

REPORT TO REDEVELOPMENT AGENCY

DATE: JULY 12, 2006

TO: HONORABLE CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

FROM: GREG RAMIREZ, EXECUTIVE DIRECTOR

BY: MIKE KAMINO, DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

SUBJECT: APPROVAL OF AN AGREEMENT WITH MDG ASSOCIATES, INC., FOR SINGLE-FAMILY HOUSING REHABILITATION PROGRAM CONSULTING SERVICES

The purpose of this item is to seek Redevelopment Agency (RDA) approval for the City to enter into an agreement with MDG Associates, Inc., for consulting services to administer the Agency's Single-Family Housing Rehabilitation Program. Staff would note that also on the July 12 City Council Agenda is a companion agreement with MDG Associates, Inc., to administer the Community Development Block Grant (CDBG) portion of the Single-Family Housing Rehabilitation Program. While MDG Associates, Inc., will be responsible for administering both the CDBG and RDA portions of the program, separate agreements are necessary due to the fact that funding sources are different and the program components are slightly different. The budget for both the CDBG and RDA components of the Single-Family Rehabilitation Program is \$322,436, with a combined not-to-exceed amount of \$34,487 for MDG Associates, Inc., to administer the program.

The Redevelopment Agency approved a one-year contract with MDG Associates, Inc., which expired on June 30, 2006, to administer the program with a \$250,000 budget. Staff is requesting that the Redevelopment Agency approve another one-year contract with MDG Associates, Inc., for consulting services to administer the Single-Family Housing Rehabilitation Program. The approved budget for this program is \$250,000 and is to be allocated from the RDA housing set-aside fund. Of this amount, \$20,000 will be made available for program administration by MDG Associates, Inc. MDG Associates, Inc.'s services will remain the same as last year and include application review, loan processing, property inspection, contract monitoring, document recordation, and report preparation.

MDG Associates, Inc., has successfully administered the RDA Single-Family Housing Rehabilitation Program and is well qualified to administer the continuation of this program. In addition, MDG Associates, Inc., has also provided consulting services for the City in their administration of the Community Development Block Grant's Single-Family Housing Rehabilitation Program. Staff finds MDG Associates Inc.'s quality of work regarding the housing rehabilitation program to be exceptional and recommends that the Redevelopment Agency approve the one-year contract, which is not to exceed \$20,000.

The proposed agreement has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the Redevelopment Agency approve the attached agreement with MDG Associates, Inc. in the amount of \$20,000.

Attachments: Agreement
 Consultant's Proposal (June 2005)