



Legislation Text

File #: 12-0256, **Version:** 2

HEARING: Health and Human Services Agency, Community Services Division, recommending Board conduct a public hearing to:

- 1) Consider the adoption of **Resolution 032-2012**, authorizing submittal of a Fiscal Year 2012-2013 Community Development Block Grant Application to the California Department of Housing and Community Development for up to a \$445,000 grant to provide additional resources up to \$379,250 for the County's ongoing Housing Rehabilitation and Homeownership Loan Programs, up to \$33,250 for Planning and Technical Assistance activities, and up to \$3,250 for general grant administration; committing \$3,500 in budgeted general funds for in-kind staff support to meet the leverage/match requirement during the 36-month grant term;
- 2) Authorize the Chair to sign the Statement of Assurances; and
- 3) If awarded, authorize the Director of Health and Human Services Agency, or successor, contingent upon approval by County Counsel and Risk Management, to execute the Standard Agreement and subsequent amendments thereto that do not affect the dollar amount or the term and to sign other grant-related documents. (Est. Time: 10 Min.) (Refer 03/06/12, Item 4)

FUNDING: Federal CDBG Grant Funds.

Fiscal Impact/Change to Net County Cost: The application would propose to utilize up to \$1,750 of the Department's County General Fund Housing Element Implementation dollars for general administration of the housing-related programs and \$1,750 of Economic Development Promotional Funds to meet the cash match requirements of the grant, if funded.

Background: On March 6, 2012, (Agenda item 4, Legistar item 12-0256) the Board gave conceptual approval for the submittal of an application under the 2012-2013 Community Development Block Grant (CDBG) Notice of Funding Availability (NOFA) for up to \$445,000 to provide additional funding resources for the County's ongoing Housing Rehabilitation and Homeownership Loan Programs, and for a Planning and Technical Assistance grant to conduct a non-project-specific study to provide an economic development strategy for the Georgetown Divide communities.

The County's Housing Rehabilitation program was established in 1994 through a CDBG award and the County's Homeownership Loan Program was established through a CDBG award in 2003. Subsequent CDBG and Home Investment Partnerships Program (HOME) grant funding has been awarded to allow the County to continue to provide housing assistance loans to eligible low-income households earning no more than 80% of the area median income based on household size.

Since 1994, the Housing Rehabilitation Loan Program has assisted sixty-one (61) homeowners to eliminate health and safety hazards and is available on a first-come, first-served basis. To date the Homeownership Assistance Loan Program has assisted twenty-six (26) income qualified families, with the purchase of a home. The program wait list currently includes 97 households. If funded, this application is expected to provide housing loans to at least twelve (12) households during the three-year term of the grant benefiting approximately twenty-eight (28) County residents.

Under the Economic Development allocation the Department has prepared an application for a Planning and Technical Assistance (PTA) grant to develop an economic development strategic plan for the Georgetown Divide communities. The County match amount of up to \$1,750 for the Divide Community economic development plan would be met by the County Economic Development Promotion Fund.

To date, the County has administered ten (10) CDBG PTA grant awards and is currently administering the County's 11th PTA grant for an Exterior Housing Conditions Study in the unincorporated area of El Dorado County.

County staff would administer the grant and a consultant would be hired through a Request for Proposal process to perform the PTA study.

It is anticipated that California Department of Housing and Community Development (HCD) will announce CDBG funding awards by mail in August 2012 or as soon as the awards list is approved. HCD will subsequently issue a State Standard Agreement (Agreement) that will incorporate this application by reference. The Agreement will contain information about the terms and special conditions of the grant award by activity, and identify those special conditions that must be met within 90 days of the Agreement's execution date. County Counsel and Risk Management approvals shall be obtained prior to the Department Director executing the Agreement.

Risk to County: CDBG funding is awarded for grant-specific eligible activities and costs as described in the grant application and subsequent Standard Agreement with the State. Repayments of loans under the Housing Rehabilitation and Homeownership loan programs are returned to the County's Revolving Loan Fund and are not repayable to the State. The PTA funding is in the form of a grant and is not repayable to the State. Were the County to default on the terms of the Standard Agreement, the State would seek repayment of specific funds from the County. The Agency works diligently with State representatives, County Counsel, Risk Management, the Auditor's Office, and funding recipients to insure compliance with State and federal regulations governing grant funds.

Reason for Recommendation: Receipt of funding under this NOFA would facilitate the continuation of the Housing Rehabilitation and First-Time Homeownership Assistance Programs. It is anticipated that the grant would provide loans to eleven (11) households during the three-year grant term.

The proposed application would assist the County in meeting the goals identified in General Plan Housing Element Measure HO-29 to "continue to make rehabilitation loans to qualifying very low and low income households;" Measure HO-17 to "continue to apply for funding in support of a first-time homebuyers program" and Measure HO-18 to "apply for funds in support of housing rehabilitation and weatherization programs for low-income households."

Action to be taken following Board approval: Board Clerk to provide Health and Human Services Agency at Briw Road with:

- One (1) Resolution signed by the Chairman and two (2) certified copy of the Resolution.
- Three (3) Statements of Assurances signed by the Chairman - Retain one (1) executed Statement of Assurances.

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Concurrences: County Counsel has approved the attached Resolution.