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October 31, 2025

**TO: Prospective Proposers**

**RE: REQUEST FOR PROPOSALS FY 25/26 RFP-40040 – PLHA Funded Homeless Outreach Services and Residential Accessibility Modifications for Lower-Income Property Owners**

**Addendum #1**

**This is Addendum #1 to the City of Santee Request for Proposals for FY 25/26 RFP-40042 – Use of Permanent Local Housing Allocation (PLHA) Formula Funding for Homeless Outreach Services and Residential Accessibility Modifications for Lower-Income Property Owners dated October 10, 2025. This Addendum forms an essential part of the Contract Documents by Revising the Specifications with the following changes and/or additional information.**

**Receipt of this Addendum must be acknowledged in the Transmittal Letter (*Ref. Section 8.2*) of your Proposal.**

**QUESTIONS AND ANSWERS**

- 1. What are the available funding amounts specifically for accessibility modifications for each fiscal year (26, 27, 28)?**

ANSWER: See funding chart below. While the funding amounts per fiscal year may vary, it is expected that the expenditures will be more evenly distributed across the term of agreement between the City and subrecipient (non-profit service provider). According to the California Department of Housing and Community Development (HCD), fiscal year allocations are not tied to a strict, single fiscal year spending window for the grantee. Instead, the funds are available for a longer, multi-year period.

Fiscal Year of Funding	FY 2025/26	FY 2026/27	FY 2027/28	Three Year Total	Average Annual Amount
Amount of Funding per Fiscal Year	\$ 229,843	\$ 115,198	\$ 88,295	\$ 433,336	\$ 144,445
Administration (5%) - City Funds	\$ 11,492	\$ 5,760	\$ 4,415	\$ 21,667	\$ 7,222
Activity 6 (Assisting Homeless Persons - 55%)	\$ 126,414	\$ 63,359	\$ 48,562	\$ 238,335	\$ 79,445
Activity 7 (Accessibility modifications in lower-income owner occupied housing - 40%)	\$ 91,937	\$ 46,079	\$ 35,318	\$ 173,334	\$ 57,778

2. Is there a list of eligible expenses (eligible uses of funds) as referenced in the RFP and the sample agreement? For example, would all the following be reimbursable:
- A. Subcontractors - Seem to be allowed, according to the sample agreement, and if confirmed, is there a competitive bid process we must adhere to?
  - B. Homeowner Qualification/Program Staff Salaries
    - 1. If Staff Salaries are allowed, what records will be required to substantiate payroll expenses?
  - C. Health and safety projects that are not directly related to accessibility enhancements, but may be required to provide a safe home (i.e., electrical panel upgrades, plumbing upgrades, security fencing)
  - D. Permitting, inspection or other City fees?

ANSWERS:

Subcontractors – Yes, PLHA funded subrecipients are allowed to use subcontractors to deliver services or perform work required by their agreements. Subrecipients may use their own organization's procedures in the procurement of subcontractors.

**Note:** The City's selected provider will need to ensure that the contractor(s) selected to perform accessibility modification projects (construction) are registered with the California Department of Industrial Relations and pay prevailing wages.

Staff Salaries – Yes, staff salaries are reimbursable expenses for subrecipients under the PLHA program. The following are typically the documents required to substantiate payroll expenses:

- **Employee Timesheets:** This is the most crucial documentation. These records must accurately reflect the total activity for which employees are compensated and precisely track the time spent on PLHA-funded activities versus other programs/activities. The timesheets must:
  - Specify the date range of the pay period.
  - Reflect all hours worked during the pay period.
  - Identify the number of hours and percentage of total hours worked for the specific PLHA project/activity by funding source.
  - Be signed and dated by both the employee and their immediate supervisor or an otherwise authorized official.

- **Payroll Journals/Registers:** Detailed accounting records that provide a historical account of payroll activities.
- **Gross Pay Details:** Records must detail the gross pay for each individual working on the program.
- **Rate of Pay:** Documentation of the employee's hourly rate or salary. The reasonableness of this rate is typically established in HR records like job descriptions and pay scales.

