

# City of Carson Report to Mayor and City Council

March 19, 2013 New Business Discussion

SUBJECT: CONSIDER APPROVAL OF RESOLUTION NO. 13-021, AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER-THE CAL HOME PROGRAM

Submitted by Clifford W. Graves

Director of Community Development

Approved by David C. Biggs

City Manager

### I. SUMMARY

The requested action relates to the submittal by the City of an application to the California Department of Housing and Community Development (HCD) for funding under the CAL HOME Program. HCD's application process requires the inclusion in a jurisdiction's application package of a resolution by the jurisdiction's governing body authorizing the submittal of such an application.

## II. RECOMMENDATION

TAKE the following actions:

- 1. WAIVE further reading and ADOPT Resolution No. 13-021. "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CAL HOME PROGRAM; AND IF SELECTED, THE EXECUTION OF A STANDARD AGREEMENT, ANY AMENDMENTS THERETO, AND OF ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CAL HOME PROGRAM."
- 2. AUTHORIZE the Mayor or his designee, to sign the grant agreement, any subsequent amendments thereto, and all other documents with the State of California for the purposes of this program.

## III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

## IV. BACKGROUND

The CAL HOME Program is a Federal housing assistance program authorized by Prop 1C, the Housing and Emergency Shelter Trust Fund Act of 2006. Units of local government that do not receive allocations of CAL HOME funding

## **City of Carson**

## **Report to Mayor and City Council**

March 19, 2013

directly from the U.S. Department of Housing and Urban Development (HUD) are eligible to apply to their respective state governments for a share of CAL HOME funds allocated to the states. Carson has not previously been a participant in the program.

Under regulations set forth by HUD and HCD, the following types of housing assistance are eligible for California's CAL HOME funding:

- First-Time Homebuyer (FTHB) programs;
- Owner-Occupied Rehabilitation (OOR) programs; and

Staff seeks authorization to apply for \$1,000,000.00 (the maximum available) in CAL HOME funds pursuant to a Notice of Funding Availability (NOFA) issued by HCD on January 22, 2013. Of that total, \$400,000.00 would be for residential rehabilitation and \$600,000.00 would be for FTHB assistance. The deadline for submittal to HCD of applications for CAL HOME funding is March 20, 2013. HCD's application process requires that applications submitted by local governments include a resolution approved by the jurisdiction's governing body authorizing the submittal of such an application, which is Resolution No. 13-021 (Exhibit No. 1). Accompanying the resolution is an Authorized Signatories Declaration (Exhibit No. 2), designating for HCD which specific people (positions) are authorized to sign CAL HOME program-related documents on behalf of the City.

The City would use CAL HOME program funding for a FTHB down payment assistance program, similar to what had previously been operating through Redevelopment Agency 20% Housing Set-Aside funding, and to supplement the current CDBG-funded Neighborhood Pride Program. Households receiving CAL HOME program assistance must meet low and moderate income criteria similar to those for the CDBG program (no more than 80% of the Los Angeles area median income, adjusted for family size.)

On a related note, the City Council approved a similar application last July. The City received notice that Carson will be receiving \$700,000.00 of state HOME funds over the next three years for the Neighborhood Pride Program and First Time Home Buyer Program. The agreement to receive the funds should be arriving very soon. CAL HOME would work very well in conjunction with these funds and the CDBG program to leverage each other and create economies of scale.

## V. FISCAL IMPACT

If successful, the program could provide \$400,000.00 for residential rehabilitation and \$600,000.00 for first time home buyer assistance. There is no direct impact on the city's general fund.

# **City of Carson**

# **Report to Mayor and City Council**

March 19, 2013

1	/I.	<b>EXHIBITS</b>

- 1. Resolution No. 13-021. (pgs. 4-5)
- 2. Authorized Signatories Declaration. (pg. 6)

Prepared by: E	Barry Waite, Business	Development Manager	
TO:Rev09-04-2012			
Reviewed by:			
City Clerk		City Treasurer	
Administrative Se	ervices	Public Works	Alexander and the second secon
Community Deve	elopment	Community Services	

Action taken by City Council				
Date	Action			

#### RESOLUTION NO. 13-021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CAL HOME PROGRAM; AND IF SELECTED, THE EXECUTION OF A STANDARD AGREEMENT, ANY AMENDMENTS THERETO, AND OF ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CAL HOME PROGRAM

WHEREAS, the California Department of Housing and Community Development (the "Department" or "HCD") is authorized to allocate CAL HOME Program (CAL HOME) funds made available from the U. S. Department of Housing and Urban Development (HUD). CAL HOME funds are to be used for the purposes set forth in Prop 1C, the Housing and Emergency Shelter Trust Fund Act of 2006, in implementing regulations set forth in Title 25 of the California Code of Regulations Division 1, Chapter 7, Subchapter 9 commencing with Section 7715; and

WHEREAS, on January 22, 2013, the Department issued a 2013 Notice of Funding Availability announcing the availability of funds under the CAL HOME program (the "NOFA"); and

WHEREAS, in response to the 2013 NOFA, the City of Carson, a municipal corporation (the "Applicant" or "City") wishes to apply to the Department for, and receive an allocation of, CAL HOME funds.

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

**Section 1**. In response to the 2013 NOFA, the Applicant shall submit an application to the Department to participate in the CAL HOME program and for an allocation of funds not to exceed one million dollars and no cents (\$1,000.000.00) for the following activities and/or programs:

Owner-Occupied Rehabilitation (OOR) Program

First-Time Homebuyer (FTHB) Down Payment Assistance Program

to be located at various locations within the boundaries of the City of Carson.

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



<b>Section 3</b> . The Applican	authorizes the	Mayor	or his/her	designee(s)	to execute,	in the
name of the Applicant, the requir	ed documents.					

PASSED, APPROVED and ADOPT	ED this day of March 2013.	
ATTEST:	Mayor Jim Dear	
City Clerk Donesia L. Gause, CMC		
APPROVED AS TO FORM:		
City Attorney		



### **Authorized Signatories Designation Form**

For every position/title authorized in the Authorizing Resolution submitted with the CAL HOME Application, the Department now requires that the name of the person currently occupying that position be kept on file. This chance, required by our Legal Division, allows the Standard Agreement to be signed by the current occupant of the named position(s) to sign on behalf of the applicant. Please provide this information in the spaces below.

Note: If the information provided below changes, update this form and sent it to your CAL HOME Representative(s) along with a copy of meeting notes or some other official documentation evidencing the change in persons occupying the authorized position. The additional CAL HOME documentation evidencing the name and title of authorized signatories need not be CAL HOME specific, but may provide general authority evidencing the name and title of individuals authorized to legally bind the governing body.

Date:	

Authorized Signatory Position/Title	Name of Person Currently Occupying this Position
Mayor	Jim Dear
City Manager	David Biggs
Community Development Director	Clifford W. Graves
Business and Employment Development	
Manager	Barry Waite
Finance Officer	Trinidad Catbagan