

El Dorado County

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

September 1, 2010

APPLICATION

ORIGINAL



Submitted to:
STATE OF CALIFORNIA,
Department of Housing and Community Development
1800 Third Street, Suite 390-3
P.O. Box 952054
Sacramento, California 94254-2054
Phone: (916) 322-0356; Fax (916) 322-2904
Web Site: <http://www.hcd.ca.gov/fa/home>
E-mail address: HOME@hcd.ca.gov

Submitted by:
El Dorado County
Department of Human Services
Housing and Economic Development
3057 Briw Road, Suite A
Placerville, California 95667
Phone: (530) 642-7266; Fax: (530) 295-2672
Web Site: <http://www.edcgov.us>
E-mail address: cynthia.kjellin@edcgov.us



Application Summary

HOME Investment Partnerships Program

I.A. Applicant Information

Applicant

Name: County of El Dorado

Address: 3057 Briw Road, Suite A

City: Placerville

County: El Dorado

Zip Code: 95667

Entity Type:

CHDO

City/County

PJ/Consortia Member

Applicant's

Website Address <http://www.edcgov.us/>

I.B. Authorized Representative Information

Mr. Ms. Mrs. Other _____

First Name: Daniel

MI: _____

Last Name: Nielson

Job Title: Director

Check if the information in this area is the same as Applicant and go to the next section

Address: _____

City: _____

Zip Code: _____

Phone: 530-642-7275

Ext: 7275

Fax: 530-295-2672

E-mail address daniel.nielson@edcgov.us

I.C. Applicant Contact Information

Check if the same as Authorized Representative and go to next section

Mr. Ms. Mrs. Other _____

First Name: Cynthia

MI: _____

Last Name: Kjellin

Job Title Program Manager II

Contact's

Organization Human Services Department HCED Division

Address: 3057 Briw Road, Suite A

City: Placerville

Zip Code: 95667

Phone: 530-642-7266

Ext: _____

Fax: 530-295-2672

Email: cynthia.kjellin@edcgov.us

**Part A
APPLICATION SUMMARY**

II. Requested Funding by Activity

A. Activity	B. Census Tract #, Rural Only (See Note 1)	C. Activity Funds Amount (See Note 2)	D. Administration Amount (See Note 3)	E. Activity Total (See Note 4)
Programs				
Owner-Occupied Rehabilitation Program		\$0.00	\$0.00	
Tenant-Based Rental Assistance Program		\$0.00	\$0.00	
First-Time Homebuyer Program (including Infill New Construction)		\$780,000.00	\$20,000.00	\$800,000.00
Total:	N/A	<u>\$780,000.00</u>	<u>\$20,000.00</u>	<u>\$800,000.00</u>

F.

Program Income Balance as of June 30, 2010: \$ 0.00

Program Income Balance as of August 31, 2010: \$ 0.00

1. Complete this section only if your activity is located in a rural area. The Department reserves the right to assign zero rural points if a census tract is not listed.
2. This is for Activity funds. This number includes Activity Delivery amounts. (Activity Delivery funds are not listed separately on this form.) Do not include Administrative funds/CHDO Operations funds in this column. Do not enter information in this column. Instead, enter information in Column E.
3. All applicants may request up to 2.5% of the total application amount for Administrative funds (for State Recipient applicants), or CHDO Operations (for CHDO applicants). TBRA applicants may request up to an additional 9.5% of the total application amount for administration, for a total of 12% for Administration. Do not enter information in this column. Instead, enter information in Column E. Note: due to budget constraints, the total amount of administration available for TBRA is \$200,000. If there is more demand for TBRA Administration funds than available, only the highest rated TBRA applicants will receive Administration funds in addition to the regular 2.5% allocation. All TBRA applicants will receive at least the basic 2.5% amount for Administration.

4. Sum of "Activity Funds Amount" and "Administration Amount". Enter the total amount requested by activity in this column, and columns C and D will auto-calculate.

PART A
APPLICATION SUMMARY

IV. Unit Information			
A. Activity	B. Home Assisted Units	C. Total Units	D. Target Population¹
Owner-Occupied Rehabilitation Program			
Tenant-Based Rental Assistance Program			
First-Time Homebuyer Program	10	10	#7

¹ From the list in Table VI, enter the designated number for any target populations that will be served by your project.

