

**AMENDMENT NO. 2  
TO THE AGREEMENT FOR THE PERFORMANCE OF SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
HOUSING TRUST SILICON VALLEY**

**PREAMBLE**

This agreement ("Amendment No. 2") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Housing Trust Silicon Valley, a California corporation, (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

**RECITALS**

- A. The Parties previously entered into an agreement entitled "Agreement for The Performance of Services by and between the City of Santa Clara, California, and Housing Trust Silicon Valley," dated June 28, 2018 (Agreement);
- B. The Agreement was previously amended by Amendment No. 1, dated July 2, 2019, and is again amended by this Amendment No. 2. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Contractor undertake responsibilities for administering the City of Santa Clara Below Market Priced Program (BMP Program), and the Parties now wish to extend the term for an additional five months through December 1, 2020 for a revised not-to-exceed maximum compensation of \$452,592, subject to the appropriation of funds.

NOW, THEREFORE, the Parties agree as follows:

**AMENDMENT TERMS AND CONDITIONS**

1. Section 5 of the Agreement as Amended, entitled 'Term of Agreement' is amended to read as follows:

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on the Effective Date of this Agreement and shall terminate on December 1, 2020.

2. Section 11 of the Agreement as Amended, entitled 'Compensation and Payment is amended to read as follows:

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and services rendered by Contractor at the rate per hour for labor and cost per unit for materials outlined in Revised Exhibit B-1, entitled 'Schedule of Fees.'

Contractor will bill City on a monthly basis for Services provided by Contractor during the preceding month, subject to verification by the City. City will pay Contractor within thirty (30) days of City's receipt of invoice.

3. Exhibit A-1 of the Agreement, entitled "Scope of Services" is hereby amended to read as shown in Revised Exhibit A-1, attached and incorporated into this Amendment No. 2.
4. Exhibit B-1 of the Agreement, entitled "Fee Schedule" is hereby amended to read as shown in Revised Exhibit B-1, attached hereto and incorporated into this Amendment No. 2.
5. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 2, the provisions of this Amendment No. 2 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 2 as evidenced by the following signatures of their duly authorized representatives.

**CITY OF SANTA CLARA, CALIFORNIA**  
a chartered California municipal corporation

Approved as to Form:

Dated: \_\_\_\_\_

\_\_\_\_\_  
BRIAN DOYLE  
City Attorney

\_\_\_\_\_  
DEANNA J. SANTANA  
City Manager  
1500 Warburton Avenue  
Santa Clara, CA 95050  
Telephone: (408) 615-2210  
Fax: (408) 241-6771

“CITY”

**HOUSING TRUST SILICON VALLEY**  
a California corporation

Dated: \_\_\_\_\_

By (Signature): \_\_\_\_\_

Name: Julie Mahowald

Title: Interim Chief Executive Officer

Principal Place of Business Address: 75 East Santa Clara St., Suite 1350  
San Jose, CA 95113

Email Address: julie@housingtrustsv.org

Telephone: (408) 436-3450 X225

Fax: (408) 436-3454

“CONTRACTOR”

**REVISED EXHIBIT A-1**  
**SCOPE OF SERVICES**

1. Housing Trust Silicon Valley, (Contractor) will undertake responsibilities for administering the City of Santa Clara Below Market Priced Program (BMP Program) in accordance with all City and applicable federal and State regulations and shall conform to the provisions of the BMP Program Policies and Procedures Manual, as amended and adopted by the City of Santa Clara.
2. Contractor will assist with the marketing and sales of two upcoming units in the Catalina and One Lawrence Station developments.
3. Scope of services are as outlined below:

