



**CITY OF PLANO  
COUNCIL AGENDA ITEM**

<b>CITY SECRETARY'S USE ONLY</b>				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		January 23, 2012		
Department:		Planning		
Department Head		Phyllis Jarrell		
Agenda Coordinator (include phone #): <b>Doris Carter, ext. 5350</b>				
<b>CAPTION</b>				
Consideration of a Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of an Interlocal Agreement by and between the City of Plano, Texas, the City of McKinney, Texas and City of Frisco, Texas for participation in the Homebuyer Education Classes to provide an educational program for individuals attempting to purchase homes in each municipal jurisdiction; authorizing its execution by the City Manager, or his authorized designee; and providing an effective date.				
<b>FINANCIAL SUMMARY</b>				
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input checked="" type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	<b>2011-12; 2012-13</b>	<b>Prior Year (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>
		<b>TOTALS</b>		
Budget	0	0	0	<b>0</b>
Encumbered/Expended Amount	0	0	0	<b>0</b>
This Item	0	0	0	<b>0</b>
BALANCE	0	0	0	<b>0</b>
<b>FUND(S): HUD GRANT FUND</b>				
<b>COMMENTS:</b> The City has funded a homebuyer education class independently since 2001 using CDBG grant funds occasionally supplemented by a grant from a bank. This agreement will allow the City to share the annual cost of producing the class with Frisco and McKinney, and they will send potential homebuyers to the class. The annual cost to produce the class is \$10,900. This cost will be offset by anticipated total revenues of \$4,405 to be received from Frisco and McKinney.				
<b>STRATEGIC PLAN GOAL:</b> An interlocal agreement between Plano, Frisco, and McKinney for the first time homebuyers education class relates to the City's goal of Partnering for Community Benefit.				
<b>SUMMARY OF ITEM</b>				
The City of Plano has an opportunity to partner with the Cities of McKinney and Frisco to provide a homebuyer education class that will reduce costs for all three cities and improve the quality of education for participants. The class is currently paid for using Community Development Block Grant (CDBG) funds as part of the First Time Homebuyer Program, so the annual savings of \$2,765 will be available for other CDBG activities.				
List of Supporting Documents:			Other Departments, Boards, Commissions or Agencies	
Memo,			City of Frisco, City of McKinney	
Resolution,				
Agreement with Attachment				

**M E M O R A N D U M**

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**DATE:** January 12, 2012

**TO:** Bruce D. Glasscock, City Manager  
Frank Turner, Deputy City Manager

**CC:** Phyllis Jarrell, Director of Planning

**FROM:** Christina Day, Community Services Manager

**RE:** Interlocal Agreement between City of Plano, Frisco, and McKinney  
Combining First Time Homebuyer Educational Programs

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Since 2001, the City of Plano has offered a public first time homebuyer class for the purposes of educating potential homebuyers, particularly low-income homebuyers participating in the City's down payment assistance program. The city has always insured the continuance and quality of these classes by committing either qualified City staff as instructors or providing a professional services contract with a private instructor.

In more recent years, the City of McKinney and the City of Frisco began a joint class, rotating the location between cities each month. However, they have found their source of instruction unreliable and could not offer classes. There have been several instances in the past few years when they referred their homebuyers to City of Plano classes because they had no class available in their respective cities.

In order to serve the needs of all three communities most efficiently, we are recommending the City of Plano, the City of Frisco, and the City of McKinney combine financial resources and offer one class for all three cities. This agreement not only guarantees the availability of classes for homeowners, improves the homebuyer training materials, and eliminates duplication of services, but also reduces the current cost for a first time homebuyer educational program for all three cities.

Cost Savings

As seen below, the City of Plano currently pays \$7,260 annually from Community Development Block Grant (CDBG) funds to provide this class monthly, between January and November. The budget is currently supplemented by a \$1,000 grant from Capital One, which is used to pay for light refreshments, supplies and materials for the class.

	<u>Plano Current Costs:</u>		<u>Collaborative Class Costs:</u>	
<b>Instructor</b>	\$600 per month	\$6,600	\$600 per month	\$6,600
<b>Manuals</b>	\$5 per student	\$660	\$15 per student	\$3,300
<b>Supplies, materials, and refreshments</b>	Paid from Capital One grant	\$1,000	Paid from Capital One grant	\$1,000
<b>Total</b>		<b>\$8,260</b>		<b>\$10,900</b>

The class offered by the City of Frisco and City of McKinney has cost \$500 per month and was also offered 11 months out of the year. This resulted in an expense of \$2,750 to each City annually.

