

CITY COUNCIL AGENDA: AUGUST 3, 2010

SUBJECT: HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) APPLICATION

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: The City has received notice from the California Department of Housing and Community Development (HCD) for funding availability for rental new construction projects, first-time homebuyer projects, and program activities under the HOME Investment Partnerships Program (HOME), with funding authorized by the Cranston-Gonzales National Affordable Housing Act of 1990. Under HOME, the Department provides federal funding through specified recipients to conduct the following activities: (1) New Home Construction (2) Acquisition of Existing Residential Units (3) Rehabilitation of Existing Residential Units and (4) Tenant-based rental assistance.

The City is interested in submitting an \$800,000 application by the September 1, 2010 deadline for the continuation of the City's First Time Low Income Homebuyer Program (FTHB). 2.5% of the grant is allowed for general administration and another 6.5% can be utilized for activity delivery costs associated with the projects funded.

The City is able to apply for this amount of funding since the typical twenty five percent (25%) match requirement is again being waived for this round of funding.

Currently, the City is administering a HOME 2008 grant for \$800,000 for the FTHB Program and Owner Occupied Housing Rehabilitation Program (HRLP). Since the funds designated for FTHB are depleted, but sufficient funds are available for the HRLP, staff is recommending that the City apply for the maximum amount allowed for FTHB only.

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

DD ~~10~~ Appropriated/Funded no C.M. J

ITEM NO. 10

RECOMMENDATION: That the City Council:

1. Adopt the draft resolution approving the submittal of a HOME Investment Partnership Program (HOME) funding application for \$800,000 for continuation of the First Time Low Income Homebuyer Program;
2. Authorize the Mayor to execute all documents pertaining to the HOME 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 or the U. S. Department of Housing and Urban Development for administration of the HOME program.

Attachment: 1. Draft Resolution for HOME Program Application

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
AUTHORIZING THE SUBMITTAL OF HOME INVESTMENT PARTNERSHIPS (HOME)
PROGRAM FUNDING APPLICATION TO THE CALIFORNIA STATE
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT; AND IF SELECTED,
THE EXECUTION OF A STANDARD AGREEMENT, ANY AMENDMENTS THERETO,
AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE HOME
INVESTMENT PARTNERSHIPS PROGRAM

WHEREAS: The City of Porterville has an adopted, State certified Housing Element, an adopted Five Year Community Development Block Grant (CDBG) Consolidated Plan (2010), CDBG Action Plan (2010), and the Redevelopment Implementation Plan (2010), that identify goals, policies, and programs to help in the provision and maintenance of affordable housing within the City; and

WHEREAS: Pursuing state and federal funding to assist in meeting the housing needs of low and moderate income households is one of the identified implementation strategies in these adopted documents; and

WHEREAS: The California Department of Housing and Community Development (hereinafter referred to as the "Department") is authorized to allocate HOME Investment Partnerships Program (HOME) funds made available from the U.S. Department of Housing and Urban Development (HUD) to be used for the purposes set forth in Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, the federal implementing regulations set forth in Title 24 of the Code of Federal Regulations, part 92, and Title 25 of the California Code of Regulations commencing with Section 8200; and

WHEREAS: On June 1, 2010 the Department issued a 2010 Notice of Funding Availability announcing the availability of funds for rental new construction projects, first-time homebuyer projects, and program activities under the HOME program (the "NOFA"); and

WHEREAS: In response to the 2010 NOFA, the City of Porterville wishes to apply to the Department for, and receive an allocation of, HOME funds for program activities; and

WHEREAS: There is no match requirement for this funding application.

NOW, THEREFORE BE IT RESOLVED:

1. In response to the 2010 NOFA, the City of Porterville shall submit an application to the Department to participate in the HOME program for an allocation of funds not to exceed \$800,000 for the First Time Homebuyer Program within the city limits of Porterville; and

2. If the application for funding is approved, the City of Porterville hereby agrees to use the HOME funds for the eligible activities in the manner presented in the application as approved by the Department in accordance with the statutes and regulations cited above. The City of Porterville may also execute a standard agreement, any amendments thereto, and any and all other documents or instruments necessary or required by the Department or HUD for participation in the HOME program.

BE IT FURTHER RESOLVED: The City of Porterville authorizes the Mayor or his/her designee to execute in the name of the City of Porterville, the application, the Standard Agreement, and all other documents required by the Department or HUD for participation in the HOME program, and any amendments thereto. The City of Porterville also authorizes the Community Development Director or his/her designee 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 or HUD for administration of the HOME program.

APPROVED and ADOPTED this _____ day of _____, 2010.

Ronald L. Irish, Mayor

ATTEST:

John Lollis, City Clerk

By _____
Patrice Hildreth, Chief Deputy City Clerk