<b>BMP Program Administration</b>		<b>\$36,222</b>
BMP Program Policies and Procedures	Review and update, as necessary. Requires City approval prior to implementation.	
BMP Unit Compliance *List of BMP units to be provided by City. As of July 1, 2020, this list includes 136 units.	Develop and implement a monitoring plan to include monthly insurance monitoring, annual occupancy certification and report, as approved by the City. Report is due on or before December 31 <sup>st</sup> , 2020. The annual report will include the following: <ul style="list-style-type: none"> <li>• Homeowner name and unit address</li> <li>• Current tenancy status based on homeowner re-certification</li> <li>• Recertification date</li> <li>• Status of monthly homeowner insurance renewal monitoring</li> <li>• Original sales date</li> <li>• Original purchase price</li> <li>• Unit affordability covenants and expiration date</li> <li>• Post-purchase counseling</li> </ul>	
BMP web page	Maintain and update web page. Post relevant BMP ownership housing and first-time homebuyer information and links to and from City's website.	
Forms	Review and revise forms to meet program requirements, as necessary.	
Lender Referrals	Refer BMP Program interested homebuyers to City preferred lenders for lender pre-approval.	
Wait List	Establish and maintain an application waitlist of pre-approved prospective buyers. Maintain waitlist records, including required information, for audit purposes. Annual update of waitlist to remove prospective buyers no longer	

	interested in the program, or prospect has moved and no longer able to contact, or prospect is no longer eligible for the program. Annually, provide updated waitlist to City. Annually, send summary of BMP Program to waitlist.
Marketing Collateral	Develop project specific marketing collateral. All collateral must be approved by the City prior to distribution. Contractor will provide City with invoice for reimbursement for any City-approved costs in excess of budget, including but not limited to printing and postage.
Homebuyer Education	Coordinate with local HUD-certified nonprofits that provide HUD-approved homebuyer education. Refer pre-qualified prospective buyers to partner agencies for attendance to the required 8-hour homebuyer education class.
Program Evaluation	Administer annual client and program evaluation survey of existing BMP homeowners and previous year applicants. Submit report to City for review.
Other Administrative Duties	Contractor will: <ul style="list-style-type: none"> <li>• Schedule on-going monthly meetings with City staff</li> <li>• Annually provide list of active Board Members</li> <li>• Annually provide updated list of agency organization chart, including name, position and contact information</li> <li>• Post on website and marketing collateral BMP Program contact information, including name, title and contact information</li> <li>• Provide contract administration contacts, including contract manager, program manager and finance staff.</li> </ul>
Timeline	July 1, 2020 to December 1, 2020
<b>BMP Program Transactions</b>	
	<b>See Fee Schedule</b>
Marketing and Outreach	Developer or City will notify Contractor no less than 180 days prior to estimated occupancy of new BMP units, including availability, location, number of units, unit size and sales price, amenities, and targeted income mix. Contractor will: <ul style="list-style-type: none"> <li>• Develop project-specific marketing collateral</li> <li>• Respond to inquiries from prospective homebuyers and deliver BMP Program summary</li> <li>• Coordinate and administer homebuyer information workshops on a regular basis throughout the year</li> <li>• Administer preferred lender training and screening</li> <li>• Email campaign to preferred lenders</li> </ul>

