

August 4, 2020
City Manager

TITLE: APPROVE PROFESSIONAL SERVICES AGREEMENTS WITH HELLO HOUSING AND ECHO HOUSING FOR FIRST TIME HOMEBUYER PROGRAM ADMINISTRATION SERVICES FOR JULY 2020 THROUGH JUNE 2021

SUMMARY

Hello Housing and ECHO Housing have been providing homebuyer education services for the City of Pleasanton since January 2016. Both agencies were selected through a joint Request for Proposals (RFP) process with the City of Livermore to identify entities that could support administration and compliance monitoring for Pleasanton's and Livermore's respective below market rate (BMR) homeownership and first time homebuyer loan programs. Both agencies have effectively managed the programs since January 2016, and staff is recommending that the City enter into new professional services agreements with each agency to continue providing these essential homebuyer program administration services.

RECOMMENDATION

1. Approve and authorize the City Manager to execute the Professional Services Agreement with Hello Housing to provide first-time homebuyer program administration services for an amount not to exceed \$56,298 for the period July 1, 2020 through June 30, 2021;
2. Approve and authorize the City Manager to execute the Professional Services Agreement with ECHO Housing to provide first-time homebuyer program administration services for an amount not to exceed \$25,000 for the period July 1, 2020 through June 30, 2021;
3. Approve an appropriation of \$81,298 from the Lower Income Housing Fund.

FINANCIAL STATEMENT

Approval of the two (2) professional services agreements will result in a total expenditure of \$81,298 from the City's Lower Income Housing Fund in fiscal year 2020/21.

The fiscal year 2020/21 professional services agreement with Hello Housing includes \$56,298 in service delivery expenses proposed to be paid from the City's Lower Income Housing Fund. Hello Housing expended \$35,937 of its \$54,648 contract covering the prior July 1, 2019 through June 30, 2020 period, leaving a balance of \$18,711 in unexpended funds. These funds are proposed to be carried over to the proposed fiscal year 2020/21 contract, resulting in a needed additional appropriation of \$37,587 from the Lower Income Housing Fund.

The professional services agreement with ECHO Housing includes \$25,000 in service delivery expenses during fiscal year 2020/21. ECHO Housing's July 2019 – June 2020 contract was in the amount of \$25,000. As of June 2020, ECHO Housing expended all but \$7,197.90 of its current Pleasanton portion of the contract budget. These funds are also proposed to be carried over to the proposed fiscal year 2020/21 contract, resulting in a needed additional appropriation of \$17,802.10 from the Lower Income Housing Fund.

BACKGROUND

In 2014, the cities of Livermore, Dublin and Pleasanton collaborated to issue a Request for Proposals (RFP) to identify agencies that could provide administration support and homebuyer counseling services for the City's Below Market Rate (BMR) Homeownership Programs and other First Time Homebuyer Programs. These programs were previously provided by the Tri-Valley Housing Opportunity Center (TVHOC).

Hello Housing was selected as the firm most qualified to provide the BMR administration services requested in the RFP, and both the cities of Livermore and Pleasanton has been contracting with Hello Housing since January 2016. Key enhancements in contracting with Hello Housing included realizing greater efficiencies in implementing the City's marketing and selection process, expanded marketing and information distribution features through Hello Housing's website, and enhanced customer service including an online application tool for prospective homebuyers.

As Hello Housing does not provide first-time homebuyer education services, including the mandatory 8-Hour HUD-certified First Time Homebuyer seminar required by the City of Pleasanton's first time homebuyer programs and by many state and federal down payment assistance programs, the City also has been contracting with ECHO Housing since January 2016 to provide these services. ECHO Housing, which has a long history of providing fair housing services in the Tri-Valley, is a HUD-certified housing counseling agency with experience providing first time homebuyer education workshops (including several in Pleasanton each year) through grants received from the U.S. Department of Housing and Urban Development (HUD). ECHO Housing has been providing its services from a housing resource center at 141 North Livermore Avenue, the former site of the Tri-Valley Housing Opportunity Center (TVHOC). They provide a part-time dedicated homebuyer counselor (0.57 FTE) and staff support (0.20 FTE) to outreach to and counsel low and moderate income first time buyers in creating savings for down payments, and to identify other resources for first-time home purchases.

DISCUSSION

Both Hello Housing and ECHO Housing are providing specialized essential services in support of the City of Pleasanton's homebuyer programs. Both agencies were selected in 2015 through a robust RFP process, and staff is recommending that the City Council approve professional services agreements with both to continue providing these services for fiscal year 2020/21.

Hello Housing - Proposed Agreement for Fiscal Year 2020/21

Staff has been pleased with the quality and level of service provided by Hello Housing since January 2016, including the recently ended FY2019/20 and is proposing that Hello Housing continue to administer the Pleasanton Homeownership Assistance Program during the next fiscal year. Implementation of the proposed agreement will result in a

continued high level of service to the public (both existing BMR owners and prospective first time homebuyers). The agreement will also continue to ensure a higher level of program compliance through the more regular and systematic monitoring of current BMR owners. Exhibits A and B of the attached Professional Services Agreement outline in detail the scope of services to be provided over the coming fiscal year. The Program Administration Fee will guarantee that trained and dedicated Hello Housing staff are available to perform the “Variable Activities” outlined in the table below. The annual monitoring costs included in the agreement are based on the total number of loans in the City’s portfolio. As part of the monitoring services, Hello Housing will determine occupancy status and assist the City with resale compliance inquiries and issues as needed. There will be no budget allocated for new BMR home sales in FY 2020/21 as no new BMR homeownership units are anticipated this fiscal year. The proposed Variable Activities relate primarily to BMR resales and refinances.

