



## **CITY OF MENIFEE**

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SUBJECT: Agreement Amendment with Neighborhood Partnership Housing Services, Inc. for the First Time Home Buyer Down Payment Assistance Program

MEETING DATE: June 19, 2024

TO: Mayor and City Council

PREPARED BY: Edna I. Lebrón, Senior Management Analyst

REVIEWED BY: Cheryl Kitzerow, Community Development Director

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Approve and authorize the City Manager to execute Amendment No. 1 to the Professional Services Agreement with Neighborhood Partnership Housing Services, Inc. (NPHS) for the First Time Home Buyer Down Payment Assistance (DPA) Program, increasing the amount by \$7,000 and extending the term of the agreement through June 30, 2025.

### **DISCUSSION**

On September 14, 2021, the City Manager approved a Professional Services Agreement (“Agreement”) with NPHS for the DPA Program in the amount of \$24,500. The initial Agreement was for a term of three years and services rendered under the Agreement are funded by the California Department of Housing and Community Development (HCD) Permanent Local Housing Allocation (PLHA) Program by Account No. 301-4330-52843.

The DPA Program provides low-and moderate-income, first-time homebuyers with no-interest, deferred payment loans of up to \$100,000 for down payment assistance or closing costs. Under the terms of the Agreement, NPHS is responsible for Program marketing and outreach, application review/screening, education, loan processing, reporting and monitoring services. During the term of the existing Agreement NPHS has successfully assisted two low-moderate income citizens become homeowners in the City of Meniffee and they are currently processing two additional applications.

Staff is requesting an amendment to the agreement to extend the contract for one additional year and increase the budget in the amount of \$7,000, for a not-to-exceed contract amount of \$31,500 to allow NPHS to continue with the DPA Program through June 30, 2025.

## **STRATEGIC PLAN OBJECTIVE**

Thriving Economy

## **FISCAL IMPACT**

The fiscal impact of the proposed amendment with NPHS would be \$7,000 for a total not-to-exceed amount of \$31,500 through June 30, 2025. The funding required to support the proposed amendment is available in the adopted Fiscal Year 2024/2025 operating budget within Account No. 301-4330-52843 (Permanent Local Housing Assistance Grant). If additional funds are needed for professional services due to an increase in citizen participation, funding would be budgeted as part of that respective year's budget.

## **ATTACHMENTS**

1. Amendment No. 1
2. Original Agreement