

## **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 FIRST-TIME HOMEBUYER PROGRAM IMPLEMENTATION SERVICES**

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The purpose of this item is to seek Redevelopment Agency approval for the Agency to enter into a Consulting Agreement with MDG Associates, Inc., (MDG) for services to administer and implement the City's First-Time Homebuyer Program (Program). Staff is requesting that the Agency approve a one-year contract with MDG Associates, Inc., with work to be performed on a time-and-materials basis, for a not-to-exceed fee of \$20,000. This amount has been budgeted by the Planning and Community Development Department for the 2006-07 fiscal year, and is to be allocated from the Redevelopment Agency housing set-aside fund.

MDG will provide the following services:

1. Prepare Program marketing, process Program applications, monitor Program loan portfolio, and provide lender training.
2. Attend City Loan Committee meetings and City Council meetings.

The City Council approved the First-Time Homebuyer Program in 2004. During this past year, MDG implemented the Program, including responding to inquiries regarding the Program and processing applications from candidates. More recently, MDG also began working on identifying possible ways to improve and modify the Program to increase the ability of candidates to qualify for loans. The work to occur this coming year under the proposed contract would include continuing the Program implementation, including any changes to the Program that are recommended to enhance Program participation. The City has a separate contract with MDG to administer the Single-Family Housing Rehabilitation Program.

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

## **RECOMMENDATION**

Staff recommends the Redevelopment Agency approve the attached Consulting Services Agreement with MDG Associates, Inc., in the not-to-exceed amount of \$20,000.

Attachment: Agreement (with Exhibits A and B)