The table below provides a summary of the scope of services and costs associated with the proposed professional services agreement with Hello Housing:

Hello Housing Activity/Service Area	Price Per Activity	FY2020/21 Budget
Program Administration Fee (80% of projected \$31,235 Variable Costs)		\$24,144
Fielding Calls	\$260 per month	\$3,120
Annual Compliance Monitoring – BMRs (96 accounts)	\$170 per household	\$16,315
Annual Compliance Monitoring – DPAs (3 accounts)	\$170 per household	\$510
	Total Fixed	\$44,933
Variable Activities		
Setup of BMR Resale (marketing, timeline and pricing creation)	\$1,030 per resale	\$2,060
BMR Resale: Waitlist Creation and Management	\$5,150 per resale	\$10,300
BMR Resale: Milestone 1 (Initial Qualification, Pre-approval)	\$875 per applicant	\$5,250
BMR Resale: Milestone 2 (Final Approval)	\$1,550 per applicant	\$3,100
BMR Resale: Milestone 3	\$1,775 per closing	\$3,550
Appeals	\$130 per hour	\$260
Refinances	\$875 per refinance	\$3,500
Payoffs of DPA	\$415 per payoff	\$415
COVID-19 Response	\$130 per household	\$1,300
Restructure of DPA Program (allowance)	\$150 per household	\$1,500
	Total Variable	\$31,235
	Total Fixed (Contract Minimum)	\$44,933
	Balance of Variable Activities not covered by Program Administration Fee	\$6,247
	Total Contract	\$51,180
	10% Contingency	\$5,118
	Contract Cap	\$56,298

ECHO Housing - Proposed Agreement for Fiscal Year 2020/21

ECHO Housing has delivered quality services since January 2016, first throughout its 18-month contract covering January 2016 through June 30, 2017 and also throughout its FY2019/20 contract, and Staff is proposing that ECHO Housing's services continue to be funded during the next fiscal year. The proposed agreement will allow ECHO Housing to continue to provide pre- and post-purchase counseling services at the Housing Opportunity Center (HOC) it established at 141 North Livermore Avenue (the former Tri-Valley Housing Opportunity Center in Livermore). ECHO Housing will provide virtual office hours by appointment a minimum of two days per week. Referral services will be provided by phone from ECHO Housing's other offices when the HOC is closed.

As in the previous contract, ECHO Housing's scope of services includes:

- Pre-purchase education and counseling services, including but not limited to: homebuyer counseling, financial education and credit repair counseling, and other activities related to identifying and preparing first-time homebuyers for homeownership and mortgage financing opportunities provided through a variety of local, state and federal programs, particularly the Alameda County Down Payment Assistance Program (AC Boost) administered by Hello Housing.
- Conduct live, virtual 8-hour homebuyer education workshops necessary to meet the qualifications of the City's first-time homebuyer program to be provided a minimum of four (4) times a year for a total of 40 households for homeownership and mortgage financing opportunities provided through a variety of programs, particularly the Alameda County Down Payment Assistance Program (AC Boost) administered by Hello Housing.
- Prepare marketing material and provide services to the general public, employers, real estate and lender groups, and targeted preference groups, including the Pleasanton Unified School District, Pleasanton Chamber of Commerce, Below-Market Rental Housing Complexes, Major Apartment Complexes, and private developments participating in Pleasanton's Homeownership Assistance Program.
- Maintain a list of households seeking housing opportunities for use in marketing the City's housing programs.
- Maintain a listing of local lenders, realtors, and title companies that are available to provide services to households interested first-time homebuyer opportunities and act as a coordinating point of contact for mortgage assistance resources for first-time homebuyers in the Cities.
- Provide access to information about program services through ECHO's website.
- ECHO Housing will provide information and referrals to the general public regarding local, regional, state and federal housing resources, particularly the Alameda County Down Payment Assistance Program (AC Boost) administered by Hello Housing.

ECHO Housing's proposed budget for FY20/21 is below:

Homebuyer Education Program – FY2020-2021	
Salaries	\$ 16,190
Fringe/Taxes	\$ 3,425
Rent/Telephone	\$ 3,766
General Operation Expenses	\$ 766
Indirect Costs	\$ 853
Total	\$ 25,000

Submitted by:



Brian Dolan
Assistant City Manager

Fiscal Review:



Tina Olson
Director of Finance

Approved by:



Nelson Fialho
City Manager

Attachments:

1. Professional Services Agreement with Hello Housing
2. Professional Services Agreement with ECHO Housing
3. Summary of Services Provided in Previous Contracts

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into this 1st day of July 2020, between the CITY OF PLEASANTON, a municipal corporation (“City”), and **HELLO HOUSING**, a California nonprofit corporation whose address is 1242 Market Street, 3rd Floor, San Francisco, CA 94102, and telephone number is (415) 863-3036, (“Consultant”).

RECITALS

A. Consultant is qualified to and experienced in providing first-time homebuyer program administration services for the purposes specified in this Agreement.

B. City finds it necessary and advisable to use the services of the Consultant for the purposes provided in this Agreement for Fiscal Year 2020/21 services and activities, as well as services and activities funded by unexpended carry-over from Fiscal Year 2019/20.