Because the City of Plano's class consistently has a larger number of homebuyers attending the class, we are recommending that the City of Plano incur a larger portion of the class expense. We also gain a benefit by keeping the class in Plano, where it is more convenient for our citizens.

For 2012, this agreement proposes that the City of Plano pay 55.5% of the class expense, and Frisco and McKinney pay 22.25% each. Revenue from Frisco and McKinney reduces Plano's expense from \$8,260 to \$5,495 for an annual savings of \$2,765. Sharing the expense reduces Frisco and McKinney expense from \$2,750 each to \$2,203, for an annual savings of \$547 per city.

This cost distribution will be analyzed at the end of the year to verify the current cost sharing arrangement is justifiable based on the needs of each community and the number of attendees looking to buy in each jurisdiction.

#### Improved training materials

With the additional revenue from Frisco and McKinney, improvements can be made to the class. Particularly the training manual can be upgraded to the Realizing the American Dream published by NeighborWorks. All three cities' staff prefer this publication, since it is a very thorough, professionally-written manual that the homebuyer can take home as a reference. Currently the City is using a small manual published by Consumer Credit Counseling Services that is copied for a minimal charge.

#### Other benefits

In addition to the cost savings and improved training materials, Plano also benefits by keeping the class at the Plano Municipal Center, where it is more convenient for our citizens. Frisco and McKinney benefit from the City of Plano administering the class, but since Plano has been doing this for many years, there is little additional work for Plano staff to add Frisco and McKinney clients.

**A Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of an Interlocal Agreement by and between the City of Plano, Texas, the City of McKinney, Texas and City of Frisco, Texas for participation in the Homebuyer Education Classes to provide an educational program for individuals attempting to purchase homes in each municipal jurisdiction; authorizing its execution by the City Manager, or his authorized designee; and providing an effective date.**

**WHEREAS**, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes governmental entities to contract with each other to perform governmental functions and services under the terms thereof; and

**WHEREAS**, the City Council has been presented a proposed Interlocal Cooperation Agreement by and between the City of Plano, Texas, the City of McKinney, Texas and the City of Frisco, Texas for participating in the Homebuyer Education Classes (hereinafter "Agreement"), a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference; and

**WHEREAS**, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager, or his authorized designee, shall be authorized to execute the necessary documents on behalf of the City of Plano.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, THAT:**

**Section I.** The terms and conditions of the Agreement, having been reviewed by the City Council of the City of Plano and found to be acceptable and in the best interests of the City of Plano and its citizens, are hereby in all things approved.

**Section II.** The City Manager, or his authorized designee, is hereby authorized to execute the Agreement and all other documents in connection therewith on behalf of the City of Plano, substantially according to the terms and conditions set forth in the Agreement.

**Section III.** This Resolution shall become effective from and after its passage.

**DULY PASSED AND APPROVED THIS THE 23RD DAY OF JANUARY, 2012.**

\_\_\_\_\_  
Phil Dyer, MAYOR

ATTEST:

\_\_\_\_\_  
Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
Diane C. Wetherbee, CITY ATTORNEY

**AGREEMENT BETWEEN THE CITY OF PLANO, TEXAS,  
AND THE CITY OF MCKINNEY, TEXAS, AND THE CITY OF FRISCO, TEXAS  
FOR HOMEBUYER EDUCATION CLASSES**

This Agreement is made between the CITY OF PLANO, TEXAS, a home-rule municipal corporation (hereinafter referred to as “Plano”), the CITY OF MCKINNEY, TEXAS, a home-rule municipal corporation (hereinafter referred to as “McKinney”), and the CITY OF FRISCO, TEXAS, a home-rule municipal corporation (hereinafter referred to as “Frisco”), as follows:

**WHEREAS**, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, as amended, authorizes governmental entities to contract with each other to perform government functions and services under the terms thereof; and

**WHEREAS**, Plano, McKinney and Frisco (hereinafter each individually referred to as “Party” and collectively referred to as “Parties”) are political subdivisions within the State of Texas and are all engaged in the provision of governmental services for the benefit of their citizens; and

**WHEREAS**, the Parties desire to enter into an interlocal agreement for the purpose of providing a joint Homebuyer Education Class (the “Class”); and

**WHEREAS**, the Parties have current funds available to satisfy any fees and costs required pursuant to this Agreement.

**NOW, THEREFORE**, the Parties, for and in consideration of the recitals set forth above and terms and conditions below, agree as follows:

**I. PURPOSE**

The purpose of the Agreement is to state the terms and conditions under which the Parties will jointly provide a homebuyer educational class for households attempting to purchase homes within each Party’s territorial jurisdiction. This Agreement, addresses the obligation of each Party, the class requirements and distribution of class cost for each Party.