Health and Safety Projects – Subrecipient expenses for health and safety projects that are not directly related to accessibility enhancements, but are necessary to provide a safe home, may be reimbursable if such projects are, 1) needed to complete an accessibility enhancement and/or 2) critical repairs which pose imminent threats to the homeowner's life, health, safety. The determination as to which health and safety projects not directly related to accessibility modifications are eligible, shall be made by the City of Santee's Building Division.

Permitting & Inspection Fees – Permitting and inspection fees required for a subrecipient's accessibility modification project(s) will be waived by the City if they are able to be completed by City staff. However, if a subrecipient's accessibility modification project(s) require that the City have aspects of a project that requires plan review or inspection by the City's Building consultant (Interwest Consulting Group), fees for such inspection must be paid by the subrecipient but are reimbursable expenses under the PLHA program.

**3. ACTIVITY 7 (Accessibility Modifications in Lower-Income Owner-Occupied Housing) - Is there a minimum or maximum expenditure amount allowed per house?**

ANSWER: No, but proposals may include a maximum and/or minimum amount in their proposals based on the limited funding of approximately \$58,000 per year and the objective of helping as many households as reasonably possible.

**4. ACTIVITY 7 - The RFP states households "must meet the required income standards of 60% of annual median income for San Diego County..." We want to clarify that it means at or below 60% of AMI.**

ANSWER: Correct, this means at or below 60% Area Median Income for San Diego County.

**5. ACTIVITY 7 - What is the process of having homeowners and scopes of work approved by the City? This will affect the work timeline.**

ANSWER: The City will work with the selected service provider to finalize the specifics of the accessibility modifications program to be implemented. This may include but is not limited to the following.

- Establishment of maximum funding amounts per household/project
- Determining eligible repairs items (e.g., accessibility ramps, grab bar installations, widening of doorways, kitchen modifications, modifying or replacing bathtubs, lowering sinks, etc.)
- Establishment of property owner application process
- Determination of respective marketing responsibilities (City and subrecipient).

By establishing a set of program guidelines for requested improvements, the selected subrecipient will be able to make an initial determination of which accessibility modification projects will be completed. However, the selected subrecipient will need to coordinate with the City's Building Division on permits and inspection, to ensure that the determined accessibility modifications follow California Building Code (CBC) (Chapter 11A – Housing Accessibility).

**6. ACTIVITY 7 - Are there any standard (over-the-counter) designs for ramps that can be used, or would we have to design each one individually and get it permitted?**

ANSWER: Neither the City of Santee nor HCD have over-the-counter wheelchair ramps designs that can be used for accessibility modification projects. However, there are numerous companies, both national manufacturers and local installers in California, that sell modular and portable wheelchair ramps that are designed to meet accessibility standards, including the CBC.

Any subrecipient's accessibility ramp design would need to be approved by the City's Building Division.

**7. Would it be possible to negotiate the agreement to plan for reimbursement of expenses on a quarterly basis, rather than monthly?**

ANSWER: Yes, it is possible to have quarterly reimbursement of expenses allowed in the agreement between the City and service provider.

**8. Is there guidance or will there be a template for reimbursement submissions, specifically timesheets/payroll records, if those are eligible expenses?**

ANSWER: Payroll costs are a reimbursable expense for PLHA subrecipients. While the California Department of Housing and Community Development (HCD) provides the overall guidelines and reporting templates for grantees (City of Santee), neither the City nor HCD provides specific timesheet or payroll templates for subrecipients.

**9. What annual or final reporting will be required?**

ANSWER: For the Permanent Local Housing Allocation (PLHA) program, the primary annual reporting is submitted by the grantee local government (City of Santee), not the subrecipient directly. However, subrecipients must provide required documentation to the grantee so the local government can complete its annual report and other compliance requirements. This includes details on expenditures, activities, and progress toward objectives.

To enable the grantee to meet its reporting obligations, subrecipients must provide detailed information, generally on a quarterly basis, which may include:

- Documentation of all expenses
- Executed contracts and agreements
- Data on the populations served
- Project start and end dates
- Status updates on all activities