NOW THEREFORE, in consideration of the mutual covenants and conditions in this Agreement, City and Consultant agree as follows:

1. **Consultant’s Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in Exhibit A. Consultant shall provide said services at that time, place and in the manner specified in Exhibit A.
2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in Exhibit A, Consultant shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. City shall furnish to Consultant only the facilities and equipment listed in Exhibit A according to the terms and conditions set forth in Exhibit A.
3. **Terms.** This contract shall commence on the date written above and shall expire on June 30, 2021. City and Consultant may extend the term of this Agreement for an additional year through June 30, 2022.
4. **Compensation.** City shall pay Consultant for services rendered pursuant to this Agreement as described more particularly in Exhibit A. The payments shall be made on a monthly basis upon receipt and approval of Consultant’s invoice. Total compensation for services and reimbursement for costs shall not exceed \$56,298.
 - a. Invoices submitted to City must contain a brief description of work performed, time used and City reference number. Payment shall be made within thirty (30) days of receipt of Consultant’s invoice and approved by City.
 - b. Upon completion of work and acceptance by City, Consultant shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by

City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Consultant fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

5. **Sufficiency of Consultant's Work.** All work product and all other documents prepared by Consultant shall be adequate and sufficient to meet the purposes for which they are prepared.

6. **Ownership of Work.** All work product and all other documents completed or partially completed by Consultant in the performance of this Agreement shall become the property of the City. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Consultant shall replace them at its own expense. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Consultant agrees to execute any additional documents that may be necessary to evidence such assignment. Consultant shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

7. **Changes.** City may request changes in the scope of services to be provided by Consultant. Any changes and related fees shall be mutually agreed upon between the parties and subject to a written amendment to this Agreement.

8. **Consultant's Status.** In performing the obligations set forth in this Agreement, Consultant shall have the status of an independent contractor and Consultant shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Consultant are its agents and employees and are not agents or employees of City.

9. **Termination for Convenience of City.** The City may terminate this Agreement at any time by mailing a notice in writing to Consultant. The Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the work actually completed at the time the notice of termination is received.

10. **Non-Assignability.** The Consultant shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Consultant shall be solely responsible for reimbursing subcontractors.

11. **Indemnity and Hold Harmless.** Consultant shall defend, indemnify, and hold harmless, the City and its officers, agents and employees from and against all claims, losses, damage, injury, and liability for damages arising from, or alleged to have arisen from, errors, omissions, negligent or wrongful acts of the Consultant in the performance of its services under this Agreement, regardless of whether the City has reviewed or approved the work or services which has given rise to the claim, loss, damage, injury or liability for damages. This indemnification shall extend for a reasonable period of time after completion of the project as well as during the period of actual performance of services under this Agreement. The City's acceptance of the insurance certificates required under this Agreement does not relieve the Consultant from its obligation under this paragraph.

12. **Insurance.** During the term of this Agreement, Consultant shall maintain in full force and effect, at its own cost and expense, insurance coverages with insurers with an A.M. Best's rating of no less than A:VII. Contractor shall have the obligation to furnish City, as additional insured, the minimum coverages identified below, or such greater or broader coverage for City, if available in the Contractor's policies:

a. **General Liability and Bodily Injury Insurance.** Commercial general liability insurance with limits of at least \$2,000,000 combined limit for bodily injury and property damage that provides that the City, its officers, employees and agents are named as additional insureds under the policy as evidenced by an additional insured endorsement satisfactory to the City Attorney. The policy shall state in writing either on the Certificate of Insurance or attached rider that this insurance will operate as primary insurance for work performed by Consultant and its subconsultants, and that no other insurance effected by City or other named insured will be called on to cover a loss.

b. **Automobile Liability Insurance.** Automobile liability insurance with limits not less than \$2,000,000 per person/per occurrence.

c. **Workers' Compensation Insurance.** Workers' Compensation Insurance for all of Consultant's employees, in strict compliance with State laws, including a waiver of subrogation and Employer's Liability Insurance with limits of at least \$1,000,000.

c. **Professional Liability Insurance.** Professional liability insurance in the amount of \$2,000,000.

d. **Certificate of Insurance.** Consultant shall file a certificate of insurance with the City prior to the City's execution of this Agreement, and prior to engaging in any operation or activity set forth in this Agreement. The Certificate of Insurance shall provide in writing that the insurance afforded by this Certificate shall not be suspended, voided, canceled, reduced in coverage or in limits without providing notice to the City in accordance with California Insurance Code section 677.2 which requires the notice of cancellation to: 1) include the effective date of the cancellation; 2) include the reasons for the cancellation; and 3) be given at least 30 days prior to the effective date of the cancellation, except that in the case of cancellation for nonpayment of premiums or for fraud, the notice shall be given no less than 10 days prior to the effective date of the cancellation. Notice shall be sent by certified mail, return receipt requested. In addition, the insured shall provide thirty (30) days prior written notice to the City of any cancellation, suspension, reduction of coverage or in limits, or voiding of the insurance coverage required by this agreement. The City reserves the right to require complete certified copies of policies.

e. **Waiver of Subrogation.** The insurer agrees to waive all rights of subrogation against the City, its officers, employees and agents.

f. **Defense Costs.** Coverage shall be provided on a "pay on behalf of" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusions.

g. **Subcontractors.** Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All

coverages for subcontractors shall be subject to all of the requirements stated in this Agreement, including but not limited naming additional insureds.

13. **Notices.** All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed as follows:

To Consultant:	Executive Director Hello Housing 1242 Market Street, 3 rd Floor San Francisco, CA 94102	To City:	City Manager City of Pleasanton P.O. Box 520 Pleasanton, CA 94566
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14. **Conformance to Applicable Laws.** Consultant shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Consultant shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

15. **Licenses, Certifications and Permits.** Prior to the City's execution of this Agreement and prior to the Consultant's engaging in any operation or activity set forth in this Agreement, Consultant shall obtain a City of Pleasanton business license, which must be kept in effect during the term of this Agreement. Consultant covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement.

16. **Records and Audits.** Consultant shall maintain all records regarding this Agreement and the services performed for a period of three years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit.

