

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Matthew J. Fertal	From:	Susan Emery
Dept.:	City Manager	Dept.:	Community Development
Subject:	APPROVAL OF PARTICIPATION IN THE CALHOME PROGRAM FOR SINGLE FAMILY AND MANUFACTURED HOMES		
		Date:	June 10, 2014

OBJECTIVE

The purpose of this report is for the City Council to adopt Resolutions authorizing the submittal of grant applications by the City of Garden Grove for CalHome funds, through the California Department of Housing and Community Development (HCD) for the First-Time Homebuyers program and the City's Rehabilitation Program of single family homes and manufactured homes.

BACKGROUND

In February, the California Department of Housing and Community Development (HCD) announced the availability of \$43 million through the CalHome Program for local public and nonprofit agencies, which was provided by the passage of Proposition 1C, the Housing and Emergency Shelter Trust Fund Act of 2006. The CalHome Program supports existing homeownership programs aimed at low and very-low income households whose incomes shall not exceed 80 percent of the county median income. The CalHome Applications for obtaining funding must be submitted on or before July 10, 2014.

DISCUSSION

Through this grant, the program provider must meet the following requirements:

- Operated a housing program for a minimum of two years prior to application;
- Successfully performed activities such as a mortgage assistance, for a minimum of two years within the four years immediately preceding the application due date; and
- Has the ability to perform the required activity(ies) for which it is applying.

The applications will request funding for the mortgage assistance program and the owner-occupied rehabilitation program of single family homes and manufactured homes.

The attached Resolutions authorize the City Manager to execute the applications, the Standard Agreements, and all other documents required by the HCD for the City's participation in the CalHome Program for both the mortgage assistance and owner-occupied rehabilitation of single family homes and manufactured homes.

FINANCIAL IMPACT

The CalHome program is grant funding that will provide \$2 million for the City's First-Time Home Buyer program and Rehabilitation program of Single Family homes and Manufactured homes, and there is no impact to the General Fund.

RECOMMENDATION

It is recommended that City Council:

- Adopt the attached Resolution authorizing the submittal of an application to HCD for funding under the CalHome Program for mortgage assistance and owner-occupied rehabilitation of single family homes;
- Adopt the attached Resolution authorizing the submittal of an application to HCD for funding under the CalHome Program for mortgage assistance and owner-occupied rehabilitation of manufactured homes; and
- Authorize the City Manager to execute the applications, the Standard Agreements, and all other documents required by the HCD for the City's participation in the CalHome Program.

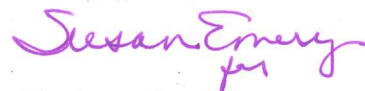


SUSAN EMERY, Director
Community Development



By: Ivan Velasco
Administrative Intern

Recommended for Approval



Matthew Fernal
City Manager

Attachment 1: Resolution for Single Family Homes

Attachment 2: Resolution for Manufactured Homes

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE 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 AND THE EXECUTION OF ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM (SINGLE-FAMILY HOMES)

WHEREAS, the City of Garden Grove (City), a California municipal corporation, wishes to apply for and receive an allocation of funds through the CalHome Program;

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 (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 Regulations adopted by HCD in April 2004; and

WHEREAS, the City wishes to submit an application to obtain from HCD an allocation of CalHome funds in the amount of one million dollars (\$1,000,000).

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Garden Grove as follows:

SECTION 1. The City shall submit to HCD an application to participate in the CalHome Program in response to the NOFA issued on April 29, 2014, which will request a funding allocation of one million dollars (\$1,000,000); for both a mortgage assistance program (\$820,000) and owner-occupied rehabilitation program (\$180,000), of single-family homes. The funds shall be used to assist eligible lower-income households within the city for participation in the City's First-Time Homebuyer Program and eligible lower-income owner-occupants within the city desiring to participate in the City's Home Rehabilitation Program.

SECTION 2. If the application for funding is approved, the City 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 regulations cited above. It also may execute any and all instruments necessary or required by HCD for participation in the CalHome Program.

SECTION 3. The City authorizes the City Manager to execute in the name of the City, the application, the Standard Agreement, and all other documents required by HCD for participation in the CalHome Program, and any amendments thereto.

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