**PART A
APPLICATION SUMMARY**

V. Legislative Representative Information

	District #	First Name	Last Name
Assembly	4	Ted	Gaines
Senate	1	Dave	Cox
Congress	4	Tom	McClintock

	District #	First Name	Last Name
Assembly			
Senate			
Congress			

	District #	First Name	Last Name
Assembly			
Senate			
Congress			

VI. Target Populations

- | | |
|---|---|
| 1. <input type="checkbox"/> Physically Disabled | 9. <input type="checkbox"/> Seniors |
| 2. <input type="checkbox"/> Persons with AIDS | 10. <input type="checkbox"/> Mentally Ill |
| 3. <input type="checkbox"/> Youths | 11. <input type="checkbox"/> Veterans |
| 4. <input type="checkbox"/> Single Adults | 13. <input type="checkbox"/> Victims of Domestic Violence |
| 5. <input type="checkbox"/> Single Men | 12. <input type="checkbox"/> Substance Abusers |
| 6. <input type="checkbox"/> Single Women | 14. <input type="checkbox"/> Dually-Diagnosed |
| 7. <input checked="" type="checkbox"/> Families | 15. <input type="checkbox"/> Homeless |
| 8. <input type="checkbox"/> Farmworker | 16. <input type="checkbox"/> Other |

Part B

PROGRAM ACTIVITY APPLICATION

Applicant Name COUNTY OF EL DORADO

Section I. Program Activity

Complete a separate Part B Program Application for each proposed program.

Chart 1

Select activity you are applying for:	
<input type="checkbox"/> Tenant Based Rental Assistance (TBRA)	<input checked="" type="checkbox"/> First-Time Homebuyer Program
<input type="checkbox"/> Owner Occupied Rehabilitation	<input type="checkbox"/> Homebuyer Assistance
	<input checked="" type="checkbox"/> Homebuyer Assistance with Rehabilitation
	<input type="checkbox"/> Infill New Construction

Section II. Program Description

Provide a brief narrative below describing the proposed activity and how the funds will be used, (location, use of funds, units proposed, income levels, funding sources, type of loan).

Chart 2

Activity Description:
<p>The County of El Dorado will use \$800,000 to assist approximately 8 to 10 first-time homebuyers to purchase new and existing homes in target areas within the unincorporated areas of El Dorado County. It is anticipated that 10% of the homebuyers will be LTIG, with the remaining at or below 80% TIG guidelines. The funds will be used to provide 30 year deferred loans with 3% simple interest to qualified low income homebuyers. The County will commit \$10,000 per unit, up to \$80,000 total, of CDBG local Program Income as needed to ensure low income families success of home purchase.</p> <p>The County has continued to provide loans to low-income persons in the unincorporated area of El Dorado County since 2004. To date, the First Time Homebuyer Program has provided \$1.88 million in loans to twenty-three (23) low-income homebuyers and has a wait list with one hundred forty-seven (147) eligible households, with more families applying to be placed on the housing acquisition waiting list daily.</p> <p>Current market conditions that combine low interest mortgage rates with lower housing costs provide a unique and limited opportunity for low income households to take advantage of the homebuyer assistance program in order to afford a home purchase In El Dorado County. The median sales price of the average 3 bedroom over the last 12 months is \$261,200 according to the Market Statistics Report from the El Dorado County</p>

Association of Realtors. The average HOME first time homebuyer assistance loan under the County's 2008 grant is \$72,000. Two of the six loans to date were supplemented with CDBG local program income funds.

The County of El Dorado will continue to market the program county wide. The County has developed a First Time Home Buyer Program Brochure that is distributed to County agencies including the Library, Board of Supervisors, and Social Services Division. Additional outreach efforts include the Builder's Exchange, Board of Realtors, and participants to the Housing Choice Voucher Family Self-Sufficiency program. As part of the outreach effort already in place, County staff attends community and special group meetings to discuss and promote the program.

Section III. Program Team

- A. In the chart below, list all program team members who will be responsible for the implementation and operation of the program or oversee the work of an administrative subcontractor if one is proposed. Briefly describe the roles and responsibilities of each member. Members include, but are not limited to, the applicant, administrative subcontractor, rehabilitation specialist, loan underwriters, and program service instructors. This information will be used to assist the Department in understanding your proposed program. Include the person's phone number and e-mail address. Check the box in the last column if that person is acting as an administrative subcontractor.

