



Meeting Date: 12/04/07

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-7
 Reviewed By: City Manager *[Signature]* City Attorney *MA* Finance *SW* Other (Specify) _____

DATE: November 19, 2007

TO: City Council

FROM: Sal Gonzalez, Housing Director *[Signature]*
 Housing Department

SUBJECT: Agreement with Housing Opportunity Management and Education Corporation

RECOMMENDATION

That City Council authorize the Mayor to execute an Agreement for Professional Services (Agreement) (A-6975) with Housing Opportunity Management and Education Corporation (HMC) providing \$53,420 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 provided funds for gap financing in the amount of \$840,000 for the 24 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 \$53,420 in operating expenses for calendar year 2008. The funds would be used for salaries, rent, utilities, insurance, office supplies, and housing counseling. 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. They will also support the ongoing housing counseling and homeownership workshop program. The agreement will support approximately 36% of the 2008 HMC operating budget.

Through a competitive process, HMC was also granted technical assistance by the Enterprise Foundation. HMC will be working with Enterprise consultants to: 1) develop its board, 2) strengthen its bylaws and organizational structure and 3) create and implement a fund raising strategy.

Subject/HOME Corp. Agreement
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FINANCIAL IMPACT

Funds to support the \$53,420 agreement will come from HOME Account No. 295-5162-804-8209, Project 775159, Fiscal Year 2007-2008.

(EW/em)

Attachment #1 - 2008 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 Friday.

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HOME Corporation 2008 Budget

CHDO Activity	Amounts
Salaries	24,600
Training/Travel	4,500
Rent	6,000
Utilities	4,500
Insurance	1,920
Equipment/Supplies	4,000
Community Outreach	7,900
Grand Total	53,420

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The HOME Corporation
2008 Budget

• Salaries and benefits		=	\$69,000
◦ Executive Director Salary		=	\$41,600
◦ Office Manager	\$20 p/hr x 40 hrs p/wk x 52 weeks		
• CHDO Capacity Building			
◦ Training		=	\$3,700
◦ Travel		=	\$2,500
• Rent			
◦ Rent	\$550 x 12 months	=	\$6,600
• Utilities			
◦ Phone and Broadband	\$280 x 12 months	=	\$3,360
◦ Electricity	\$115 x 12 months	=	\$1,380
• Insurance and licenses			
◦ Insurance		=	\$4,500
◦ Licenses		=	\$ 350
• Equipment, materials and supplies.			
◦ Materials	\$100 x 12 months	=	\$1,200
◦ Office supplies	\$150 x 12 months	=	\$1,800
◦ Shredding Services	\$75 x 12 months	=	\$ 900
◦ Storage	\$31 x 12 months	=	\$ 372

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• Consulting				
○ PC Maintenance and Servers	\$85 per month x 12 months		=	\$1,020
○ Credit Reports	\$250 per month x 12 months		=	\$3,000
• Community Outreach				
○ School District Fliers	\$1,300 x 3 sessions		=	\$3,900
○ Ventura County Star Fliers	\$1,200 x 3 sessions		=	\$3,600
○ Oxnard Utility Bill	\$1,000 x 1 session		=	\$1,000
Grand Total				\$149,782

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