



To: Greg Veliz, City Manager

From: J. Manuel Castillo, Sr., Executive Director

Cc: Shawn Smith, City Attorney
Mark Finigan, Finance Director

Date: May 21, 2020

Re: Community Development Office Agreement

EXECUTIVE SUMMARY

Action Statement:

A resolution approving the renewal of the Administrative Agreement between the City of Key West and Housing Authority for the operation of the City's Community Development Office (CDO) and authorizing the City Manager to execute said agreement.

Background:

The agreement has been in place since April 1, 1988 and has been amended from time to time. It is for a term of five (5) years, October 1, 2019 through September 30, 2024, and is presented to the City Commission for consideration of renewal. All terms and conditions remain unchanged from the last amendment.

Financial Impact:

Operational expenses of the CDO are covered by program income derived from several housing strategies under the CDO. Should such program income not cover the full annual operating costs of the CDO, the City is obligated to fund the difference. The City's Affordable Housing Trust Fund 104 is the funding source for the difference for Fiscal Year 2019-20. The City's Finance Director will present to the City Commission recommended funding sources for future fiscal years should CDO operating costs exceed CDO program income. Annual budgets are presented and approved by the City Commission as part of the City's budget process.

Recommendation:

Attached please find a Resolution and Administrative Agreement for the City Commission's consideration. This agreement will be for the period of October 1, 2019 through September 30, 2024.