

COUNCIL ACTION FORM

SUBJECT: RESOLUTION AUTHORIZING HOUSING COORDINATOR TO APPROVE CONTRACTUAL EXTENSIONS AND AMENDMENTS WITH NONPROFIT ORGANIZATIONS THAT HAVE PURCHASE AND/OR REHABILITATION AGREEMENTS PREVIOUSLY APPROVED BY CITY COUNCIL.

BACKGROUND:

The City's Housing Coordinator has been designated as the administrator of the City's Community Development Block Grant (CDBG), HOME, CARES and other State and local Housing and Community Development programs. Annually the City Council approves various Action Plan related projects that are in partnership area non-profits to address various housing and community development needs in the community.

An example of an Action Plan project is our Acquisition/Reuse Program. Under this program, the City seeks to purchase properties or lots to be built or rehabilitated for affordable housing. Several of these properties or lots are then approved to be sold to non-profit organizations, like Habitat for Humanity of Central Iowa. **Sales contract terms, as approved by the City Council, typically contain completion deadlines for such items as: selection of qualified households, affordability terms, construction, or rehabilitation and property closing dates.**

In order to implement these programs in a more efficient manner, staff is requesting that the City Council authorize the Housing Coordinator, after consultation with the City Attorney's Office, to negotiate the above contract terms, extension requests or other minor contract adjustments (e.g., time extensions, additional repairs, or property enhancements). It should be emphasized that requests to change purchase amounts will still need to be authorized by the City Council.

ALTERNATIVES:

1. The City Council can approve authorization for the Housing Coordinator, after consultation with the City Attorney's Office, to negotiate terms of contract extension requests or other minor contract adjustments (e.g., time extensions, additional repairs, or property enhancements). The Housing Coordinator will not be authorized to change purchases contract amounts.
2. The City Council can deny authorization for the Housing Coordinator, after consultation with the City Attorney's Office, to negotiate terms of contract extension requests or other minor contract adjustments (e.g., time extensions, additional

repairs, or property enhancements), with additional stipulations.

CITY MANAGER'S RECOMMENDED ACTION:

Extending authorization to adjust terms of City Council approved contracts by the Housing Coordinator will expedite the process of making adjustments with non-profit organizations. Minor changes to contracts are typically routine for the City Council, but it does require additional time to hold a meeting and sign final changes.

It should be emphasized that even though the Housing Coordinator will be granted the authority to negotiate the terms of contract extensions and other minor contract adjustments, the City Council itself must still approve the initial selling of the property to a non-profit organization. Additionally, amendments to agreed upon sales prices cannot be changed by the Housing Coordinator.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.