

CITY COUNCIL AGENDA: JUNE 17, 2014

SUBJECT: CALHOME PROGRAM APPLICATION

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: The California Department of Housing and Community Development (HCD) has issued a Notice of Funding Availability (NOFA) for funds under the CalHome Program. The program NOFA is designed to make funds available to cities, counties, and nonprofit corporations to increase homeownership programs aimed at low- and very low-income households and operated by the local public agency or the nonprofit corporation. This NOFA is for Mortgage Assistance, Owner Occupied Rehabilitation and Manufactured (Mobile) Home Set Aside.

The City has previously received three CalHome grants, two for \$500,000 which funded the First Time Low Income Homebuyer Program, and one for \$600,000 to fund the Mobilehome Rehabilitation Program. Eligible activities for CalHome program funding include: 1) First Time Homebuyer Mortgage Assistance, 2) Owner-Occupied Rehabilitation and 3) Mobilehome Rehabilitation Program.

The City proposes to apply for \$600,000 for continuation of the City-wide Mobilehome Rehabilitation Program. These funds could assist approximately ten (10) low-income mobilehome owners within the city limits of Porterville to rehabilitate or replace their mobilehomes.

The application to HCD is due July 10, 2014. Award of funds is expected to be made in Fall 2014, with the execution of a Standard Agreement with HCD several months later. The term of the Standard Agreement shall be for 36 months from the date of the award letter.

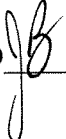


The CalHome Program requires that the loans/grant to the mobilehome owners through this program must have principal and interest payments deferred for the 20 year term of the loan.

A governing board resolution, granting authority to make application to HCD for a funding commitment from the CalHome Program, is a requirement of the application. No matching funds are required besides the cost of administration of the program. Certain activity delivery costs are reimbursable through the grant.

In applying for these CalHome Program funds, the City is once again taking measures to implement programs outlined in the City's Housing Element and the 2010 Five Year Consolidated Plan.

RECOMMENDATION: That the City Council:

1. Adopt the draft resolution approving the submittal

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of a CalHome Program funding application to the California Department of Housing and Community Development;

2. Authorize the Mayor to execute all documents pertaining to the CalHome Program; and
3. Authorize the Community Development Director to execute, in the name of the City of Porterville, project drawdown requests, and all other administrative documents required by the California Department of Housing and Community Development for administration of the CalHome Program.

Attachment:

Draft Resolution

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CALHOME PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT, IF SELECTED FOR SUCH FUNDING, ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM

WHEREAS: The City of Porterville, a political subdivision of the State of California, wishes to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS: The California Department of Housing and Community Development (“HCD”) has issued a Notice of Funding Availability (“NOFA”) for the CalHome Program established by Chapter 84, Statutes of 2000 (SB 1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the “statute”). Pursuant to the statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the statute and the CalHome Program Guidelines adopted by HCD on April 2012; and

WHEREAS: The City of Porterville wishes to submit an application to obtain from HCD an allocation of CalHome funds in the amount of \$600,000.

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville, State of California, hereby approve the submittal to HCD of an application to participate in the CalHome Program in response to the NOFA issued on April 29, 2014, to request \$600,000 for the Mobilehome Rehabilitation Program to be used within the city limits of Porterville. If the application for funding is approved, the City of Porterville hereby agrees to use the CalHome funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with program guidelines cited above. It also may execute any and all other instruments necessary or required by HCD for participation in the CalHome Program.

BE IT FURTHER RESOLVED: The City of Porterville authorizes the Mayor to execute, in the name of the City of Porterville, the application, the Standard Agreement and all other documents required by HCD for participation in the CalHome Program, and any amendments thereto and that the City of Porterville authorizes the Community Development Director to execute in the name of the City of Porterville project drawdown requests, and all other administrative documents required by the California Department of Housing and Community Development for administration of the CalHome Program.

PASSED, APPROVED, and ADOPTED this 17<sup>th</sup> day of June, 2014.

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Cameron J. Hamilton, Mayor

ATTEST:  
John Lollis, City Clerk

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By Patrice Hildreth, Chief Deputy City Clerk

**ATTACHMENT  
ITEM NO. 1**