<p>Eligibility Screening and Pre-Qualification of Potential Homebuyers</p>	<ul style="list-style-type: none"> <li>• Email campaign to BMP waitlist</li> <li>• Conduct program activities to build a potential pool of qualified homebuyers</li> <li>• Provide pre-qualification applications to interested prospects</li> <li>• Evaluate and process pre-qualification applications - collect required supporting documentation, including first lender pre-approval</li> <li>• Underwrite for program eligibility as outlined in BMP Policies and Procedures</li> <li>• Add to waitlist registry</li> <li>• Provide pre-qualified applicants with a Program Letter of Eligibility</li> <li>• Issue a Notice of Adverse Action to ineligible applicants</li> <li>• Update documents and information as necessary.</li> <li>• Refer to City staff any exception and appeal requests from applicants for review and recommendation for further action by Contractor.</li> </ul>
<p>BMP Sale Application Coordination</p>	<p>After Developer and/or City notification of BMP unit availability and unit details, Contractor will:</p> <ul style="list-style-type: none"> <li>• Notify the pre-qualified waitlist based on priority ranking</li> <li>• Conduct one-on-one pre-purchase counseling with selected prospective homebuyer</li> <li>• Notify City preferred lender and developer of selected buyer</li> <li>• Facilitate execution of Purchase Agreement between developer and selected buyer</li> <li>• Collect and review application and required purchase documents to ensure application completeness</li> <li>• Facilitate closing process with title company and City Staff</li> <li>• Prepare BMR documents for City review and signature</li> <li>• Issue a Notice of Adverse Action to ineligible applicants</li> </ul>
<p>BMP Ranking/Lottery Coordination</p>	<ul style="list-style-type: none"> <li>• Rank applications pursuant to the City's Priority Criteria</li> <li>• If necessary, Contractor will administer a lottery if more than one applicant meets the program eligibility criteria</li> <li>• Select a "Designated Buyer" and two "Alternate Buyers"</li> </ul>

	<ul style="list-style-type: none"> <li>• Notify highest ranked applicant and selected preferred lender and developer of ranking</li> <li>• Provide guidance to homebuyer in the application update process</li> <li>• Applicant will receive a reasonable “date certain” deadline to obtain required financing</li> <li>• If Designated Buyer is unable to obtain financing at an affordable cost or is unable to meet program requirements to purchase the BMP unit, the next highest ranked Alternate Buyer will be offered the unit. If the first Alternate is unable to purchase the unit, the second Alternate Buyer will be offered the opportunity to purchase the unit.</li> </ul>
BMP Refinance /Subordination	<p>Existing BMP homeowners wishing to refinance their first mortgage on a BMP unit, Contractor will:</p> <ul style="list-style-type: none"> <li>• Refer BMP homeowners to City staff for processing and issuing a subordination agreement, if applicable</li> </ul>
Timeline	July 1, 2020 to December 1, 2020

## REVISED EXHIBIT B-1 FEE SCHEDULE

### 1. Program Administration Fees

July 1, 2020 to December 1, 2020

\$7,244.33 per month

### 2. Transaction Fees

All Transaction fees will be reimbursed after unit sale or refinance. Application and Subordination fees are paid by applicant. Per sale fees not to exceed \$12,880 per unit. The City anticipates 2-4 units to sell during the term of this agreement.

Marketing and Outreach	\$5,150 per New BMP Unit
Pre-Qualification	\$567 per Household to HTSV
New or Re-Sale	(\$50 collected by HTSV and paid directly to the City by the applicant)
BMP Sale Application Processing	\$2,060 per Household to HTSV
New or Re-Sale	(\$500 collected by HTSV and paid directly to the City by the applicant)
BMP Re-Sale Coordination	\$2,060 per Re-sale
BMP Ranking/Lottery Coordination	\$1,030 per Offering

### 3. Maximum Compensation

The maximum amount for services provided under this Agreement through December 1, 2020 shall not exceed **Four Hundred Fifty-Two Thousand Five Hundred Ninety-Two Dollars and Zero Cents (\$452,592.00)**, subject to the appropriation of funds. Any additional services or materials requested by the City that would exceed the preceding amount will be addressed in an Amendment to the Agreement. The annual maximum not-to-exceed compensation is specified herein:

Description	Initial Year (7/1/18 - 6/30/19)	Option Year 1 (7/1/19 - 6/30/20)	Option Year 2 (7/1/20 - 12/1/20)
Program Administration Fees	\$74,400	\$84,400	\$36,222
Transaction Fees	\$97,600	\$108,450	\$51,520
<b>Annual Total</b>	<b>\$172,000</b>	<b>\$192,850</b>	<b>87,742</b>
<b>Total Maximum Not-to-Exceed Compensation</b>	<b>\$452,592</b>		