

COMMUNITY GRANTS AND LOANS

MEMORANDUM

TO: Honorable Members of the Board of Supervisors
FROM: Rich Colwell, Chief Assistant CEO-Redevelopment Director *R. Colwell*
Rae James, Deputy Director Redevelopment Agency
DATE: February 6, 2007
SUBJECT: Approve a Contract between the County and Mercy Housing California in the Not to Exceed Amount of \$88,000 to Provide Administrative Sub-Contractor Services for the 05-HOME-2123 Grant and Authorize the Purchasing Manager to Sign the Contract.

ACTION REQUESTED: Approve a contract between the County and Mercy Housing California (Mercy) in the not to exceed amount of \$88,000 to provide administrative sub-contractor services for the 05-HOME-2123 Grant and authorize the Purchasing Manager to sign the contract.

BACKGROUND: On August 24, 2006, Placer County received a First Time Homebuyer and Owner Occupied Rehabilitation Grant in the amount of \$800,000 from the California Department of Housing and Community Development, HOME Program. This grant is a continuation of the 1999 and 2003 HOME Grant awards which have provided sixteen first time homebuyer and six owner occupied rehabilitation loans. On October 5, 2006, the Procurement Division released a Request For Proposals (RFP) No. 9630, entitled 2005 HOME Grant Administration Assistance. Two firms responded to the RFP, Connerly & Associates and Mercy. The evaluation panel rated Mercy as the top scorer.

The Redevelopment Agency will oversee the grant and use the funds to provide loans to first time homebuyers and for owner occupied rehabilitation. Mercy will perform the duties of an administrative sub-contractor for the grant award. Services to be provided by Mercy include loan underwriting and inspections for an estimated twelve loans. The loans will be funded from the 05-HOME-2123 Grant plus any program income received from loans paid off from the 1999 and 2003 HOME Grants.

FISCAL IMPACT: There is no impact on the County General fund. Mercy will be paid administrative and activity delivery fees as provided for in the HOME Grant award.

RECOMMENDATION: Approve a contract between the County and Mercy in the not to exceed amount of \$88,000 to provide administrative sub-contractor services for the 05-HOME-2123 Grant and authorize the Purchasing Manager to sign the contract.

cc: Sabrina Thompson, County Counsel

On File with the Clerk of the Board:
Consultant Services Agreement for Review Only