17. **Confidentiality.** Consultant shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

18. **Conflicts of Interest.** Consultant covenants that other than this Agreement, Consultant has no financial interest with any official, employee or other representative of the City. Consultant and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Consultant's services under this Agreement. If such an interest arises, Consultant will immediately notify the City.

19. **Waiver.** In the event either City or Consultant at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation.

20. **Governing Law.** California law shall govern any legal action pursuant to this Agreement with venue in the applicable court or forum for Alameda County.

21. **No Personal Liability.** No official or employee of City shall be personally liable to Consultant in the event of any default or breach by the City or for any amount due Consultant.

22. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated herein.

23. **Counterparts and Electronic Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with U.S. federal E-Sign Act of 2000 (15 U.S. Code §7001 et seq.), California Uniform Electronic Transactions Act (Cal. Civil Code §1633.1 et seq.), or other applicable law) or other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. With respect to signatures delivered via facsimile or electronically, Consultant shall deliver its original wet ink signature to the City within thirty (30) days following Consultant's original delivery via facsimile, electronic mail or other transmission method, provided that failure to deliver such original ink signature shall not affect the validity of the electronic signatures that were delivered.

24. **Scope of Agreement.** This writing constitutes the entire Agreement between the parties. Any modification to the Agreement shall be in writing and signed by both parties.

THIS AGREEMENT executed the date and year first above written.

CITY OF PLEASANTON

CONSULTANT – HELLO HOUSING,
a California nonprofit corporation

Nelson Fialho, City Manager

By: _____
Signature

ATTEST:

Print name

Karen Diaz, City Clerk

Its: _____
Title

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

Rev. 3/19

EXHIBIT A

Scope of Consultant's Services

See attached Exhibit A and B.

Compensation

FY 2019/20 Budget Carry-Over	FY 2020/21 Appropriation	FY 2019/20 Total Budget
\$18,711	\$37,587	\$56,298

Exhibit A

Scope of Work & Pricing

Key Assumptions	2020-2021
No. of BMRs in Portfolio	96
No. of DPA Loans in Portfolio	3
Estimated Number of Applications to Review to Conditionally Approve a Buyer	3
Estimated Number of Resales	2
Estimated Number of Refinances	4
Estimated Number of Payoffs	1
Estimated Number of Appeals	1
Estimated Number of DPA Loans	0

Activity	2020/2021 Price per Activity	2020/2021 Total Costs
Ownership - Annual Fixed Fees		
Program Administration Fee ^(a)	See footnote (a) below	\$ 24,988
Fielding Calls	\$260 per month	\$ 3,120
Annual Compliance Monitoring - BMRs	\$170 per household	\$ 16,315
Annual Compliance Monitoring - DPAs	\$170 per household	\$ 510
	Total Fixed	\$ 44,933

Ownership - Annual Variable Fees (Volume Dependent)		
BMR Management		
Set up a BMR Resale	\$1030 per resale	\$ 2,060
BMR Resale: Waitlist Creation and Management	\$5150 per resale	\$ 10,300
BMR Resale: Milestone 1 (Initial Qual, Lender Pr-Approval, City Conditional Approval)	\$875 per resale	\$ 5,250
BMR Resale: Milestone 2 (Final Approval)	\$1550 per resale	\$ 3,100
BMR Resale: Milestone 3	\$1775 per resale	\$ 3,550
Appeals	\$130 per resale	\$ 260
Refinances	\$875 per resale	\$ 3,500
Down Payment Assistance Loan Program		
DPA Loan Application Underwriting	\$875 per applicant	\$ -
TRID Disclosures	\$215 per applicant	\$ -
Doc Prep & Closing for DPA Loans	\$1030 per applicant	\$ -
Payoffs of DPA	\$415 per applicant	\$ 415
Miscellaneous		
Covid-19 Response	\$130 per household	\$ 1,300
Restructure DPA Program (allowance)	\$150 per household	\$ 1,500
	Total Variable	\$ 31,235

Total Fixed (Contract Minimum)	\$ 44,933
Balance of Variable not covered by Program Administration Fee ^(a)	\$ 6,247
Total Contract	\$ 51,180
10% Contingency	\$ 5,118
Contract Cap	\$ 56,298

Notes:

(a) Hello Housing will bill 80% of the projected Variable Costs each year, prorated on an even monthly basis, as a Program Administration Fee (classified above as a Fixed Fee). As Variable Activities are performed, Hello Housing will draw against the Program Administration Fee annual total. If actual costs of Variable Activities exceed the annual Program Administration Fee, Hello Housing will bill accordingly but in no case will exceed the Contract Cap without express written permission from the City of Pleasanton.