**II. TERM**

This Agreement shall be in effect from January 1, 2012 through November 30, 2012, unless terminated earlier as provided herein. provided however, that the City of Plano shall have the right and option to extend the term hereof by an additional two (2) renewals of one (1) year terms by giving written notice to the City of McKinney and City of Frisco of the City of Plano election to so renew the term hereof, such notice to be given not more than ninety (90) days prior to the expiration of term.

**III. TERMINATION**

Either Party may, at its option, with or without cause, and without penalty or prejudice to any other remedy it may be entitled to at law, or in equity or otherwise under this Agreement, terminate further work under this Agreement, in whole or in part by giving at least thirty (30) days prior written notice thereof to the other Party with the understanding that all services being terminated shall cease upon the date such notice is received.

## **IV. OBLIGATIONS OF THE PARTIES**

### **A. CITY OF PLANO:**

Plano city staff will be responsible for maintaining the agreement with the Class instructor and Consumer Credit Counseling Services of Greater Dallas.

Plano staff will be responsible for satisfying any obligations for private grants received for the Class.

Plano will be responsible for advertising and promoting the Class within the City of Plano.

Plano city staff will produce and create all advertising materials for the Class.

Plano city staff will register all Class participants and disseminate all Class information.

Plano city staff will provide a monthly log of all registered homebuyers to the Class instructor.

Plano city staff will be responsible for providing Class location and security, including coordination of Class dates and room availability.

Plano city staff will provide a list of Class attendees to McKinney and Frisco within one week of the Class date.

Plano city staff will collect and analyze the end-of-year Class attendance and schedule a status update between the Parties.

### **B. CITY OF MCKINNEY:**

McKinney city staff will be responsible for referring potential McKinney homebuyers to Plano city staff for Class registration.

McKinney city staff will be responsible for explaining and providing all material and information regarding the City of McKinney's Down Payment Assistance Program to Class participants.

McKinney will be responsible advertising and promoting the Class within the City of McKinney.

### **C. CITY OF FRISCO:**

Frisco city staff will be responsible for referring potential Frisco homebuyers to Plano city staff for Class registration.

Frisco city staff will be responsible for explaining and providing all material and information regarding the City of Frisco's Down Payment Assistance Program to Class participants.

Frisco will be responsible for advertising and promoting the Class within the City of Frisco.

## V. CLASS REQUIREMENTS

The Parties agree the Class will continue to operate under the HUD-Approved Counseling Agency of Consumer Credit Counseling Services of Greater Dallas (CCCS) in accordance with the Agreement between CCCS and the City of Plano, a copy of which is attached hereto and incorporated herein as **Exhibit "A"**.

The Parties agree that classes will be instructed by a state certified trainer.

The Parties further agree that each class will include a minimum of eight (8) hours of instruction, and each homebuyer will be required to attend all eight (8) hours in order to receive a certificate of completion. The curriculum for each class will be taken from the NeighborWorks workbook entitled "Realizing the American Dream" and each homebuyer will receive a copy of the workbook.

The standard date for each class will be the third Saturday of each month during the term of this Agreement.

## VI. CLASS DATES

The 2012 Class dates are as follows:

January 21	February 18	March 17
April 21	May 19	June 16
July 21	August 18	September 15
October 20	November 17	

The parties agree Plano has the right to change the above Class dates by giving at least a five (5) business day prior written notice thereof to McKinney and Frisco.

## VII. PAYMENT

All payments for expenses incurred as a result of the performance of this Agreement shall be made only from current revenues legally available to each respective Party. Each Party agrees to pay the following amounts:

The City of McKinney agrees to pay a total sum of **TWO THOUSAND TWO HUNDRED TWO AND .75/100 DOLLARS (\$2,202.75)** to Plano for their shared cost of the Class.

The City of Frisco agrees to pay a total sum of **TWO THOUSAND TWO HUNDRED TWO AND .75/100 DOLLARS (\$2,202.75)** to Plano for their shared cost of the Class.

The City of Plano agrees to pay a total sum of **FIVE THOUSAND FOUR HUNDRED NINETY FOUR AND 50/100 (\$5,494.50)** for their shared cost of the Class.

