



RESOLUTION NO.

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO

AUTHORIZING THE CALDOR FIRE GRIZZLY FLATS HOMEOWNER REBUILD PROGRAM
AND THE USE OF \$550,150 IN AFFORDABLE HOUSING SPECIAL REVENUE FUNDS

WHEREAS, the County of El Dorado Planning and Building Department, Affordable Housing Unit, administers various programs in support of the development of housing for extremely low-, very low- and low-income households, subject to applicable program requirements;

WHEREAS, the Affordable Housing Special Revenue Fund is comprised of funds generated solely from contributions through established County Development Agreements;

WHEREAS, there are currently no formally adopted policies or procedures specifying the use of funds within the Affordable Housing Special Revenue Fund for programmatic purposes;

WHEREAS, the Caldor Fire started on August 14, 2021, and burned 221,775 acres/347 square miles, destroying more than 1,000 structures before being fully contained on October 24, 2021;

WHEREAS, the Caldor Fire terribly impacted the unincorporated community of Grizzly Flats, resulting in destruction of approximately 500 structures, displacement of numerous County residents, and serious damage to community infrastructure;

WHEREAS, the County intends to utilize \$550,150 from the Affordable Housing Special Revenue Fund to implement the Caldor Fire Grizzly Flats Homeowner Rebuild Program (“HRP”), which will provide forgivable financial assistance to a minimum of 12 qualifying applicants in the Grizzly Flats area whose primary residences were destroyed by the 2021 Caldor Fire and have been unable to rebuild;

WHEREAS, funds provided through the HRP are intended to leverage donated resources, including labor and materials, for the complete repair, rehabilitation, or reconstruction of these primary residences to help displaced residents safely return to permanent housing;

WHEREAS, the HRP will serve a public purpose and provide a valuable public benefit to help rebuild a community devastated by the Caldor Fire, spur an economic benefit of reconstruction of the Grizzly Flat area, help prevent the decline and potential blight to the area, and assist in reestablishing the area’s tax base;

WHEREAS, the County has partnered with HomeAid Sacramento, a local affiliate of HomeAid America, whose mission is to help people experiencing or at risk of homelessness build new lives through construction, community engagement, and education;

WHEREAS, HomeAid Sacramento and its partners have committed to donating resources, including labor and materials, in amounts equal to at least fifty percent (50%) of the estimated costs of each home reconstruction, and will administer the funds and oversee the rebuild process to ensure proper use of funds and timely completion of projects;

WHEREAS, County will disburse approved funds to HomeAid Sacramento, via wire transfer, and HomeAid Sacramento shall ensure funds are only accessed when donated resources and participant contributions have been fully utilized, ensuring that County funds complement contributions rather than replace in accordance with a separate Memorandum of Understanding (“MOU”) between the County and HomeAid;

WHEREAS, any funds provided through the HRP that remain unused after completion of each home must be returned immediately to the County for redistribution until all approved funding has been expended, and any unused funds remaining after closure of the program must be returned to the County to ensure proper stewardship of Affordable Housing Special Revenue Fund resources;

WHEREAS, the process, conditions, and reporting requirements on the use of funds provided through the HRP will be documented in a separate MOU between the County and HomeAid; and

WHEREAS, the project to adopt the Caldor Fire Grizzly Flats Homeowner Rebuild Program is exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility the enactment of the program will have a significant effect on the environment, under Public resources Code Section 21080(b)(3) and CEQA Guidelines Section 15269(a) because the activity is a project to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster stricken area in which a state of emergency has been proclaimed by the Governor pursuant to the California Emergency Services Act, commencing with Section 8550 of the Government Code, and under CEQA Guidelines Section 15302 as replacement or reconstruction of existing structures destroyed by the Caldor Fire;

NOW, THEREFORE, BE IT RESOLVED that the El Dorado County Board of Supervisors hereby:

1. Approves and adopts the Caldor Fire Grizzly Flats Homeowner Rebuild Program as further detailed in Exhibit A, attached hereto and incorporated herein by reference.
2. Approves the use of Affordable Housing Special Revenue Funds in an amount up to \$550,150 for the implementation of the HRP, providing forgivable assistance to select homeowners in the Grizzly Flats area whose primary residences were destroyed by the Caldor Fire.
3. Authorizes the Director of the Planning and Building Department to review and approve the disbursement of funds to HomeAid Sacramento, consistent with the guidelines approved by the Board and the separate MOU to be entered between the County and HomeAid.
4. Authorize and directs the Auditor-Controller to initiate and process the required payment to HomeAid Sacramento upon receipt of written approval from the Director of the Planning and Building Department, ensuring all disbursements comply with County policies, the MOU, and established program guidelines.
5. Directs that funds shall only be accessed after donated resources and participant contributions have been fully exhausted, ensuring County funds complement contributions.
6. Requires that any unused funds remaining after completion of the program be returned immediately to the County to maintain proper stewardship of Affordable Housing Special Revenue Fund resources.
7. Confirms that aside from the MOU, no additional agreements are necessary between HomeAid Sacramento and its partners for the Director of Planning and Building to carry out these actions in accordance with this Resolution and the program guidelines and further acknowledges that HomeAid Sacramento will provide these services without compensation and will not retain any portion of the program funds.
8. Authorizes the Director of the Planning and Building Department to execute any Deed Restrictions and loan documents, including but not limited, to Deeds of Trust and Promissory Notes, between County and homeowners after approval as to form by County Counsel and Risk Management.
9. Authorizes the Director of the Planning and Building Department to execute a separate MOU between County and HomeAid Sacramento consistent with terms of this Resolution and Exhibit A, after approval as to form by the Chief Administrative Office, County Counsel and Risk Management.

