

**AMENDMENT NUMBER ONE TO CONSULTING SERVICES AGREEMENT
BETWEEN
THE CITY OF SAN LEANDRO AND
BAY AREA AFFORDABLE HOMEOWNERSHIP ALLIANCE (BAAHA)
FOR
SAN LEANDRO HOMEBUYER PROGRAM**

This **Amendment Number One** (“Amendment”) is made by and between the City of San Leandro (“City”) and Bay Area Affordable Homeownership Alliance (BAAHA) (“Consultant”) (together sometimes referred to as the “Parties”) as of October 18, 2021, and amends that certain Community Development Block Grant Consultant Agreement (“Agreement”) dated July 1, 2021, between the Parties.

WHEREAS, City and Consultant have executed the Agreement, pursuant to which Consultant provides administration of a First Time Homebuyer Education and Counseling Program and Below Market Rate (BMR) Asset Management. Consultant employs staff, who have knowledge to provide these services, the organizational infrastructure and capacity to deliver these services, and is familiar with the regulations and requirements to conduct this work; and

WHEREAS, the Parties desire to amend the Agreement to increase the amount of funding provided to Consultant to manage repairs to deferred maintenance and other minor rehabilitation needs for the sale of the BMR property located at 713 Bloom Street that was foreclosed by the City of San Leandro on May 13, 2021; and

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Section 2, “COMPENSATION”, of the Agreement is amended to increase the maximum amount of City funds to be provided to Consultant by \$40,255 to a total amount of \$76,185.
2. Exhibit B, “Budget” of the Agreement is hereby amended and replaced with the revised Budget, attached to this Amendment as Exhibit B and incorporated herein.
3. All other terms shall remain in full force and effect.
4. This Amendment may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

The Parties have executed this Amendment as of the date first written above.

**CITY OF SAN LEANDRO
ALLIANCE**

BAY AREA AFFORDABLE HOMEOWNERSHIP

Frances M. Robustelli, City Manager

Roy Schweyer, Executive Director

Attest:

Leticia I. Miguel, City Clerk

Budget Approved:

Approved as to Fiscal Authority:

Susan Hsieh, Finance Director

010-41-004-8503 & 010-41-004-7210
Account Number

Approved as to Form:

Richard D. Pio Roda, City Attorney

Per Section 10.7:

Form 700 Not Required

Form 700 Required

Tom Liao, Director, Community Development Department

EXHIBIT B

COMPENSATION SCHEDULE & REIMBURSABLE EXPENSES

City of San Leandro
Bay Area Affordable Homeownership Alliance (BAAHA)
Homebuyer Program Administrative Budget
 July 1, 2021 through June 30, 2022



	Units	Charge Per Unit	Total Cost	Cost Per Category
i. General Ongoing Program Administration (not to exceed amounts)				
Ongoing Program administration activities and support	per qtr	\$1,500	\$6,000	
Annual monitoring of BMR/FTHB fee based on 60 units. Fee divided and paid quarterly	68	\$160	\$10,880	
Ongoing real estate professional and community related support activities	per qtr	\$500	\$2,000	
<i>Gross projected costs for program administration (annual)</i>				\$18,880
ii. Deliverables (cost will vary based on units delivered)				
	Units	Per Unit	Total Projected Cost	Cost Per Category
*1 Homebuyer education seminar	1	\$3,550	\$3,550	
Homebuyer resource workshop	1	\$2,250	\$2,250	
Post purchase workshop	1	\$1,500	\$1,500	
*2 Homebuyer counseling for BMR and open market purchases	15	\$450	\$6,750	
*3 Administrative fee for sales BMR transactions- new sales and resales / seller paid	2	\$0	\$0	
*4 Refinance of BMR and/or FTHB loans	6	\$500	\$3,000	
<i>Gross projected costs for deliverables (annual)</i>				\$17,050
iii. 713 Bloom Street Below Market Rate Project Rehab, Resale, and Admin Fees				
<i>Directly paid costs - paid by BAAHA and reimbursed by City</i>				
General rehab construction - plumbing, carpentry, & electric		\$6,075		
Interior painting		\$9,000		
Flooring		\$9,600		
Garden clean up and dump fees		\$3,000		
Section 1 work (dry rot)		\$2,530		
Construction management fee (charged by general contractor)		\$3,000		
Appliances		\$1,200		
Final punch list and clean up work		\$4,500		
Contingency costs		\$1,140		
HOA CC&Rs and Minutes		\$210		
<i>Total cost paid by and reimbursable to BAAHA by City</i>			\$40,255	\$40,255
<i>Cost paid through property sale proceeds</i>				
Projected property taxes (six months)		\$2,126		
Projected transfer tax at sale paid by seller/City		\$1,975		
Projected administration and property sales fee @ 5% of sales price		\$21,750		
<i>Total costs paid through sales proceeds</i>			\$25,851	
<i>Costs paid directly by City</i>				
Projected utility costs and HOA fees (six months)		\$2,460		
Locksmith costs		\$345		
*5 Total costs paid directly by City			\$2,805	
<i>Total 713 Bloom BMR rehab and sales project costs</i>			\$68,911	
GROSS ADJUSTED PROJECTED ADMINISTRATIVE COSTS				\$76,185

*1 Per seminar charges include \$1,500 paid by BAAHA to A-1 Community Services for conducting the seminar and \$2,000 paid to BAAHA for coordination and execution of all promotional and administrative activities to deliver the seminar

*2 Per household charge. Counseling services are provided by either BAAHA or A-1 Community services. BAAHA's counseling is directed towards households who need additional analysis and assistance to start their home purchase process. A-1 Counseling is directed towards households who need financial counseling to structure a financial platform to purchase a home (focus on credit and budget management). BAAHA will be responsible for billing the City of San Leandro and paying A-1 for their services.

*3 Seller or buyer (negotiated between seller and buyer) will be responsible for paying \$1,750 administration fee to BAAHA. BAAHA will bill escrow directly for payment of fee.

*4 The past two years have yielded two to four BMR refinances per year. BAAHA will advise the City and may request an adjustment in the billing, if there are more than four BMR units refinanced in the 12 month duration of the budget.

*5 BAAHA, through its affiliate Home Quest Realty (HQR) will administer the sale of the property. BAAHA will earn its project administrative fee when the property is sold and through the proceeds of the sale. The combined sale and administrative fee is 5% of the scheduled sales price of the property - \$435,000

BMR New Sales and Resales Transaction Fees

BMR sellers will be required to use a realtor of their choice. All sales fees associated with the BMR sale are paid by the seller. Real estate commissions cannot exceed 5% of the BMR resale price. Real estate commissions are added on to the deed restricted price to establish the grossed up resale price of the Unit. BAAHA anticipates being involved in one San Leandro owned BMR transaction in 2021-22. The commission fee paid for this transaction will be derived from gross sales of the property; and will not be billed separately and will not be a line item of the above budget.