Chart 3

Name(s)	Roles/responsibilities	Phone Number	Email Address	Administrative Subcontractor
Daniel Nielson	Director Human Services Grant Management	530-621	Daniel.nielson@edcgov.us	No
Cynthia Kjellin	Program Manager II Supervisory Tasks	530-642-7266	Cynthia.kjellin@edcgov.us	No
Lynda Webb	Human Services Chief Financial Officer Budget and Recordkeeping Grant Audit	530-642	Lynda.webb@edcgov.us	No
Sharon Guth	Staff Services Analyst II Contract Management, Reporting	530-621-6376	Sharon.guth@wdcgov.us	No
Cynthia (C.J.) Freeland	Administrative Technician Marketing, Underwriting, LBP visual inspections	530-642-4863	Cynthia.freeland@edcgov.us	No
Yvette Wencke	Administrative Technician Marketing, Income Verification, Underwriting	530-642-4864	Yvette.wencke@edcgov.us	No
Jack Thompson	Housing Specialist Certified HQS Inspector	530-621-6387	Jack.thompson@edcgov.us	No

B. Capacity to Implement the HOME activity

Please answer the following questions and provide the requested attachments.

a) Do you plan to hire an Administrative Subcontractor to assist with the proposed activity? Yes ___ No X.

i. If Yes, what will be the duties of the Administrative Subcontractor?

N/A

ii. If No, please explain why an Administrative Subcontractor will not be needed.

The El Dorado County Housing Community & Economic Development program has successfully administered a first time homebuyer program since 2004. County staff is experienced in all aspects of the grant program, from marketing and underwriting to grant reporting and compliance monitoring.

b) Do you plan on administering the proposed HOME activity with your own staff, (from HOME award through long-term compliance monitoring, if applicable)? Yes X No ___.

c) List each staff person and how much time they will spend per month on average on the HOME funded activity:

Staff	Duty	Avg Hrs/Mo
D. Nielson	Director	0.5
C. Kjellin	Grant Managemet	1
L. Webb	Budget	0.5
S. Guth	Fiscal	16.75
C. Freeland	Program delivery	29
Y. Wencke	Program delivery	28
J. Thompson	Housing Inspector	1.1

d) Please attach copies of resumes for the staff that will work on this proposed activity. Attach as Exhibit B1.

e) How much will it cost to implement this activity, and will HOME ADC and Administration/CHDO Operations funds be sufficient?

The cost to implement the activity will not exceed \$70,700 over the term of the grant. HOME ADC and Administration funds will be sufficient to conduct all required Activity Delivery and Administration activities during the term.

f) If not, where will the additional funding come from?

It is not anticipated that additional funds will be required during the grant term. Any Long-Term Monitoring will be provided with the County general funds as part of the commitment to the El Dorado County General Plan Housing Element.

C. The State HOME regulations require the CHDO to be the sole project developer for homebuyer activities. Submit documentation substantiating the CHDO's effective project control as sole developer pursuant to 24 C.F.R. Part 92.300(a) (1), and HOME State Regulation 8204 (a) (2) (D). Attach as Exhibit B2. Refer to 24 C.F.R. Part 92.300(a) (1) and HUD CPD Notice 97-11 for more information, or contact the HOME Program for guidance.

D. Annual CHDO Recertification Documents (applies to existing CHDOs as noted below)

Pursuant to HUD requirements that existing CHDOs be recertified every time they are awarded HOME funds, existing CHDOs that were last certified prior to January 1, 2010 who are planning on applying for HOME funds must submit annual recertification documentation with their HOME application, due September 1, 2010. The documentation that must be submitted is set forth in NOFA Appendix G. Attach this information as Exhibit B3.

If you are a new CHDO or you are an existing CHDO who was recertified in 2010, you do not need to submit these documents.

Section IV. Program Service Area

In the chart below, enter the eligible jurisdiction in which your activity is proposed to be completed. See Appendix A of the NOFA for a list of State HOME-eligible jurisdictions. CHDOs that intend to operate a State HOME program in multiple jurisdictions should identify each jurisdiction separately. CHDOs are only eligible to apply for a First-Time Homebuyer Infill New Construction Program.

State Recipients with TBRA programs that will assist tenants to reside within their own jurisdiction should list their jurisdiction as "Jurisdiction #1". If tenants will also be assisted to reside in other HOME-eligible jurisdictions within the county, these jurisdictions should all be listed as "Jurisdiction #2".

