



Meeting Date: 12/19/06

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Ernest Whitaker *EW* Agenda Item No. I-6
 Reviewed By: City Manager *JPB* City Attorney *PH* Finance *SW* Other (Specify) _____

DATE: December 6, 2006

TO: City Council

FROM: Sal Gonzalez, Housing Director *SG*
Housing Department

SUBJECT: Agreement with HOME Corporation

RECOMMENDATION

That City Council authorize the Mayor to execute an Agreement for Professional Services (Agreement) (A-6812) with Housing Opportunity Management and Education Corporation (HMC) providing \$50,000 for general operating assistance.

DISCUSSION

City Council designated HMC as a Community Housing Development Organization (CHDO) at its meeting of February 10, 2004. Non-profit housing developers need to be designated as CHDOs in order to receive U.S. Department of Housing and Urban Development (HUD) HOME funds. The City has provided HMC with HOME funds for housing counseling and approved funds for gap financing of the 22 unit townhome Colonia Villas project that HMC is developing at First and Hayes Streets. The HOME guidelines also provide that HOME funds may be used to provide general operating assistance to CHDOs that are receiving HOME funds for development activities. The Colonia Villas project qualifies the HMC for these operating funds. The City has received a request from HMC for \$50,000 in operating expenses for calendar year 2007. The funds would be used for the office manager's salary, rent, utilities, insurance, office supplies, and similar operating expenses. These funds will offset operating costs and increase the capacity of HMC to develop affordable housing and particularly to support the development of the Colonia Villas project. The agreement will support approximately 33% of the 2007 HOME operating budget.

FINANCIAL IMPACT

Funds to support the \$50,000 agreement will come from HOME Account No. 295-5162-804-8209, Project 775153, Fiscal Year 2006-2007.

(EW/em)

Subject/HOME Corp. Agreement
December 8, 2006
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Attachment #1 - 2007 HMC Budget
#2 - Agreement

Note: The Agreement for Professional Services has been provided to the City Council. Copies are available for review at the Circulation Desk in the Library after 6:00 p.m. on the Thursday prior to the Council meeting and at the City Clerk's Office after 8:00 a.m. on Monday.

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The HOME Corporation
2007 Budget

• Salaries and benefits				
○ Office Manager	\$20 per hour			
	X 20 hrs per week			
	X 52 weeks	=		\$20,800
• CHDO Capacity Building				
○ Training		=		\$3,700
○ Travel		=		\$2,500
• Rent				
○ Rent	\$550 x 12 months	=		\$6,600
• Utilities				
○ Phone and Broadband	\$200 x 12 months	=		\$2,400
○ Electricity	\$75 x 12 months	=		\$ 900
• Insurance and licenses				
○ General Liability		=		\$1,000
• Equipment, materials and supplies.				
○ Copier	\$350 x 12 months	=		\$4,200
○ Materials	\$100 x 12 months	=		\$1,200
○ Office supplies	150 x 12 months	=		\$1,800
• Community Outreach				
○ School District Fliers	\$1,300 x 3 sessions	=		\$3,900
○ Oxnard Utility Bill	\$1,000 x 1 session	=		\$1,000
Grand Total				\$50,000