Exhibit B

Services for City of Pleasanton

Below Market Rate (BMR) & Down Payment Assistance (DPA) Activities		
Activity	Description	Hello's Rates
Fixed Costs		
Annual Compliance Monitoring of Portfolio	Annually, send up to three letters requesting signed certification and proof of occupancy. Upon completion of annual monitoring and compliance, provide the City with a monitoring report summarizing the findings and listing detailed information regarding non-responders or non-compliant responders. Update status in database as Active or Resolved. If no response after three attempts, report list of Active files to the City. Follow-up to be performed on an hourly basis.	\$170 per file
Variable Costs		
Setup of BMR Resale	Follow City's resale procedures. Market units through City's interest list, Hello Housing's Stay Connected list, counseling agencies, and list home on Hello Housing's website. Prepare a resale application package, discuss the resale procedure with owners, review documents, calculate affordable resale price, coordinate with listing and buyer agents (if applicable) to explain program guidelines that a qualified buyer will have to meet.	\$1,030 per resale
Waitlist Creation and Management	Answer all calls and emails from the public and provide the guidance required to complete the BMR application for lottery ranking. Prepare online pre-application, full application and paper application. Calculate preference points and conduct a virtual lottery to determine the ranking order for inviting complete applications, determining program eligibility and approval for a BMR sale.	\$5,150 per lottery
Resale Milestone 1: Initial Qualification, Lender Pre-Approval & City Conditional Approval/Disqualification	Process and underwrite selected applicants from lottery ranking to determine if they meet eligibility requirements as set forth in the marketing plan. Collect all required documents from the applicant and complete initial screening for program eligibility. Obtain conditional approval or disqualification from the City and preapproval from a qualified Lender.	\$875/per file
Resale Milestone 2: Final Approval & Purchase Agreement	When a unit is ready for sale, collect updated required documents from the applicant (as needed depending on time passed since conditional approval) and lender documentation. Screen documents and information provided to verify income and program eligibility prior to execution of purchase agreement between developer and applicant. Prepare final approval package for the City and obtain approval for developer to enter into contract. Coordinate Buyer and Developer to enter into purchase & sale agreement.	\$1,550 per qualified purchaser
Resale Milestone 3: Doc Preparation & Closing	Track each application with lenders, requiring weekly reports on each file to ensure prompt approvals. Coordinate collection of required information from escrow and lender needed to complete City documents including restrictions, notes, DOTs and escrow instructions. Create the documents and route with instructions for signatures and notarizing at the City. Coordinate pickup and delivery of executed documents to title and track file through all stages of escrow to ensure conforming loan is secured and a timely close of escrow.	\$1,775 per homebuyer
Resale Appeals	Process and review appeals from disqualified applicants to determine if they meet eligibility requirements as set forth in the Program Guidelines. Prepare a final determination packet for City review and approval.	\$130 per hour

Process Refinances of BMR Homes ^(a)	Answer questions and provide information on acceptable first loan products for a refinance, required documentation needed and timeline expectations for lenders and owners. Coordinate with Title Company and first lender for access to preliminary title report and loan terms in order to review and confirm that the refinance meets the program's guidelines. Prepare Escrow Instructions, Subordination Agreement, and all other required City documents and route for signatures. Follow up with Title on close of escrow, and status of City's receipt of copies of recorded documents.	\$875 per file
Process Applications for DPA Loans ^(b)	Collect all required documents from the applicant. Screen documents and information provided for income and program eligibility. Provide income calculator, detailed checklist and recommendation for approval or denial with the complete file to the City.	\$875 per DPA applicant
Doc Prep & Closing for DPA Loans	Coordinate collection of required information from escrow and lender needed to complete City documents including restrictions, notes, DOTs and escrow instructions. Create the documents and route with instructions for signatures and notary to the City. Scan and file closing package.	\$1,030 per loan closed
DPA Payoffs	Field requests for payoffs of DPA loans, request balance due from City loan servicer (if applicable), provide City's payoff demand to Owner and/or takeout lender, prepare escrow instructions and Deed of Reconveyance for recordation upon payoff. Scan and file copy of recorded Reconveyance.	\$415 per payoff

Additional Services Upon City Request		
Optional Costs		
City-Specific Workshops (as requested)	Schedule venue, advertise through e-mail blast to dedicated leads, and in up to three local newspapers to invite prospective attendees. Present materials to attendees, answer questions, and capture attendee information to track as leads.	\$1,030 per workshop \$90 per ad creation
One-Time Generation & Recordation of Updated Requests for Notices of Default	Collect all necessary data points to record an updated request for notice of default and sale. Data includes current first lender, the Deed of Trust instrument number, Title Company, and the APN. To collect this information, Hello Housing will utilize its access to First American Title Company's proprietary database and conduct "Property Profiles" which include links to PDFs of all recorded documents on a property. To collect the required information, generate a profile, review the Deed of Trust attachment and collect information from a scanned PDF. Once the necessary data has been collected, create each Request for Notice of Default, obtain signatures, notarize each document, and record with County Recorder's Office. Upon recordation, scan and save each notice of default and sale into Dropbox.	\$50 per file
Program Review & Proposal of Improvements After Year One	Hello Housing recommends spending year one setting up the program and partnership for success, e.g. organizing & digitizing files, entering key details into HomeKeeper and increasing staff's familiarity with program documents by completing a year of transactions. At the end of year one, Hello Housing recommends a review of the program, comparing to industry best practices and to determine what's working and what needs improvements.	Hourly
Design & Distribution of an Impact Survey and Analysis of Results	Send up to three requests to BMR & DPA homeowners to participate in an "Impact Survey" to help Hello and the City better understand and measure the impact BMR programs are having in the lives of those who participate in them. If response rate is statistically significant, prepare a written analysis for City staff.	\$25 per file
BMR Preservation	Upon receipt of a Notice of Default, make best efforts to contact Owner and connect with foreclosure counseling resources.	Hourly
	If Owner is unable to prevent foreclosure, prepare a Buy-Back Feasibility Analysis, track Notice of Trustee's Sale date, obtain approval	\$4,150 per buy-back

	for a maximum bid price, obtain cashier's checks from the City, attend auction and bid in accordance with City's written approval. If successful, process all paperwork to facilitate transfer of ownership to the City.	
	If unit is confirmed (or suspected to be) occupied at purchase, work with City legal staff provide proper notifications to occupant and deliver a vacant unit.	Hourly
	If unit requires rehabilitation prior to facilitation of sale to a new eligible buyer, prepare scope of work, obtain a minimum of three bids and cause rehabilitation to be completed with quality workmanship.	> of 10% of cost of the work or \$5,150 per unit.
Annual Custom Educational Newsletter for BMR Homeowners	Annually, send high-quality newsletters to BMR owners sharing answers to Frequently Asked Questions, helpful resources, and a homeowner's preventative maintenance checklist organized by season.	\$30 per file

