



Meeting Date: June 24, 2008

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-11
 Reviewed By: City Manager *JLB* City Attorney *Holmberg* Finance *JL* Other (Specify): _____

DATE: June 11, 2008

TO: City Council

FROM: Sal Gonzalez, Housing Director *SG*
 Curtis Cannon, Community Development Director *Curtis Cannon (for)*

SUBJECT: Submission of BEGIN Application

RECOMMENDATION

That City Council adopt a resolution authorizing the City Manager and/or his designee (1) to execute and submit an application to the California Department of Housing and Community Development (HCD) for \$3,000,000 under the CalHome Building Equity and Growth in Neighborhoods (BEGIN); (2) to execute a Standard Agreement, and all other documents required by HCD for participation in the Program, as well as any amendments thereto as necessary and appropriate to pursue the funding application and obtain funding; (3) to prepare special budget appropriations for the use of the funds.

DISCUSSION

On May 23, 2008 HCD announced the availability of \$40 million under the Building Equity and Growth in Neighborhoods (BEGIN) program. This is one of the state's programs emerging from the passage of Proposition 1C.

Grant funds are available to localities which offer regulatory relief and incentives to reduce the cost of homeownership opportunities for low- and moderate- income buyers. Funds come to the City and are then awarded to first-time homebuyers purchasing new homes. Recipients of the loans have a note secured by a deed of trust in an amount of \$30,000. When the property is sold, the funds return to the City to be reissued to other low- and moderate-income buyers.

BEGIN funds are project specific and encourage partnership with localities and developers. This specific application is for the Standard Pacific subdivisions of Waypointe, College II, and The Landing in RiverPark. Staff of the Housing Department and Standard Pacific have mutually participated in preparing the application. This is the first instance of a RiverPark homebuilder working with the City

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to obtain non-city financial assistance for their homebuyers. If fully funded, the \$3 million grant will assist 100 low- and moderate-income families.

The BEGIN application helps meet goals of the Housing Element and the Consolidated Plan to develop and provide first time homebuyer financial program to meet affordable housing goals.

FINANCIAL IMPACT

There is a no estimated financial impact to the FY 2008-2009 budget. The BEGIN funding does not provide administrative funds. Housing Department staff funded with CDBG, HOME, and Community Development funds will administer the program. The City Manager will execute a Special Budget Appropriation upon receipt of a grant award.

(EW/hh)

Attachment #1 - Resolution

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 BEGIN PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT AND ANY AMENDMENTS THERETO; ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE BEGIN PROGRAM; AND SPECIAL BUDGET APPROPRIATIONS FOR USE OF THE FUNDS

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 BEGIN 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 BEGIN Program established by Chapter 14.5, Sections 50860 through 50866 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 BEGIN program, subject to the terms and conditions of the statute and the BEGIN Program Guidelines adopted as amended by HCD on 5/21/07; and

WHEREAS, the City of Oxnard wishes to submit an application to obtain from HCD an allocation of BEGIN funds in the amount of \$3,000,000.

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 BEGIN Program in response to the NOFA issued on May 23, 2008 which will request a funding allocation for the following activities.

Downpayment assistance in the form of a loan for up to 100 low-and moderate-income first-time homebuyers, in an amount not to exceed \$30,000 per homebuyer for newly constructed homes in the RiverPark subdivisions of Waypointe, Collage II, and The Landing.

2. If the application for funding is approved, the City of Oxnard hereby agrees to use the BEGIN 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 BEGIN program.

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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 BEGIN Program, and any amendments thereto and approve any special budget appropriations for the use of the funds.

PASSED AND ADOPTED THIS _____ day of _____, 2008 by the following vote:

AYES:

NOES:

ABSTAIN:

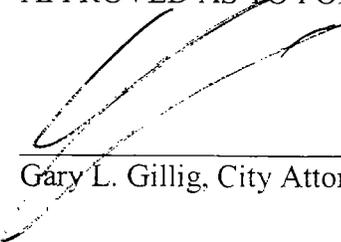
ABSENT:

Dr. Thomas E. Holden, Mayor

ATTEST:

APPROVED AS TO FORM:

Daniel Martinez, City Clerk



Gary L. Gillig, City Attorney

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