Chart 4

Program Service Area	
Jurisdiction # 1	El Dorado County
Jurisdiction # 2	
Jurisdiction # 3	
Jurisdiction # 4	

Section V. Program Performance

A. Up to 50 points will be deducted for late or missing reports. In assigning these points, the

Department will review the applicant's history of submitting quarterly reports and program income reports (for contracts numbered 07-HOME through 09-HOME), and Annual Performance reports (for FY 07-08, 08-09, and 09-10.)

- B. Up to 100 points will be deducted for noncompliance with monitoring or contract requirements identified in the last five years (i.e. July 1, 2005 – June 30, 2010).

The Department has compiled the program performance data for this section. You do not need to submit any data for this section. Applicants who have not previously received State HOME funds will receive the full points (150) for program performance.

Section VI. Prior Experience with Programs

Submit a Prior Experience summary using the Exhibits B4 and B5. See the instructions with these forms.

Section VII. Program Community Need

Appendix H of the NOFA identifies the Community Need factors that apply to each program activity, along with the points awarded for each factor. Available Census data for these factors is also shown in Appendix H. You do not need to submit any data for this Section.

Section VIII. Program Feasibility

- A. Program Guidelines - Complete the Program Guidelines Checklist in Exhibit B7 of the Application. Attach program guidelines and/or operating procedures to Exhibit B7. Indicate on the Program Guidelines Checklist the page number where the required items for your proposed activity can be found. **Separate Guidelines for each program activity are now required.**
- B. Owner-Occupied Rehabilitation Programs – The Department will obtain Census data on the number of overcrowded households by tenure, and the age of the housing stock by tenure in the city or county.
- C. Tenant-Based Rental Assistance – The Department will obtain Census data on overpayment by renter households.
- D. First-Time Homebuyer Programs – Complete the Homebuyer Feasibility Worksheet, Exhibit B6 (Excel Document)

Exhibit B1

CHDO ROLE AS SOLE DEVELOPER

N/A

Exhibit B4

Prior Experience with Programs – Same Activity

- A. List awards for affordable housing and community development programs administered by the applicant, (not the administrative subcontractor for other jurisdictions), from HOME, local, State and other Federal funding sources in the last seven (7) years (2003 through 2009) for programs providing the same activity as is proposed in the application.

The funding sources must be from local, state, or federal housing and community development sources. Include both HOME and non-HOME awards. Your HOME awards may include awards from another PJ, (Urban County/Metropolitan City), or HOME Consortia. Identify the name of the specific funding source, (e.g. CDBG, redevelopment agency, HOME PJ, Section 8, etc.).

Program Income-funded activities may be counted as one award in any year where five or more units were assisted by a particular activity, (for example, five HOME PI-funded OOR loans that closed in 2009).

Do not list awards received in 2010. Do not list awards received by jurisdictions or entities other than the applicant. List no more than 10 awards. **Remember: a separate Exhibit B4 must be submitted for each program activity for which you are applying. Each activity is scored separately.**

Award Year	Funding Sources HOME, Federal, State, Local (Provide name of funds)	Activity/Program Name (e.g. owner-occupied rehab or first- time homebuyer program)	Location (City/County)	Assisted Units Completed (minimum 1. or 5 for PI)
2003	CDBG	First Time Homebuyer	El Dorado County	5
2005	CDBG	First Time Homebuyer	El Dorado County	9
2008	HOME	First Time Homebuyer	El Dorado County	6

Exhibit B5

Prior Experience with Programs – Different Activity

- B. List awards for affordable housing and community development programs administered by the applicant (not the administrative subcontractor for other jurisdictions), from HOME, local, State and other Federal funding sources in the last seven (7) years (2003 through 2009) for programs different from the activity proposed in the application. Do not list awards received in 2010.

The funding sources must be from local, state, or federal housing and community development sources. Include both HOME and non-HOME awards. Your HOME awards may include awards from another PJ, (Urban County/Metropolitan City), or HOME Consortia. Identify the name of the specific funding source, (e.g. CDBG, redevelopment agency, HOME PJ, Section 8, etc.).

Program Income-funded activities may be counted as one award in any year where five or more units were assisted by a particular activity, (for example, five HOME PI-funded OOR loans that closed in 2009).