Exhibit A

**El Dorado County Planning and Building Department
Caldor Fire Grizzly Flats Homeowner Rebuild Program (HRP)**

A. Program Overview

The Grizzly Flats Homeowner Rebuild Program (HRP) provides up to \$73,318 in forgivable financial assistance to select homeowners whose primary residences were damaged or destroyed by the Caldor Fire. These funds are intended to leverage donated resources (labor and materials) for the complete repair, rehabilitation, or reconstruction, helping displaced residents safely return to permanent homes.

B. Is HRP a Loan?

HRP assistance is provided as a forgivable loan, not a traditional loan. Eligibility is not credit based. Repayment is not required if the homeowner meets all program obligations during the three-year program period and completes the approved project on time.

C. Key Features

- No interest and no credit requirements
- Forgivable Loans up to \$73,318
- Must be participant's primary residence
- Forgivable after three (3) years, if all requirements are met

D. Who Is Eligible?

To qualify, homeowners must:

- Have owned and occupied a single-family home, used as their primary residence in the Caldor Fire impact area, at the time of the fire; and
- Commit to reoccupying the home as their primary residence for a term of three (3) years from the date of final inspection of the reconstructed home, as stated in the Deed of Restriction and Notice of Limited Density Owner-Built Rural Dwelling Unit or similar document; and
- Be current (or on an approved plan) with property taxes and mortgage payments and insurance, if applicable; and
- Demonstrate financial readiness; and
- Complete the approved project within required timeframes.

Vacation homes, rental properties, multi-unit properties, duplexes, townhomes, or homes with attached rental or commercial units are not eligible.

E. Financial Capacity Requirement

Selected homeowners must demonstrate financial readiness by providing documentation showing that the combined commitment of HRP funds and donated resources (labor and materials) will be sufficient to complete the project.

F. Eligible Uses of Funds

HRP funds may be used for:

- Construction of an owner-built dwelling that meets applicable building code requirements
- Design, permitting, inspection, and engineering costs, if applicable
- Accessibility, improvements, utility upgrades, or improvements required to serve the home

Funds must be used solely for this program and eligible uses as described above. Funds will only be accessed for costs of labor and/or materials that are not fully donated, ensuring that HRP funds complement

contributions rather than replace them. Any unused funds will be returned to the County within 30 days after final occupancy permit has been issued for the dwelling unit.

G. Ineligible Uses

HRP funds cannot be used for:

- Luxury or non-essential improvements
- Pools, security systems, satellite dishes, or similar upgrades
- Utility bills incurred outside the construction period
- Detached garages or outbuildings (unless required by code)

H. Deed Restriction, Deed of Trust, and Promissory Note Requirements

Participants in the County’s Title 25 Limited Density Owner-Built Ordinance are required to enter into a Deed Restriction and Notice of Limited Density Owner-Built Rural Dwelling Unit, which states: “occupancy and/or use is limited to the owner and owner’s family for a period of three (3) years from the date of final inspection”. If the HRP participant is not using the Title 25 Program, they shall agree to similar Deed Restrictions as approved by the Director of the Planning and Building Department.

In addition to a Deed Restriction, each HRP participant shall execute a Promissory Note secured by a Deed of Trust. The Promissory Note and Deed of Trust shall ensure compliance with the three-year occupancy requirement, provide security for the County’s investment in the property, and outline the terms under which funds may be recaptured if the participant fails to comply with program requirements.

By accepting HRP funds, the homeowner is also committing to maintaining property taxes for the term of the Deed Restriction.

If these conditions are met, the loan is fully forgiven after three (3) years.

I. When Repayment Is Required

Repayment of the loan amount may be required if the homeowner does the following during the deed-restricted period:

- Sells the home or ceases to occupy the home as their primary residence
- Fails to maintain property taxes
- Does not complete the approved project within required timelines, except when delays are due to governmental actions or circumstances beyond the homeowner’s control

The Planning and Building Director, at its discretion, may waive or modify repayment when extenuating circumstances are present, such as death, serious illness, or other situations deemed appropriate.

J. Application Process

To apply, homeowners must complete an application and submit:

- Proof of ownership
- Valid photo identification
- Property tax status documentation
- Mortgage status documentation, if applicable

The Planning and Building Department will review all submitted documents to verify eligibility and completeness. If additional information is required, the applicant will be notified. Applications will be processed in the order received. Once the review is complete, eligible applicants will be notified of their status, and the Planning and Building Department will forward necessary information to HomeAid Sacramento.

Additional documentation may be requested to confirm eligibility.

Although not part of the application, verification of income may also be required.

K. Prioritization of Applicants

The HRP prioritizes applicants based on their ability to successfully complete a reconstruction project using the combined resources of HRP funds and donated labor or materials. Because funding may be limited, applicants will be prioritized according to the following priority factors and in the order received:

- 1) Applicants who have fully completed their application package and submitted all required documentation
- 2) Applicants with demonstrated unmet financial need that cannot be covered by other assistance sources
- 3) Applicants whose donated resources and available funds show clear financial capacity to complete the project
- 4) Applicants experiencing hardship, disability, age-related limitations, or other needs consistent with ADA and Fair Housing requirements

Applicants who meet eligibility requirements but cannot be funded immediately due to program limits will be placed on a waiting list in prioritized order. As funds become available—either through withdrawal of selected applicants or unused allocations—they may be offered to applicants on the waiting list.

L. Reallocation of Unused Funds

If a selected applicant withdraws, becomes ineligible, or fails to meet program deadlines, their reserved funds may be reallocated to eligible applicants on the waiting list.

Accessibility & Fair Housing

The County will provide reasonable accommodations for persons with disabilities and ensures program compliance with the Americans with Disabilities Act (ADA) and Fair Housing requirements throughout outreach, application, and implementation.