

PALM DESERT HOUSING AUTHORITY STAFF REPORT

MEETING DATE: August 28, 2025

PREPARED BY: Jessica Gonzales, Housing Manager

SUBJECT: RATIFY MODIFIED CONTRACT FOR AFFORDABLE HOUSING COMPLIANCE AND PROPERTY MANAGEMENT SERVICES WITH NATIONAL COMMUNITY RENAISSANCE

RECOMMENDATION:

Ratify modifications to the previously approved contract for affordable housing compliance and property management services for the Housing Authority-owned Properties with National Community Renaissance of California, a California public benefit corporation.

BACKGROUND/ANALYSIS:

On February 27, 2025, the Housing Authority Board (“Authority”) voted to enter into a Property Management Services contract (the “Agreement”) with National Community Renaissance of California (“National CORE”) to provide affordable housing compliance and property management services at Authority-owned properties (Contract No. HA48960). In connection with this action, the Board also executed an Addendum to the Agreement (the “Addendum”), which granted the Manager the right to enter the Properties during the Transition Period, from February 27, 2025, through July 1, 2025.

On May 22, 2025, the Authority Board approved a modified Agreement and Addendum, which included the following:

- Adjusted the commencement date of the Term from July 1, 2025, to June 1, 2025.
- Reduced the monthly base fee retention amount from 10% to 3%.
- Clarified language regarding overtime costs and the designation of certain personnel.

The Agreement required National CORE to secure specified insurance policies. Although National CORE’s insurance provider is able, in substance, to provide all necessary coverage, the insurance provider noted that the Agreement’s insurance provisions do not accurately reflect how the current coverage is structured. National CORE’s insurer required that the insurance language in the Agreement be revised to accurately reflect the structure of the liability coverage. After further discussion with National CORE, the Authority, in consultation with its insurance provider California Joint Powers Insurance Authority (CJPIA) and Authority Special Counsel, agreed to the following changes:

Changes in Agreement Section	New Section Added	Agreed Upon Modification
25 (c)	25 (h)	Sexual molestation coverage moved from Professional Liability (Errors & Omissions) policy to a new Commercial General Liability policy described in Section 25(h).

24	25 (i)	Hazardous material and pollution coverage moved from Professional Liability (Errors & Omissions) policy to a new Pollution Liability policy described in Section 25(i).
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Modifying the terms noted above accurately aligns National CORE’s insurance coverage with the required insurance coverage under the Agreement. To ensure the contract remained in effect without interruption, the Chairperson executed the Modified Agreement and Addendum with National CORE in advance.

Legal Review:

This report has been reviewed by the Authority’s special counsel, Richards Watson and Gershon.

Appointed Body Recommendation:

Not applicable. Resolution No. HA-93 provides that the Housing Commission shall review and make recommendations on all matters to come before the Authority except matters relating to the management and operations of the Authority.

FINANCIAL IMPACT:

There is no financial impact with this action.

ATTACHMENTS:

1. HA48960 Modified National CORE Contract
2. HA48960a Modified Addendum Agreement
3. Modified Management Services Agreement (Redlined)