

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** 11/17/2014

**Agenda Item Number (Assigned by City Clerk):** 2.

**Agenda Item Wording:** Authorize a fifth amendment to an agreement between the City of Visalia and Habitat for Humanity (HfH) of Tulare county, for the use of U. S. Department of Housing and Urban Development (HUD), Neighborhood Stabilization Program (NSP) funding for the acquisition of foreclosed single family dwellings, rehabilitation and resell to households at or below fifty-percent (50%) of the area median income, within the Visalia NSP Target Area; and extend the agreement to December 30, 2015.

**Deadline for Action:** 11/17/2014

**Submitting Department:** Community Development

**Contact Name and Phone Number:**

Rhonda Haynes, Housing Specialist, 713-4460  
Chris Young, Community Development Director, 713-4392

**Department Recommendation:** Staff recommends that the City Council authorize the City Manager to enter into a fifth amendment to the Neighborhood Stabilization Program (NSP) agreement between the City of Visalia and Habitat for Humanity of Tulare County, acting as a Developer, in order to:

- 1) Authorize an extension of the existing agreement to December 30, 2015; and
  - a. Authorize the City Manager to allow an additional one year extension to finalize transactions, if necessary; and
- 2) Authorize the City Manager to execute an amendment to the agreement and allow the return of recycled NSP program income up to \$250,000 to HfH, to continue their efforts in acquiring additional properties which will assist families/households at and below 50% AMI; and
- 3) Authorize a revision to the policies:
  - a. To increase the maximum purchase price from \$85,000 up to a maximum of \$100,000; and
  - b. To increase the maximum total investment costs allowed, from \$110,000 up to \$130,000, which includes acquisition, rehabilitation, Developer Fee and any ancillary costs; and
  - c. Change in the structured payment of the Developer fee, which shall be no more than five percent (5%) of the acquisition cost and no more than fifteen percent (15%) of the rehabilitation cost; and
- 4) Authorize the City Manager and City Attorney to make any minor or technical revisions or corrections to the respective agreement (Attachment "B"); and