



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

1. Agenda Item Number:

13

2. Council Meeting Date:

April 26, 2012

**TO: MAYOR & COUNCIL**

3. Date Prepared: April 11, 2012

**THROUGH: CITY MANAGER**

4. Requesting Department:

City Manager – Neighborhood Resources

**5. SUBJECT:** Extend Agreement No. H06-946-2323 for Loan Processing Services for Housing Rehabilitation Loan Program with AmeriNational Community Services, Inc.

**6. RECOMMENDATION:** Recommend extending Agreement No. H06-946-2323 for the Housing Rehabilitation Loan Program with AmeriNational Community Services, Inc.

**7. HISTORICAL BACKGROUND/DISCUSSION:** The City of Chandler has operated the Housing Rehabilitation Loan Program since 1994. This Program offers loan assistance, based on income; to eligible homeowners to complete rehabilitation of their single-family homes. AmeriNational Community Services, Inc. has serviced these loans on behalf of the City since 2006.

In July 2010, the City of Chandler amended the agreement with AmeriNational to provide additional services including home insurance monitoring, correspondence with the homeowner regarding delinquent payments, default letters, credit reporting and confirmation of continued ownership. These additional services assist the City in insuring that Housing Rehabilitation Loan Program participants maintain compliance with program guidelines and that their required payments are being remitted to the City.

AmeriNational will continue to service Housing Rehabilitation Loans through collection of monthly payments, remittance of payments to the city, loan document preparation for amortized loans and other duties typical of a lending institution. These duties are not within the scope of duties for staff of the Neighborhood Resources Division.

**8. EVALUATION PROCESS:** In July 2006 Council awarded a two year contract with eight one year extensions to AmeriNational Community Services, Inc. Staff is recommending approval of the fifth extension. The term of this Agreement will be from August 1, 2012 through July 31, 2013.

**9. FINANCIAL IMPLICATIONS:** Funds for lending services are derived from the City's CDBG and HOME Programs. These funds are received from the U.S. Department of Housing and Urban Development and do not require repayment on the part of the City of Chandler.

**10. PROPOSED MOTION:** Move to approve a one-year extension of Agreement No. H06-946-2323 with AmeriNational Community Services, Inc.

**ATTACHMENT:** Amendment 5

**APPROVALS**

11. Requesting Department

Barbara Bellamy, CDBG Program Supervisor

12. Department Head

Jennifer Morrison, Neighborhood Resources Director

13. Procurement Officer

Sharon Brause, CPPB, CPCP

14. City Manager

Rich Dlugas

**AMENDMENT NUMBER FIVE  
TO AGREEMENT BETWEEN THE CITY OF CHANDLER  
AND  
AmeriNational Community Services, Inc.  
FOR Lender for Housing Rehabilitation Program  
AGREEMENT NO. HO6-946-2323**

This Amendment #5 to that certain Agreement between the City of Chandler (CITY) and AmeriNational Community Services, Inc. a corporation organized and existing under the laws of the State of Minnesota, along with its parent company American Bank of St. Paul, located at 217 South Newton Ave., Albert Lea, MN 56007, hereinafter referred to as the "Contractor" for Lender for Housing Rehab Program dated July 31, 2006 and is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

WHEREAS, the parties have agreed;

NOW THEREFORE, the parties agree as follows:

1. Section 5, Term of the Agreement is hereby amended to extend the Agreement for a one-year period, August 1, 2012 through July 31, 2013.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

CITY OF CHANDLER:

By: \_\_\_\_\_  
Mayor

CONTRACTOR

By: \_\_\_\_\_  
Title: 4-17-12

APPROVED AS TO FORM:

City Attorney EA

ATTEST:  
\_\_\_\_\_  
City Clerk

ATTEST: (If corporation)

Adrienne D  
Secretary

WITNESS: (If individual or Partnership)

[SEAL]