Hourly Fees for Services Outside of Base Scope Listed Above	
President	\$230 per hour
Vice President	\$180 per hour
Program Director	\$150 per hour
Program Manager	\$130 per hour
Program Associate	\$80 per hour

Reimbursable Expenses	
Mileage (not including mileage for Workshops)	\$.58/mile
Direct costs of placing ads in news publications	Actual costs

Notes

- (a) The \$875 fee would be due if Hello staff has reviewed and approved the proposed refinance for compliance with the program and routed docs for City signature. Half the fee would be due if Hello staff has educated the lender about refinance requirements and reviewed a refinance for compliance with the program but the refinance does not move forward through no fault of Hello Housing. Nurturing lender relationships and fielding general questions from lenders and BMR owners are included in overall contract.
- (b) A \$875 fee for processing a DPA application would be due if (1) Hello Housing processed and approved an application (2) the applicant entered into a purchase agreement but (3) did not close escrow through no fault of Hello Housing.

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into this 1st day of July 2020, between the CITY OF PLEASANTON, a municipal corporation (“City”), and **ECHO HOUSING**, a California nonprofit corporation whose address is 22551 Second Street, Suite 200, Hayward, CA 94541, and telephone number is (510) 581-9380, (“Consultant”).

RECITALS

A. Consultant is qualified to and experienced in providing first-time homebuyer education services for the purposes specified in this Agreement.

B. City finds it necessary and advisable to use the services of the Consultant for the purposes provided in this Agreement for Fiscal Year 2020/21 services and activities, as well as services and activities funded by unexpended carry-over from Fiscal Year 2019/20.

NOW THEREFORE, in consideration of the mutual covenants and conditions in this Agreement, City and Consultant agree as follows:

1. **Consultant’s Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in Exhibit A. Consultant shall provide said services at that time, place and in the manner specified in Exhibit A.
2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in Exhibit A, Consultant shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. City shall furnish to Consultant only the facilities and equipment listed in Exhibit A according to the terms and conditions set forth in Exhibit A.
3. **Terms.** This contract shall commence on the date written above and shall expire on June 30, 2020. City and Consultant may extend the term of this Agreement for an additional year through June 30, 2021.
4. **Compensation.** City shall pay Consultant for services rendered pursuant to this Agreement as described more particularly in Exhibit A. The payments shall be made on a monthly basis upon receipt and approval of Consultant’s invoice. Total compensation for services and reimbursement for costs shall not exceed \$25,000.
 - a. Invoices submitted to City must contain a brief description of work performed, time used and City reference number. Payment shall be made within thirty (30) days of receipt of Consultant’s invoice and approved by City.
 - b. Upon completion of work and acceptance by City, Consultant shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by

City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Consultant fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

5. **Sufficiency of Consultant's Work.** All work product and all other documents prepared by Consultant shall be adequate and sufficient to meet the purposes for which they are prepared.

6. **Ownership of Work.** All work product and all other documents completed or partially completed by Consultant in the performance of this Agreement shall become the property of the City. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Consultant shall replace them at its own expense. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Consultant agrees to execute any additional documents that may be necessary to evidence such assignment. Consultant shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

7. **Changes.** City may request changes in the scope of services to be provided by Consultant. Any changes and related fees shall be mutually agreed upon between the parties and subject to a written amendment to this Agreement.

8. **Consultant's Status.** In performing the obligations set forth in this Agreement, Consultant shall have the status of an independent contractor and Consultant shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Consultant are its agents and employees and are not agents or employees of City.

9. **Termination for Convenience of City.** The City may terminate this Agreement at any time by mailing a notice in writing to Consultant. The Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the work actually completed at the time the notice of termination is received.

10. **Non-Assignability.** The Consultant shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Consultant shall be solely responsible for reimbursing subcontractors.

11. **Indemnity and Hold Harmless.** Consultant shall defend, indemnify, and hold harmless, the City and its officers, agents and employees from and against all claims, losses, damage, injury, and liability for damages arising from, or alleged to have arisen from, errors, omissions, negligent or wrongful acts of the Consultant in the performance of its services under this Agreement, regardless of whether the City has reviewed or approved the work or services which has given rise to the claim, loss, damage, injury or liability for damages. This indemnification shall extend for a reasonable period of time after completion of the project as well as during the period of actual performance of services under this Agreement. The City's acceptance of the insurance certificates required under this Agreement does not relieve the Consultant from its obligation under this paragraph.

12. **Insurance.** During the term of this Agreement, Consultant shall maintain in full force and effect, at its own cost and expense, insurance coverages with insurers with an A.M. Best's rating of no less than A:VII. Contractor shall have the obligation to furnish City, as additional insured, the minimum coverages identified below, or such greater or broader coverage for City, if available in the Contractor's policies:

a. **General Liability and Bodily Injury Insurance.** Commercial general liability insurance with limits of at least \$1,000,000 combined limit for bodily injury and property damage that provides that the City, its officers, employees and agents are named as additional insureds under the policy as evidenced by an additional insured endorsement satisfactory to the City Attorney. The policy shall state in writing either on the Certificate of Insurance or attached rider that this insurance will operate as primary insurance for work performed by Consultant and its subconsultants, and that no other insurance effected by City or other named insured will be called on to cover a loss.

b. **Automobile Liability Insurance.** Automobile liability insurance with limits not less than \$1,000,000 per person/per occurrence.

c. **Workers' Compensation Insurance.** Workers' Compensation Insurance for all of Consultant's employees, in strict compliance with State laws, including a waiver of subrogation and Employer's Liability Insurance with limits of at least \$1,000,000.

