

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Wayne Snell, Director of Neighborhood and Inspection Services

DATE: September 19, 2018

SUBJECT: **Approval of a Resolution Authorizing an Agreement Between the City of Lewisville and the City of Plano for Homebuyer Education Classes; and Authorization for the City Manager to Execute the Agreement.**

BACKGROUND

From 2005 to 2016, the City of Lewisville partnered with Transformance USA, a housing counseling company, to run first-time home buyer classes for our citizens. The classes were offered free of charge and open to any potential homebuyer, whether they were eligible for the First-time Homebuyer grant program or not. Attendees were also welcome from anywhere and other area classes reciprocated with free, open classes. Class size usually ranged from 15 to 30 attendees.

During those years, Transformance provided their instructional services free of charge so long as the City coordinated sign ups, location arrangements, other logistics, and provided food for students. In 2016, Transformance ran out of funding for this program and advised that they could only continue to teach the classes for \$1,100 per class. This was in addition to the City's costs for logistics and food.

Homebuyer education classes were, therefore, discontinued in Lewisville while City Staff researched other options. This consequently freed up staff time to work on other initiatives such as the Together Lewisville Coalition and the Lewisville Community Resource Expo.

Lewisville residents can currently pay to take classes in Dallas or Fort Worth at one of three housing counseling agencies. To find a better solution for our residents, and yet maintain the staff availability for our new TLC initiatives, Staff has been in discussions with the City of Plano to provide a free option for Lewisville residents.

ANALYSIS

Under the proposed agreement, Plano will open up its first-time homebuyer classes to Lewisville residents. Residents would be able to attend these classes free of charge. These classes are held once per month, eleven times per year. Classes are taught by teachers certified in homebuyer education. Lewisville's cost to partner with Plano and offer this benefit to our residents would be \$2,203 (about \$200 per class). The agreement can be renewed for two additional years. The

City of McKinney has a similar partnership with Plano to benefit their residents. Grants staff would be able refer any Lewisville residents interested in homeownership to the classes and would resume marketing the availability of classes, especially to low-to-moderate income residents.

Funding is available in account No. 101.40.383.200.4223.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the resolution and authorize the City Manager to execute the agreement.