forms of compensation, and selection for training including apprenticeship. The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

K. Section 504

The SUBRECIPIENT agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, 929 U.S.C. 706 which prohibits discrimination against the handicapped in any federally assisted program. The CITY shall provide the SUBRECIPIENT with any guidelines necessary for compliance with that portion of the regulations in force during the term of this contract.

L. Conduct

a. Conflict of Interest

The SUBRECIPIENT agrees to abide by the provisions of 2 CFR Part 200.318 (c)(1)(2) with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest direct or indirect, which would conflict in any manner or degree with the performance of services required under this contract. The SUBRECIPIENT further covenants that in the performance of this contract no person having such a financial interest shall be employed or retained by the SUBRECIPIENT hereunder. These conflicts of interest provisions apply to any person who is an employee, agent consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or Subrecipients which are receiving funds under the CDBG Entitlement program.

b. Religious Organization

The SUBRECIPIENT agrees that funds provided under this contract will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR 570.200(j).

9. WARRANTY OF AUTHORIZED SIGNATORIES AND ACCEPTANCE OF FACSIMILE OR ELECTRONIC SIGNATURES

Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the party for whom he or she purports to sign. The Parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into in connection with this Contract will be considered signed when the signature of a party is delivered physically or by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.

10. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the CITY and the SUBRECIPIENT for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the CITY and the SUBRECIPIENT with respect to this Agreement.

Failure to comply or act with respect to any section of the agreement shall constitute a violation and material breach of contract upon which the CITY, through its CITY MANAGER or designee may immediately cancel, terminate or suspend this Contract.

IN WITNESS WHEREOF, the APPROVING BODY has caused this Agreement to be subscribed and attested by the CITY MANAGER hereof, and the SUBRECIPIENT has subscribed the same through its authorized officer, the day, month and year first above written.

SUBRECIPIENT

"CITY "

Agency:

CITY OF MALIBU

By:

 8/12/20

By: \_\_\_\_\_

Typed Name:

Kasey Earnest  
Executive Director

Reva Feldman  
City Manager

Title:

Attest:

By: \_\_\_\_\_

Heather Glaser  
City Clerk

Approved as to Form:

By: \_\_\_\_\_  
THIS DOCUMENT HAS BEEN REVIEWED  
BY THE CITY ATTORNEY'S OFFICE

Christi Hogin  
City Attorney

**Los Angeles County Development Authority  
County of Los Angeles  
Project Description and Activity Budget**

Contract No.                      Version    0

PROJECT	OPERATING AGENCY
Project No:    602251-20 Title: Malibu COVID-19 Childcare Services  Funding Period:                      To: 6/30/2021 Jurisdiction: Malibu	<b>Organization</b> Name: City of Malibu  Type: Participating City LACDA Program Mgr: Jeffrey Badre

**Project Administration**

Elizabeth Shavelson  
 Assistant to the City Manager  
 City of Malibu  
 23825 Stuart Ranch Road  
 Malibu, CA 90265  
 Phone: (424) 395-6430  
 Email: eshavelson@malibucity.org

**Eligibility Summary**

Funding Source:    CDBG  
 HUD Code:        05L            Child Care Services  
 Eligibility Citation:    570.201(e)  
 National Objective:    LMC  
 Nat. Objective Citation:    570.208(a)(2)                      (i)(B)  
 Est. Accomplishments:    53                      Performance Indicator:    People (General)

**Activity Summary**

This new COVID-19 program provides childcare for income-qualified households, through the Boys and Girls Club of Malibu (BGCM), during the school day for students (aged 5-13) in local public schools that are not scheduled to open in Fall 2020 but will instead continue distance learning. Childcare activities include virtual learning supervision, homework assistance, tutoring, reading, arts and crafts, recreation, English language development courses, and social skills development.

Program participants will also be able to partake in the BGCM Wellness Center’s no-cost, mental health and wellness services. Services include individual counseling, support groups, and family

Project No:    602251-20                      Version:        0

## Los Angeles County Development Authority

## Exhibit A

counseling in support of such issues as academic stress, family strife, anxiety, grief and loss, eating disorders, friendships, and bullying. This program is 100% CDBG-funded.

CDBG funds are used for non-personnel costs.

### Special Conditions

**MONITORING OF SUBRECIPIENT:** The Operating Agency is responsible for monitoring the activities of the subrecipient for: program implementation, compliance with federal and County financial requirements, including the requirements and compliance with all other applicable regulations for a minimum of five (5) years after the expiration of the contract.

**SUBRECIPIENT AGREEMENT/CONSULTANT SERVICES:** The Operating Agency shall execute a professional services agreement with each consultant/contractor prior to incurring any costs or distributing any CDBG or ESG funds in compliance with federal contractual requirements.

### Program Management Mitigation Conditions

Operating Agency will monitoring subrecipient for income-qualification of households applying for childcare services.

### Environmental Mitigation Conditions

None.

### Contracted Services/Subrecipients

City of Malibu utilizes Boys and Girls Club of Malibu as subrecipient for the childcare program.

### Funding Summary

<u>Cost Category</u>	<u>Amount</u>
Uncategorized	\$47,000.00
<b>Total</b>	<b>\$47,000.00</b>

### Service Area

<u>Region</u>	<u>Population</u>	<u>Low/Mod Pop</u>
Malibu	15,475	3,380
<b>Grand Total:</b>	<b>15,475</b>	<b>3,380 21.84% Low/Mod</b>