



Meeting Date: 07/13/10

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 Public Hearing

Prepared By: Larry White

Agenda Item No. I-8

Reviewed By: [Signature] City Manager

[Signature] City Attorney

[Signature] S.M.F.

[Signature] Finance

Other (Specify)

DATE: July 1, 2010

TO: City Council

FROM: William E. Wilkins, Housing Director

SUBJECT: **First Amendment to the Standard Agreement Under the Neighborhood Stabilization Program (NSP) to Include Additional Eligible Activities.**

**RECOMMENDATION**

That the City Council adopt a resolution authorizing the City Manager to execute and submit an amendment to the standard agreement to include additional eligible activities for the Neighborhood Stabilization Program (NSP).

**DISCUSSION**

NSP was authorized by Congress under the Housing and Economic Recovery Act of 2008 (HERA) to provide \$ 3.92 billion to States and localities for the purpose of assisting in the redevelopment of abandoned and foreclosed homes. The U.S. Department of Housing and Urban Development (HUD) allocated the funds under a formula using criteria specified by HERA.

The City of Oxnard was awarded \$2,015,277, which have been used to purchase and rehabilitate six (6) properties in various locations throughout the City of Oxnard (specific target areas; areas of most need). Upon completion of the rehabilitation of the properties, qualified low and moderate-income first-time homebuyers, who are residents of the City of Oxnard, will be given an opportunity to purchase the properties.

The Housing Department is proposing to add additional eligible activities to insure that the funds invested in the rehabilitation of the properties are protected under The State of California Department of Housing and Community Development (HCD) requirements. Adoption of an amended Budget with no new funds is required.

To accomplish this, it is necessary to amend the standard agreement to include the additional eligible activities:

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Include Additional Eligible Activities

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- 1) Financing Mechanisms
  - Soft Seconds
  - Loan-Loss Reserves
  - Shared-Equity Loans and/or
  - Resale Restrictions
  
- 2) Redevelopment of Demolished or Vacant Properties
  - Acquisition
  - Redevelopment
  - Rental

As a part of the process, a Public Hearing was held in the City of Oxnard Library, in Conference Room “B”, at 251 South “A” Street from 7:00pm-8:00pm on Wednesday, June 30, 2010. There was one (1) attendee and there were no objections to the proposed amendment.

**FINANCIAL IMPACT**

No additional funds are required.

Attachment #1 – Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD, CALIFORNIA, APPROVING AN AMENDMENT TO APPROVED ELIGIBLE ACTIVITIES OF THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) GRANT

WHEREAS, in April 29, 2009, the State of California released a Notice of Funding Availability for Neighborhood Stabilization Program (NSP) activities; and

WHEREAS, on June 2, 2009, at a Public Hearing, Council authorized submittal of the NSP grant application for the amount of \$2,015,277 for certain activities as set forth in the public notice and in Resolution No. 13,699; and

WHEREAS, on November 25, 2009, the State of California entered into a Standard Agreement with the City for provision of the NSP program and the approved activities as set forth in the resolution; and

WHEREAS, the City now desires to amend the approved Acquisition, Rehabilitation and Disposition activities of the NSP Grant to expand the categories of Financing Mechanisms (including such mechanisms as soft-second, loan loss reserves, shared-equity loans and resale restrictions) and Acquisition to include any foreclosed or vacant properties (including those properties that are zoned for single-family or multi-family residential use) for redevelopment & rental, within the approved NSP Target Areas; and

WHEREAS, all of the above activities are to be performed within the city limits of the City of Oxnard and within targeted census tracts and neighborhoods, as submitted to and accepted by the State NSP program.

WHEREAS, on June 2, 2010, the City Council of the City of Oxnard conducted a Public Hearing/Info Consent for the purpose of seeking public input for the inclusion of the first amendment to the approved NSP program activities; and

WHEREAS, the City Council has determined that federal Citizen Participation requirements have been met regarding the approval of this First Amendment to the activities of the NSP Program; and

WHEREAS, the City Council desires at this time, and deems it to be in the best public interest to approve this first amendment to the approved Acquisition, Rehabilitation and Disposition activities of the NSP Grant to expand the categories of Financing Mechanisms (including such mechanisms as soft-seconds, loan loss reserves, shared-equity loans and resale restrictions) and Acquisition to include any foreclosed or vacant properties (including those properties that are zoned for single-family or multi-family residential use) for redevelopment & rental, within the approved NSP Target Areas; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Oxnard, California, as follows:

1. That the above recitations are true.
2. That the City Council approves the amendment to the approved Acquisition, Rehabilitation and Disposition activities of the NSP Grant to expand the categories of Financing Mechanisms (including such mechanisms as soft-seconds, loan loss reserves, shared-equity loans and resale restrictions) and Acquisition to include any foreclosed or vacant properties (including those properties that are zoned for

single-family or multi-family residential use) for redevelopment & rental, within the approved NSP Target Areas; and

3. That the City Manager is authorized to execute the First Amendment to the Standard Agreement with the State of California Housing and Community Development Department to include said amendment to the approved activities.

4. That all other provisions of Resolution No. 13,699 remain in effect and applicable to the FY 2009 Neighborhood Stabilization Program (NSP) Grant.

5. The City Manager or his designees, Assistant City Manager Karen Burnham and Housing Director William E. Wilkins, are hereby authorized and directed to act on the City's behalf in all matters pertaining to the application.

6. If the First Amendment to the Standard Agreement is approved, the City Manager or his designees, Assistant City Manager Karen Burnham and Housing Director William E. Wilkins, are authorized to enter into and sign the first amendment and any subsequent amendments thereto, with the State of California for the purposes of this grant.

7. If the First Amendment to the Standard Agreement is approved, the City Manager or his designees Assistant City Manager Karen Burnham and Housing Director William E. Wilkins are authorized to sign Funds Requests and other required reporting forms.

PASSED AND ADOPTED at this 13<sup>th</sup> day of July 2010 by the following vote:

AYES:

NOES:

ABSENT:

ATTACHMENT # 1  
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