



*CITY of CALABASAS*

**CITY COUNCIL AGENDA REPORT**

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**DATE: AUGUST 15, 2008**

**TO: HONORABLE MAYOR AND COUNCILMEMBERS**

**FROM: ROBIN PARKER, ADMINISTRATIVE SERVICES DIRECTOR  
JOHN BINGHAM, SENIOR MANAGMENT ANALYST**

**SUBJECT: RECOMMENDATION TO APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH REHAB FINANCIAL CORPORATION TO PERFORM PROFESSIONAL CDBG HOUSING REHABILITATION ESCROW ADMINISTRATIVE SERVICES**

**MEETING DATE: SEPTEMBER 10, 2008**

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**SUMMARY RECOMMENDATION:**

Staff recommends that Council approve a Professional Services Agreement (PSA) with Rehab Financial Corporation for professional administration and distribution of CDBG funds in conjunction with the Housing Rehabilitation Program in an amount not to exceed \$150,000 (one hundred and fifty thousand dollars and no cents), effective July 1, 2008 through June 30, 2009.

**BACKGROUND:**

The City of Calabasas currently utilizes Rehab Financial Corporation (RFC) for escrow services in conjunction with the City's CDBG Housing Rehabilitation Program. RFC manages, maintains and disburses escrowed funds to Calabasas homeowners who participate in the CDBG Housing Rehabilitation Program. The Professional Services Agreement with RFC expired on June 30, 2008. Prior to renewing an Agreement with RFC, Staff conducted procured for professional

escrow services and found that RFC remained the most qualified, lowest responsive bidder for this particular, specialized service.

Serving as the City's CDBG Housing Rehabilitation escrow disbursement company, fees paid directly to Rehab Financial do not exceed \$10,000 annually. However, escrowed fees paid for construction services as part of the City's CDBG Housing Rehabilitation Program may reach \$140,000. Thus, the total combined amount of CDBG funds that Rehab Financial Corporation may receive equals \$150,000.

**FISCAL IMPACT:**

The funding for this specific activity is available from the Council approved FY08/09 CDBG budget.

**REQUESTED ACTION:**

Approve a Professional Services Agreement (PSA) with Rehab Financial Corporation for professional administration and distribution of CDBG Housing Rehabilitation funds in an amount not to exceed \$150,000 ( one hundred and fifty thousand dollars and no cents), for a duration of one year.

**ATTACHMENT:**

Professional Services Agreement