c. **Professional Liability Insurance.** Professional liability insurance in the amount of \$1,000,000.

d. **Certificate of Insurance.** Consultant shall file a certificate of insurance with the City prior to the City's execution of this Agreement, and prior to engaging in any operation or activity set forth in this Agreement. The Certificate of Insurance shall provide in writing that the insurance afforded by this Certificate shall not be suspended, voided, canceled, reduced in coverage or in limits without providing notice to the City in accordance with California Insurance Code section 677.2 which requires the notice of cancellation to: 1) include the effective date of the cancellation; 2) include the reasons for the cancellation; and 3) be given at least 30 days prior to the effective date of the cancellation, except that in the case of cancellation for nonpayment of premiums or for fraud, the notice shall be given no less than 10 days prior to the effective date of the cancellation. Notice shall be sent by certified mail, return receipt requested. In addition, the insured shall provide thirty (30) days prior written notice to the City of any cancellation, suspension, reduction of coverage or in limits, or voiding of the insurance coverage required by this agreement. The City reserves the right to require complete certified copies of policies.

e. **Waiver of Subrogation.** The insurer agrees to waive all rights of subrogation against the City, its officers, employees and agents.

f. **Defense Costs.** Coverage shall be provided on a "pay on behalf of" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusions.

g. **Subcontractors.** Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All

coverages for subcontractors shall be subject to all of the requirements stated in this Agreement, including but not limited naming additional insureds.

13. **Notices.** All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed as follows:

To Consultant: Executive Director
ECHO Housing
22551 Second Street, Suite 200
San Francisco, CA 94102

To City: City Manager
City of Pleasanton
P.O. Box 520
Pleasanton, CA 94566

14. **Conformance to Applicable Laws.** Consultant shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Consultant shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

15. **Licenses, Certifications and Permits.** Prior to the City's execution of this Agreement and prior to the Consultant's engaging in any operation or activity set forth in this Agreement, Consultant shall obtain a City of Pleasanton business license, which must be kept in effect during the term of this Agreement. Consultant covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement.

16. **Records and Audits.** Consultant shall maintain all records regarding this Agreement and the services performed for a period of three years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit.

17. **Confidentiality.** Consultant shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

18. **Conflicts of Interest.** Consultant covenants that other than this Agreement, Consultant has no financial interest with any official, employee or other representative of the City. Consultant and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Consultant's services under this Agreement. If such an interest arises, Consultant will immediately notify the City.

19. **Waiver.** In the event either City or Consultant at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation.

20. **Governing Law.** California law shall govern any legal action pursuant to this Agreement with venue in the applicable court or forum for Alameda County.

21. **No Personal Liability.** No official or employee of City shall be personally liable to Consultant in the event of any default or breach by the City or for any amount due Consultant.

22. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated herein.

23. **Counterparts and Electronic Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with U.S. federal E-Sign Act of 2000 (15 U.S. Code §7001 et seq.), California Uniform Electronic Transactions Act (Cal. Civil Code §1633.1 et seq.), or other applicable law) or other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. With respect to signatures delivered via facsimile or electronically, Consultant shall deliver its original wet ink signature to the City within thirty (30) days following Consultant's original delivery via facsimile, electronic mail or other transmission method, provided that failure to deliver such original ink signature shall not affect the validity of the electronic signatures that were delivered.

24. **Scope of Agreement.** This writing constitutes the entire Agreement between the parties. Any modification to the Agreement shall be in writing and signed by both parties.

THIS AGREEMENT executed the date and year first above written.

CITY OF PLEASANTON

CONSULTANT – ECHO HOUSING,
a California nonprofit corporation

Nelson Fialho, City Manager

By: _____
Signature

ATTEST:

Print name

Karen Diaz, City Clerk

Its: _____
Title

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

Rev. 3/19

Scope of Work FY2020-2021

Program Description

ECHO will provide the services described herein as requested by the City of Pleasanton and will maintain staff and resources able to provide local homebuyer education and housing referral services which will support the affordable housing program of the City of Pleasanton. The Housing Opportunity Center, located in Livermore, will provide a general reference service informing interested parties of affordable housing and homeownership opportunities in Pleasanton.

Location of Services & Staff

ECHO Housing Opportunity Center is located at 141 North Livermore Avenue, Livermore 94550. The Housing Opportunity Center will be supported by a housing counselor (.50 FTE) onsite and full-time reception services. ECHO will provide virtual office hours by appointment a minimum of two days per week. Referral services will be provided by phone from ECHO's other offices when the Housing Opportunity Center is closed.

Scope of Services

ECHO will provide the following activities to residents, those employed within, and first-time homebuyer program applicants of the City under the Agreement:

- 1) Pre-purchase education and counseling services, including but not limited to: homebuyer counseling, financial education and credit repair counseling, and other activities related to identifying and preparing first-time homebuyers for homeownership and mortgage financing opportunities provided through a variety of local, state and federal programs, particularly the Alameda County Down Payment Assistance Program (AC Boost) administered by Hello Housing.
- 2) Conduct live, virtual 8-hour homebuyer education workshops necessary to meet the qualifications of the City's first-time homebuyer program to be provided a minimum of four (4) times a year for a total of 40 households for homeownership and mortgage financing opportunities provided through a variety of programs, particularly the Alameda County Down Payment Assistance Program (AC Boost) administered by Hello Housing.

