



Meeting Date: 3/13/07

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other

Prepared By: Ernest Whitaker *EW* Agenda Item No. I-8
 Reviewed By: City Manager *[Signature]* City Attorney *[Signature]* Finance *SW* Other (Specify) _____

DATE: March 2, 2007
TO: City Council
FROM: Sal Gonzalez, Housing Director
 Housing Department *[Signature]*
SUBJECT: CalHome Program Funding Application

RECOMMENDATION

That City Council adopt a resolution authorizing the City Manager (1) to execute and submit an application to the California Department of Housing and Community Development (HCD) for \$600,000 under the CalHome Program; (2) if the application is granted to execute the Standard Agreement, and all other documents required by HCD for participation in the CalHome Program, as well as any amendments thereto as necessary and appropriate to pursue the funding application and obtain funding; and (3) prepare a special budget appropriation for the City Manager to execute upon receipt of the grant award.

DISCUSSION

On February 13, 2007 HCD announced the availability of \$50 million under the CalHome General Funding Program. Applications are due on April 18, 2007. CalHome is one of the housing programs for which funds were approved by the voters with the passage of Proposition 1C in 2006.

This CalHome program will provide a grant to the City. The City will loan up to \$40,000 per resale home as needed. The loan is a silent second, and the interest accrues at a rate of 4.5% per year. The term is 30 years. The loan with interest is paid upon sale of the property. All proceeds go to the City to be reloaned to other low income buyers.

Potential buyers of resale homes provide a 3% downpayment. The 3% could be matched with the City's homebuyer downpayment and closing cost grant of up to \$10,000. The \$600,000 grant could assist from 15 to 30 families depending upon the amount of loan each family received.

The CalHome program helps to meet the goals of the Housing Element and the Consolidated Plan to develop and provide first time homebuyer financial programs. It will not help meet affordable housing goals because the assisted units are existing, not new.

This program will be available citywide. Housing Department staff will administer the loan program.

Subject/CalHome Program Application

March 2, 2007

Page 2

FINANCIAL IMPACT

There is no financial impact associated with the filing of the application and receipt of the CalHome grant. The CalHome funding does not provide administrative funds. Existing staff will administer the program and they are supported with CDBG and HOME funds. The City Manager will execute a special budget appropriation upon receipt of the grant award.

EW: em

Attachment #1 - Resolution

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CITY OF OXNARD, CALIFORNIA

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF OXNARD 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 ANY AMENMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM.

WHEREAS, the City of Oxnard, 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 (hereinafter referred to as "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 59560) 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 Regulations adopted by HCD on August 15, 2003; and

WHEREAS, the city of Oxnard wishes to submit an application to obtain from HCD an allocation of CalHome funds in the amount of \$600,000.

NOW THEREFORE, The City Council of the City of Oxnard hereby resolves as follows:

1. The City of Oxnard shall submit to HCD an application to participate in the CalHome Program in response to the NOFA issued on February 13, 2007 which will request a funding allocation for the following activities.

First Time Homebuyer Mortgage Assistance Program citywide, with a maximum of \$40,000 for each participant.

2. If the application for funding is approved, the City of Oxnard 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 other instruments necessary or required by HCD for participation in the CalHome Program.

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

000065

ATTACHMENT NO. 1
PAGE 1 OF 2

PASSED AND ADOPTED THIS ____ day of March, 2007, by the following vote:

AYES:

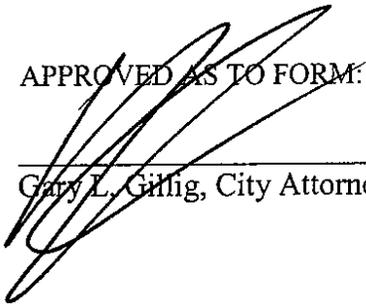
NOES:

ABSTAIN:

ABSENT:

Dr. Thomas E. Holden, Mayor

ATTEST:

APPROVED AS TO FORM:


Daniel Martinez, City Clerk

Gary L. Gillig, City Attorney

000066

ATTACHMENT NO. 1
PAGE 2 OF 2