**The total cost of the 2012 Class budget to be paid by all three cities shall not exceed \$9,900.**

The City of Plano will invoice Parties for payments due at which time payment must be remitted within thirty (30) days of receipt of invoice. Any donations received during the term of the contract will reduce each Party's cost and refunds will be based on each Party's percent of total expenses.

The Parties herein recognize that the continuation of any contract after the close of any given fiscal year, which fiscal year ends on September 30th of each year, shall be subject to each Party's City Council approval. In the event that any of the Parties' City Councils do not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated and the Parties shall have no further obligations hereunder.

#### **VIII. GOVERNMENTAL FUNCTION**

The Parties have determined by their execution of this Agreement that this Agreement and the obligations of the Parties contained herein are in discharge of a governmental function as set forth in the Interlocal Cooperation Act, and participation in this Agreement by one Party shall not be construed as creating any kind of agency relationship, partnership, or joint enterprise between the Parties.

#### **XIV. RELEASE AND HOLD HARMLESS**

**TO THE EXTENT PERMITTED BY LAW, EACH PARTY AGREES TO WAIVE ALL CLAIMS AGAINST, TO RELEASE, AND TO HOLD HARMLESS THE OTHER PARTY AND ITS RESPECTIVE OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM ANY AND ALL LIABILITY, CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, ATTORNEYS FEES, INCLUDING ALL EXPENSES OF LITIGATION OR SETTLEMENT, OR CAUSES OF ACTION WHICH MAY ARISE BY REASON OR INJURY TO OR DEATH OF ANY PERSON OR FOR LOSS OF, DAMAGE TO, OR LOSS OF USE OF ANY PROPERTY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. IN THE EVENT THAT A CLAIM IS FILED, EACH PARTY SHALL BE RESPONSIBLE FOR ITS PROPORTIONATE SHARE OF LIABILITY.**

#### **X. IMMUNITY**

In the execution of this Agreement, none of the Parties waive, nor shall be deemed hereby to have waived any immunity or any legal or equitable defense otherwise available against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the Parties do not create any obligations, express or implied, other than those set forth herein, and this Agreement does not create any rights in parties who are not signatories to this Agreement.

#### **XI. ASSIGNMENT AND SUBLETTING**

The Parties to give full attention to the fulfillment of this Agreement, that this Agreement will not be assigned or sublet without the prior written consent of the Parties, and that no part or feature of the work will be sublet to anyone objectionable to the Parties. McKinney and Frisco further agree that the performance of this Agreement shall not relieve McKinney and Frisco from its full obligations to Plano as provided by this Agreement.

## **XII. ENTIRE AGREEMENT**

This Agreement represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations and/or agreements, either written or oral between the Parties. This Agreement may be amended only by written instrument signed by the Parties.

## **XIII. AUTHORITY TO SIGN**

The undersigned officers and/or agents of the Parties hereto are the properly authorized officials or representatives and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

## **XIV. SEVERABILITY**

The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held to be contrary to the law or contrary to any rule or regulation having the force and effect of the law, such decisions shall not affect the remaining portions of the Agreement. However, upon the occurrence of such event, either Party may terminate this Agreement by giving the other party thirty (30) days written notice.

## **XV. VENUE**

This Agreement and any of its terms or provisions, as well as the rights and duties of the Parties hereto, shall be governed by the laws of the State of Texas. The Parties agree that this Agreement shall be enforceable in Collin County, Texas, and if legal and necessary, exclusive venue shall lie in Collin County, Texas.

## **XVI. INTERPRETATION OF AGREEMENT**

Although this Agreement is drafted by Plano, this is a negotiated document. Should any part of this Agreement be in dispute, the Parties agree that the Agreement shall not be constructed more favorably for any of the Parties.

## **XVII. REMEDIES**

No right or remedy granted herein or reserved to the Parties is exclusive of any right or remedy granted by law or equity; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this Agreement may be waived without the express written consent of the Parties.

## **XVIII. SUCCESSORS AND ASSIGNS**

The Parties each bind themselves, their respective successors, executors, administrators, and assigns to the other Party to this contract. Neither Party will assign, sublet, subcontract or transfer any interest in this Agreement without the prior written consent of the other Party. No assignment, delegation of duties or subcontract under this Agreement will be effective without the written consent of all Parties.

