



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



7

February 23, 1988

Budget & Finance Committee of
the City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: Amendment to Agreement for Legal Services with Shute,
Mihaly & Weinberger

SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Housing Authority of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolution approving the contract amendment.

Respectfully submitted,

William H. Edgar
WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COMMITTEE:

Jack R. Crist
JACK R. CRIST
Deputy City Manager

Attachment



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



February 17, 1988

Housing Authority of the
City of Sacramento
Sacramento, California

Honorable Members In Session:

**SUBJECT: Amendment to Agreement for Legal Services with Shute,
Mihaly & Weinberger**

SUMMARY

This report recommends an amendment to the current agreement for legal services with the firm of Shute, Mihaly and Weinberger, increasing the total compensation by a sum not to exceed \$25,000.

BACKGROUND

On May 26, 1987, the Executive Director of Sacramento Housing and Redevelopment Agency executed a \$15,000 agreement with the firm of Shute, Mihaly and Weinberger to provide legal services in connection with your City/County Housing Finance Task Force's investigation of alternative financial mechanisms for providing affordable housing for very low-income households. Previous actions of your Council authorize the Executive Director to negotiate and execute agreements of under \$20,000 for legal and consultant services. The specific scope of services under the current agreement include:

- (a). Legal services regarding implementation of low-income housing strategies in the City and County of Sacramento; and
- (b). Legal services on behalf of and at the direction of the City/County Housing Finance Task Force.

Principal activities of the firm have been the legal issues involved in establishment of a Housing Trust Fund.

It was understood at the time that the \$15,000 would be for a first phase, and that additional funds might be necessary, based on the first phase efforts.

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To date, Shute, Mihaly and Weinberger have made a substantial contribution to the work efforts of the Task Force. They have prepared opinions on the legal issues involved in a number of alternative revenue sources, have advised on the mechanics for establishment of a Trust Fund and have attended a number of meetings with the Task Force and others investigating Trust Fund alternatives. They have expended the \$15,000 maximum specified in the Agreement. A considerable amount of legal work remains, however, to prepare ordinances for implementation of Task Force concepts. The additional \$25,000 should be sufficient for the remainder of the program.

FINANCIAL DATA

The Housing Development Unit's (organization: 2650) original 1988 budget contained \$10,000 for Legal fees and \$60,000 for Consultant Services. In order to cover the costs of this contract, the Council is requested to approve a transfer of \$15,000 from Account Code 4222, (Consultant Services) to Account Code 4223, (Legal Services) within the Housing Development Unit's Budget, Fund 592. The total contract would be increased from \$15,000 to \$40,000, a total of \$25,000.

ENVIRONMENTAL REVIEW

The proposed action does not require environmental review.

POLICY IMPLICATIONS

The actions proposed in this staff report are consistent with previously adopted policy and there are no policy changes being recommended.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of February 22, 1988 the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

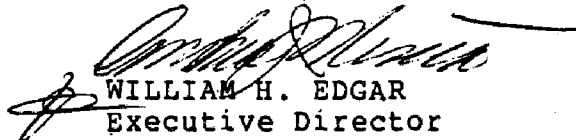
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RECOMMENDATION

Staff recommends approval of the attached resolution approving a \$25,000 amendment to the Agreement with the legal firm of Shute, Mihaly and Weinberger and transferring \$15,000 from Cost Account Code 4222 (Consultant fees) to Account Code 4223 (Legal services), within the organization 2650, Fund 592.

Respectfully submitted,


WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: John Molloy 440-1359

RESOLUTION NO.

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO
ON DATE OF

AMENDMENT TO AGREEMENT FOR LEGAL SERVICES WITH SHUTE, MIHALY & WEINBERGER

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF
SACRAMENTO:

Section 1: The May 26, 1987 agreement between Shute, Mihaly and Weinberger and the Authority is hereby amended to increase the compensation by an additional \$25,000 for a maximum total compensation of \$40,000.

Section 2: The Budget of Sacramento Housing and Redevelopment Agency is hereby amended to transfer \$15,000 from Account Code 4222 (Consultant fees) to Account Code 4223 (Legal Services), within the Organization 2650, Fund 592.

Section 3: This resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

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