Do not list awards received by jurisdictions or entities other than the applicant. List no more than 10 awards. **Remember: a separate Exhibit B5 must be submitted for each program activity for which you are applying. Each activity is scored separately.**

Chart 6

Award Year	Funding Sources HOME, Federal, State, Local (Provide name of funds)	Activity/Program Name (e.g. owner-occupied rehab. or First- time homebuyer program)	Location (City/County)	Assisted Units Completed (minimum 1. or 5 for PI)
2004	HOME	Housing Rehabilitation	El Dorado County	8
2005	CDBG	Housing Rehabilitation	El Dorado County	6

Section IX. – State Objectives

- a) Program Capacity/Continuity - 100 points. The applicant does not have to provide any data for this rating factor. The Department will make this determination using its own data.

Exhibit B7

INSTRUCTIONS FOR PROGRAM GUIDELINES CHECKLISTS

Section A: Common Program Guidelines (required of all activities)

Number	Provision in Guidelines	Instruction	Page Number(s)
A1	Income limits by household size (or reference an attachment containing these limits). Include statement that the Part 5 (Section 8) method for income determination will be used, as described in the "Technical Guide for Determining Income and Allowances for the HOME Program, January 2005".	<p>Attach the most current Income limit from the HOME. You don't need to re-submit to HCD if you swap Income limits when the new ones are published annually.</p> <p>For FTHB programs, it is not possible to meet these requirements for income verification and calculation using primary lender income/asset verification forms. The program operator must do their own verification of income and assets, and calculation of actual income after allowances.</p>	9, 31
A2	<p>Either a statement that properties constructed prior to 1978 will not be eligible for assistance or lead-based paint requirements for properties constructed prior to 1978 will be addressed prior to purchase. These requirements include:</p> <ul style="list-style-type: none"> a) Requirement that lead-based paint notification is given to purchasers; that this will be done by giving the purchaser "Protect Your Family From Lead In Your Home" pamphlet. Requirement that the purchase's file will have evidence that the pamphlet was given. b) Procedures that will ensure that the FTHB Checklist (see the Contract Management Manual) is complete 		7, 12-14, 37

Number	Provision in Guidelines	Instruction	Page Number(s)
	<p>and placed in the purchaser's file.</p> <p>c) Requirement that properties be inspected for defective paint surfaces; guideline will name the position that will be responsible for completing the Visual Assessment; and If defective paint surfaces are found, requirement that they will be properly stabilized.</p>		
A3	<p>Conflict of Interest Provision. Provide your own conflict of interest policy that is consistent with the federal HOME Regulations at 24 CFR 92.356.</p>	<p>Make sure you request HCD approval of any possible conflict of interest situation prior to committing funds to a project.</p>	8
A4	<p>Description of type of HOME assistance to be provided (for loan programs: type of loan, interest rate, term, etc; for TBRA: security deposit, rental assistance, utility payments).</p>	<p>Ensure that HOME assistance is provided in a manner consistent with the State HOME Regulations at Section 8205(b) (1) and (2), including but not limited to simple interest deferred payment fully amortized loans. (Grants made in certain specified situations.)</p> <p>For State Recipient loans, interest rate of zero to three percent; interest may be waived. For loans made by the Department, (CHDO Infill program loans only), beginning in the 11th year of the loan, the interest shall be forgiven at a rate of 10% per year.</p> <p>For TBRA, indicate whether HOME funds will be used for ongoing rental assistance only, security deposit only, or utility payments in conjunction with either rental assistance or security deposit programs. Also indicate if you plan to use TBRA funds in other State HOME-eligible jurisdictions in the county.</p>	17-18

Number	Provision in Guidelines	Instruction	Page Number(s)
A5	A description of marketing and participant selection process, including income verification procedures. Describe how the program will be marketed. Describe how eligibility and income verification will be done for borrower and tenant applicants. For Rental Rehabilitation programs: describe method for ensuring that rental property owners have the capacity to manage rental property.	<p>Seek approval from the Department for any concentration of FTHB beneficiaries in the same subdivision to avoid possible findings regarding NEPA and marketing requirements.</p> <p>For all programs, describe proposed preferences/targeting, if any. Indicate whether unborn children will be counted in family size determination (local decision). Describe method of verifying income and procedures to ensure that verification is current at the time HOME assistance is provided.</p> <p>For TBRA, annual recertification isn't required for security deposit programs.</p>	4-5, 9-10,
A6	Description of inspection procedures and persons responsible for performing them. For Rehabilitation programs, provide procedures for initial, interim, and final inspections. Identify the staff assigned to these specific roles.	FHA inspections are no longer allowed; City/county staff or consultants must conduct all inspections for both HOMEBUYER and rehabilitation programs. If a consultant is utilized, the City/County is still responsible for the inspections and must oversee the consultant's work. The Notice of Completion for rehabilitation programs must be signed by the homeowner, not the city/county staff nor the consultant.	6, 11-13, 26
A7	List the maximum amount of HOME assistance per unit (or reference an attachment containing these limits).		16, 18, 31
A8	Description of how Fair Housing and Affirmative Marketing requirements will be met.	Include the revisions made in the 2006 HOME Contract Manual, i.e. cities/counties are still required to gather race/ethnicity data but are no longer required to analyze it annually.	4
A9	Subject to the exemptions allowed in the "Technical Guide for Determining Income and Allowances for the HOME Program, Third Edition, 2005" statement that all persons in residence are considered household members for purposes of income eligibility.		9