**XIX. NOTICE**

Official notice shall be by written notice and delivery to all of the parties to this Agreement. Delivery shall be by fax or deposit in the United States Postal Service, first class, return receipt requested to:

Plano Representative:  
Terrie Monroe  
Community Development  
Coordinator  
1520 K Avenue  
Plano, Texas 75074

McKinney Representative:  
Cristel Todd  
Housing Services  
Administrator  
222 N. Tennessee St.  
McKinney, Texas 75069

Frisco Representative:  
Stacy Brown  
Housing and Grants  
Administrator  
6101 Frisco Square Blvd.  
Frisco, Texas 75034

**XX. HEADINGS**

The titles which are used following the number of each paragraph are only for convenience in locating various provisions of this Agreement and shall not be deemed to affect the interpretation or construction of such provision.

**EXECUTED** on the dates indicated below:

**CITY OF MCKINNEY, TEXAS**

DATE \_\_\_\_\_

BY: \_\_\_\_\_  
Jason Grey  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
\_\_\_\_\_

**CITY OF FRISCO, TEXAS**

DATE \_\_\_\_\_

BY: \_\_\_\_\_  
George Purefoy  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
\_\_\_\_\_

**CITY OF PLANO, TEXAS**

DATE \_\_\_\_\_

BY: \_\_\_\_\_

Bruce D. Glasscock  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Diane C. Wetherbee, City Attorney

**ACKNOWLEDGMENTS**

**STATE OF TEXAS**                   §  
  §  
**COUNTY OF COLLIN**           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by **JASON GREY, City Manager** for the **City of McKinney, Texas**, a home-rule municipal corporation, on behalf of such municipal corporation.

\_\_\_\_\_  
Notary Public, State of Texas

**STATE OF TEXAS**                   §  
  §  
**COUNTY OF COLLIN**           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by **GEORGE PUREFOY, City Manager** for the **City of Frisco, Texas**, a home-rule municipal corporation, on behalf of such municipal corporation.

\_\_\_\_\_  
Notary Public, State of Texas

**STATE OF TEXAS**                   §  
  §  
**COUNTY OF COLLIN**           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by **BRUCE D. GLASSCOCK, City Manager** of the **City of Plano, Texas**, a home-rule municipal corporation, on behalf of such municipal corporation.

\_\_\_\_\_  
Notary Public, State of Texas



## MEMORANDUM OF UNDERSTANDING WITH SERVICE PROVIDER TO PROVIDE HOMEBUYER COUNSELING AND EDUCATION

Consumer Credit Counseling Service of Greater Dallas, Inc. (CCCS-Dallas) agrees to provide homebuyer counseling and education instruction for the City of Plano on the following dates:

Dates of instruction: 1-15-2011; 2-19-2011; 3-19-2011; 4-16-2011; 5-21-2011; 6-18-2011; 7-16-2011; 8-20-2011; 9-17-2011; 10-15-2011; 11-19-2011

The class will include a minimum of 8 hours of instruction. "So You Want to be a Homeowner" will be the instruction curriculum.

CCCS instructors for the classes will be either:

Ray Hooper, Instructor (Retired CCCS- Dallas Director of Housing and Education) or  
Linda Davis-Demas, Housing Director

Presentation schedules will be developed by the City of Plano representative and coordinated with Ray Hooper and the Consumer Credit Counseling Service Education Department.

The instruction cost is \$600.00 any other expense such as food or books will be invoiced separately.

A HUD approved certificate of completion is awarded to each household upon successful completion of the class.

Consumer Credit Counseling Service of Greater Dallas, Inc. is a 501(c)(3) nonprofit agency. (See Attachment B a copy of the **IRS Approval letter.**)

Consumer Credit Counseling Service of Greater Dallas, Inc. is approved by the U.S. Department of Housing and Urban Development (HUD) as a Multi-State Housing counseling agency to provide Pre-purchase Counseling and Homebuyer Education Workshops. (See Attachment C a copy of the **HUD Agency certificate.**)

This agreement is valid for a period of one (1) year from date of acceptance by both parties. It may be terminated by a 30 day written notice by either party.

\_\_\_\_\_  
Linda Davis-Demas, Housing Director  
Consumer Credit Counseling Service - Dallas

\_\_\_\_\_  
Date

\_\_\_\_\_  
Terrie Monroe, Sr. Community Development Coordinator  
City of Plano

\_\_\_\_\_  
Date

\_\_\_\_\_  
Christina Day, Community Services Manager  
City of Plano

\_\_\_\_\_  
Date