- 3) Prepare marketing material and provide services to the general public, employers, real estate and lender groups, and targeted preference groups listed below:
 - Pleasanton Unified School District
 - Pleasanton Chamber of Commerce
 - Below-Market Rental Housing Complexes
 - Major Apartment Complexes
 - Developments participating in Pleasanton's Homeownership Assistance Program
- 4) Maintain a list of households seeking housing opportunities for use in marketing the City's housing programs.
- 5) Maintain a listing of local lenders, realtors, and title companies that are available to provide services to households interested first-time homebuyer opportunities and act as a coordinating point of contact for mortgage assistance resources for first-time homebuyers in the Cities.
- 6) Provide access to information about program services through ECHO's website.
- 7) ECHO will provide information and referrals to the general public regarding local, regional, state and federal housing resources, particularly the Alameda County Down Payment Assistance Program (AC Boost) administered by Hello Housing.

Outreach

The Housing Opportunity Center services will focus outreach to low and moderate-income households (80-120% of Area Median Income as defined by the City's affordable housing program) who are residents and/or employed in the City of Pleasanton.

ECHO will include information on outreach activities as part of reporting activities for the Services and will identify issues and opportunities regarding overall program administration.

Pleasanton HBE SOW

Budget FY2020-2021

SALARIES:	\$ 16,190
FRINGE/TAXES:	\$ 3,425
RENT/TELEPHONE:	\$ 3,766
GENERAL OPERATING EXPENSES:	\$ 766
INDIRECT COSTS:	\$ 853
TOTAL CONTRACT COSTS	\$ 25,000

Summary of Services Provided in Previous Contracts

Hello Housing

Since January 2016, Hello Housing has successfully met objectives set forth in its agreements with the City. Highlights include the following:

- Digitized the City's complete portfolio of Below Market Rate owners' paper-based files and Down Payment Assistance Program (DPA) loan files to Hello Housing's HomeKeeper database, a Salesforce-based database platform. There are currently 99 units in the City's homebuyer program portfolio.
- Developed a Pleasanton-specific webpage on the Hello Housing website (<http://www.hellohousing.org/stewardship/cityofpleasanton/>) to provide resources and information for new, prospective buyers and existing homeowners in the PHAP.
- Conducted an annual BMR and loan monitoring process in 2016, 2017, 2018, and 2019 to ensure the homes are owner-occupied in compliance with the City's restricted covenants and loan agreements.
- Added demographic questionnaire in 2019 to all required forms to backfill demographic info so we can better understand who we are currently serving, how this compares to the general population, and develop an affirmative marketing strategy that promotes more equitable access to housing.
- For three (3) City-owned Below Market Rate properties (91 East Creek, 3917 Vineyard, and 214 Rocky Creek), developed and implemented the marketing process, performed the lottery to establish the priority list, identified and worked with eligible buyers, drafted loan documents, and coordinated the close of escrow to ensure the successful sale of these units to income-eligible first-time homebuyers.
- Developed and implemented the marketing process, performed the lottery to establish the priority list, identified and worked with eligible buyers, drafted loan documents, and coordinated the close of escrow to income-eligible first-time homebuyers for the following BMR resales:
 - FY 2017/18: 614 Palomino, 248 Birch Creek, 5807 Sterling Greens Circle
 - FY 2018/2019: 4261 Katie Lane
 - FY 2019/2020: 1989 Taboada Lane, 4207 Katie Lane
- Processed and closed a total of nine (9) refinances: two (2) in 2016, one (1) in 2017, two (2) in 2018, one (1) in 2019 and three (3) in 2020.
- Processed one (1) DPA loan application in 2016, two (2) in 2017, two (2) in 2018, and another two (2) in 2019. Of those DPA applications one (1) closed in 2016 and one (1) closed in 2018.
- Researched and presented DPA program improvements to expand the reach of down payment assistance funds.
- Implemented the Marketing and Sales Plan for the Summerhill "Andares" development, which included 10 BMR townhomes that were sold at below-market-rate prices to income-eligible and qualified lower income first-time homebuyer households. This included, conducting a lottery and creating the ranking order and waitlist for 530 pre-applicants, preparing two (2) detailed workshop presentations, in July and September of 2017, highlighting the City's program requirements for over 100 applicants interested in purchasing homes in the Andares development, and reviewing 47 applications to determine 10 eligible buyers. All ten (10) buyers have closed escrow.

ECHO Housing

From January 2016 through May 31, 2020, ECHO Housing has also successfully met objectives set forth in its agreements with the City. Highlights include the following:

- Conducted twelve (12) 8-hour First Time Homebuyer (FTHB) Workshops for lower income households that included 70 Pleasanton residents and 84 Livermore residents. The workshops educated attendees on budgeting, understanding credit, selecting a realtor and lender, the escrow process, and home maintenance.
- Provided Pre-Purchase Counseling to four (4) Pleasanton resident and twenty (20) Livermore residents. The counseling services included activities, such as financial education and credit repair counseling, which prepare first time homebuyers for homeownership. Attendees also were provided with information on mortgage financing opportunities provided through a variety of local, state, and federal programs.
- Planned and marketed seven (7) ECHO Housing's Introduction to Homebuyer and Affordable Homeownership Programs Workshops including Alameda County's AC Boost program in Livermore and Pleasanton. There were 249 participants who attended the workshops.
- Compiled and maintained a list of 318 households seeking housing opportunities through the Affordable Housing Programs in both Pleasanton and Livermore.
- Compiled and maintained a list of over 40 local lenders, realtors, and title companies that are available to provide services to households interested in first time homebuyer opportunities.
- Promoted Pleasanton's and Livermore's Affordable Housing Programs by attending and participating in five (5) Tri-Valley real estate community outreaches: one to Congressman Eric Swalwell's Housing Forum, three (3) outreaches to loan officers, and one to Outreach Director of Cornerstone Fellowship.