Number	Provision in Guidelines	Instruction	Page Number(s)
A10	Description of how Homebuyer Education Requirements will be met for FTHB loans made after June 30, 2008.	Include description of method(s) to be used for providing homebuyer education and topics to be covered. See State Regulation 8207.1 for basic requirements. This requirement applies to all HOME loans, including those funded from Program Income, Recaptured Funds, and all open grants (not just 2010).	8, 5

Section B: All Activities Making Loans (required for all applicants for First Time Homebuyer (Homebuyer), Owner-Occupied Rehabilitation (OOR), and Rental Rehabilitation and/or Acquisition activities)

Number	Provision in Guidelines	Instruction	Page Number(s)
B1	<p>Description of how properties will meet health and safety code and local code requirements.</p> <ul style="list-style-type: none"> a. For Homebuyer acquisition-only, properties must meet health and safety code requirements at the time of occupancy and no later than six months after transfer of ownership. b. Homebuyer homes must also meet written standards for rehabilitation no later than two years from transfer of ownership. c. Written standards for rehabilitation include local codes, ordinances, and zoning requirements. d. For Rehabilitation, properties must meet health and safety requirements and written standards for rehabilitation by project completion. e. Identify the specific local codes which will be used. 	<p>The Guidelines must also state that for the home to be eligible for the State HOME Program, there must be at least one code violation. The home is not eligible if it only requires disabled access improvements, or weatherization.</p> <p>Weatherization, emergency repairs and disabled access can only be paid with HOME funds if these funds are incorporated in a program that meets all rehabilitation standards.</p>	11, 14, 25

Number	Provision in Guidelines	Instruction	Page Number(s)
	<p>The HOME program requires that ALL health and safety and code deficiencies be corrected. This means that the following types of activities are not allowed if health and safety or code violations still exist: disabled access improvements, emergency repairs, weatherization</p>		
B2	<p>Either a statement that tenant-occupied properties will not be eligible or a statement that in those cases federal relocation requirements must be met. A rental unit being acquired is considered tenant-occupied unless the unit has been vacant for 3 months prior to the purchase agreement date. Note: HOME funds may be used as grants to pay for relocation costs when a unit is tenant occupied; submitting a relocation plan is required.</p>	<p>Your Guidelines must include your policy and an attachment for seller certification.</p>	15, 39
B3	<p>Flood insurance is required for homes in 100 year flood zone.</p>	<p>Guidelines must require that each file have documentation of flood zone status. Require an endorsement naming city/county as additional insured.</p>	7, 11, 32
B4	<p>Description of verification plan that funded homeowners will remain owner-occupants.</p>	<p>Guidelines must require documentation of ongoing owner-occupant status, i.e. property tax statements showing homeownership exemption, insurance policies, or site visits.</p>	20, 33
B5	<p>Include a statement that the acquisition price doesn't exceed amount published in the NOFA or as approved by HUD. The Guidelines may also reference an attachment which provides this information.</p>	<p>If your program is restricted to individual homes or condominiums, use only the "one unit" column in the current Maximum Purchase Price/After-Rehabilitation Value Limit chart located at: http://www.hcd.ca.gov/fa/home/homelimits.html</p>	18, 31
B6	<p>Requirement that an acquisition notice containing the items listed below be provided to seller prior to</p>		6-7

Number	Provision in Guidelines	Instruction	Page Number(s)
	<p>making the purchase offer:</p> <ul style="list-style-type: none"> a. The purchaser has no power of eminent domain and, therefore, will not acquire the property if negotiations fail to result in an amicable agreement; b. An estimate of the fair market value of the property; and c. If an acquisition notice will not be provided prior to the purchase offer, a provision that the seller may withdraw from the agreement after this information is provided. 		
B7	<p>Resale or recapture restrictions including:</p> <ul style="list-style-type: none"> a. All HOME loans must use the recapture method, unless the property is in a Community Land Trust or in a co-operative ownership form. b. The loans must meet the requirements outlined in Section XVII. C of the HOME NOFA 	<p>Explain whether the HOME and other loans will be resale or recapture according to HOME requirements. See Section XVII. C of the HOME NOFA.</p>	19, 32
B8	<p>For Homebuyer Programs, a description of method of determining amount of HOME assistance provided to a household. Explain the process for determining the minimum amount of HOME funds necessary to ensure:</p> <ul style="list-style-type: none"> a. affordability based on the specific circumstances of the borrower; b. the proposed permanent financing; and c. the proposed unit to be acquired. 	<p>It is OK to fully fund Owner Occupied Rehabilitation costs with HOME funds.</p> <p>However, for FTHB loans, the HOME loan is limited to the minimum amount needed to ensure affordability based on the City/County's ratios, not the lenders ratios.</p> <p>Complete First-Time Homebuyer Feasibility Analysis spreadsheet, which shows whether the program is feasible using the City/County's ratios and available housing prices.</p>	8, 11, 16, 18

Number	Provision in Guidelines	Instruction	Page Number(s)
B9	<p>For Homebuyer and RR activities:</p> <p>a) a description of the required period of affordability per Section 8208 of the State HOME Regulations.</p> <p>b) a statement that no additional HOME assistance may be provided during the period starting one year following the filing of the Project Completion Report through end of the affordability period.</p>		12, 18

Section C: For Programs Involving Rehabilitation:

Number	Provision in Guidelines	Instruction	Page Number(s)
C1	Description of process for developing work write-ups and written cost estimates and persons responsible for developing and/or reviewing them.	The work write-up and written cost estimates must be broad enough in scope to correct all code deficiencies.	23
C2	Description of method of determining cost reasonableness.	The Guidelines must identify who will develop the work write-up and the in-house estimate of costs What are this person's qualifications to prepare the write-up and cost estimate? The work write-up cost estimate must be compared to the bids. Bids should be accepted only if the price is within 10% of the amount of the cost estimate, or the inspector provides a written explanation of the difference.	23
C3	Contractor selection process including bidding, contractor selection, determination of contractor eligibility (federal and state), and contractor award.	To document debarment status, cities/counties are required to get debarment certifications and required to print out/file the internet page used for verifying that the contractor is not on the debarment list. Go to: https://www.epls.gov/	23-24
C4	Description of eligible and ineligible items.	Note: "Incipient" repair items are eligible. Incipient means that the	25-26

Number	Provision in Guidelines	Instruction	Page Number(s)
		<p>fixture or system is functional now, but is likely to fail in a few years, i.e. a functioning but 30 year old water heater. Removable household appliances (stoves, dishwashers, refrigerators, wall air conditioners, etc.) are eligible only if the file contains documentation that the item needs to be replaced because of incipient failure and the item being replaced will be of moderate quality only. Owner may have medical conditions which warrant new or replacement appliances as listed above.</p>	
C5	<p>Whether or not general property improvements (GPI) will be allowed and, if so, what types and how much of the rehabilitation costs are allowed for GPI.</p>	<p>Note: the federal HOME regulations prohibit luxury items (e.g. pool refurbishment, hot-tubs, etc.).</p>	26
C6	<p>Description of method for estimating after-rehabilitation value prior to loan commitment. This value must not be higher than the Sales/Value Limits published in the NOFA or as otherwise approved by HUD. State those limits or reference an attachment.</p>	<p>Guidelines must include one of three following methods:</p> <ol style="list-style-type: none"> 1. Estimates of value by the SR may be used. The project files must contain the estimate of value and document the basis for the value estimates. 2. Appraisals can be licensed fee or staff appraisers. The project files must document the appraised value and the appraisal approach used. 3. Tax assessments for a comparable property located in the same neighborhood may be used to establish after-rehab value if the assessment is current and accurately reflects market value after rehab. 	26

Section D: For Owner Occupied Rehabilitation Only

N/A

Section E: For Rental Rehabilitation Only – Not eligible under the 2010 NOFA

N/A

Section F: For Tenant-Based Rental Assistance Programs

N/A