



Legislation Text

File #: 15-0764, Version: 4

HEARING - Community Development Services, Planning and Building Department, recommending the Board consider the following:

- 1) Conduct a public hearing to consider adopting and authorizing the Chair to sign Resolution **134-2017** amending the Program Guidelines for the Housing Acquisition Loan Program to comply with the Home Investment Partnerships Program statutes and regulations pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, in federal implementing regulations set forth in Title 24 of the Code of Federal Regulations, Part 92, and in Title 25 of the California Code of Regulations commencing with Section 8200;
- 2) As part of the public hearing, consider adopting and authorizing the Chair to sign Resolution **135-2017** amending Program Guidelines for the County's Community Development Block Grant Housing Acquisition Loan Program to comply with the California Department of Housing and Community Development Program requirements under Code of Regulations Section 570.489 (e)(I) [CDBG Final Rule 2012];
- 3) Authorize the Planning and Building Department Director, or designee, to submit Program Guidelines and to sign other grant-related documents and any other required documents for the implementation of the Housing Acquisition Loan Program to the California Department of Housing and Community Development, contingent upon approval by County Counsel and Risk Management; and
- 4) Authorize the Chair to execute a revised letter for submittal to the California Department of Housing and Community Development authorizing the Planning and Building Department Director, or successor, to execute all National Environmental Policy Act documents associated with the Home Investment Partnerships Program Grant activity. (Est. Time: 5 Min.)

FUNDING: Federal Department of Transportation, Housing and Urban Development, Home Investment Partnerships Program, and Community Development Block Grant Program Funds.

DEPARTMENT RECOMMENDATION

Community Development Services (CDS), Planning and Building Department, recommending the Board:

- 1) Conduct a public hearing to consider adoption of Resolution **134-2017** amending the Program Guidelines for the Housing Acquisition Loan Program to comply with the Home Investment Partnerships Program (HOME) statutes and regulations pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, in federal implementing regulations set forth in Title 24 of the Code of Federal Regulations (CFR), Part 92, and in Title 25 of the CFR commencing with Section 8200; and
- 2) As part of the public hearing, consider adoption of Resolution **135-2017** amending Program Guidelines for the County's Community Development Block Grant (CDBG) Housing Acquisition Loan Program to comply with the California Department of Housing and Community Development program requirements under CFR Section 570.489 (e)(I) [CDBG Final Rule 2012]; and
- 3) Authorize the Planning and Building Department Director, or designee, to submit HOME and CDGB Program Guidelines and to sign other grant-related documents and any other required documents for the implementation of the Housing Acquisition Loan Program to the California

Department of Housing and Community Development, contingent upon approval by County Counsel and Risk Management; and

4) Authorize the Chair to execute a revised letter for submittal to the California Department of Housing and Community Development authorizing the Planning and Building Department Director, or successor, to execute all National Environmental Policy Act (NEPA) documents associated with HOME Grant activity.

DISCUSSION / BACKGROUND

First-Time Homebuyer Loan Program

The County's First-Time Homebuyer Loan Program (First-Time Program) was established in 2004 with funding through the California Department of Housing and Community Development and is administered by the County's Housing, Community and Economic Development Program. With subsequent grant awards through the HOME and CDBG, the County has continued to provide mortgage loans to eligible low-income households in the unincorporated area of El Dorado County.

The County's First-Time Program assists low-to-moderate income individuals and families in the purchase of their first home. The Program provides "gap" financing for homebuyers who, due to their limited income, would not qualify for a bank loan in an amount sufficient to purchase a home in the County. With Board approval, the Program would provide loans at 3% interest with payment deferred for 30 years. Program loan amounts are limited by loan-to-value restrictions; HOME Subsidy Limits are published annually and can never exceed the primary loan amount.

On August 30, 2016 (Item 29), the Board adopted Resolution **141-2016** revising the El Dorado County CDBG Program Income Reuse Plan governing a revolving loan fund for housing assistance programs, including the First Time Program, in accordance with the federal CDBG regulations governing CDBG-assisted activities.

On October 25, 2016 (Item 19), the Board adopted Resolution **178-2016** accepting the grant funding award for HOME Grant 15-HOME-10891 in the amount of \$500,000 to assist the County's ongoing First-Time Program.

Program Guidelines

The Board adopted the current Housing Acquisition Loan Program Guidelines (Guidelines) for the First Time Program in 2014 under the CDBG Loan Program. It is necessary to revise the Guidelines for the purpose of ensuring ongoing compliance with changes to the HOME and CDBG Programs. Amended Guidelines are being sought to update Program activities and to reflect changes in State law between 2014 and today.

Revisions to the Guidelines must follow the proper Citizen Participation Public Hearing process. In addition, the California Department of Housing and Community Development requires a Resolution to approve the Guidelines for both HOME and CDBG funded programs.

The attached track-change Guidelines document illustrates revisions and corrections as underlined text and deletions as crossed-out text.

NEPA

The HOME Program allows a portion of loan funds to be used for minor health and safety repairs.

Federal funds used for the acquisition and/or rehabilitation of real property are subject to environmental review, decision-making and action responsibilities under NEPA and 24 CFR Part 58, Environmental Review Procedures for Entities Assuming Environmental Responsibilities.

The NEPA delegation letter previously approved by the Board requires updating, with the revised letter recommended for execution now reflecting delegation to the Planning and Building Department Director.

ALTERNATIVES

Without approval of the Guidelines, the County would not meet the requirements of the California Department of Housing and Community Development to expend grant funds.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel has approved the proposed Resolutions and amended Guidelines.

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

No change to Net County Cost is associated with this item.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain the Chair's signature on the one (1) original HOME Resolution and on the one (1) original CDBG Resolution; and
- 2) Clerk of the Board to provide one (1) executed copy and one (1) certified copy of each Resolution to CDS Planning and Building Department, Housing, Community and Economic Development Unit, attention of C.J. Freeland.
- 3) Clerk of the Board to obtain the Chair's signature on the revised NEPA delegation letter and provide the signed letter to CDS Planning and Building Department, Housing, Community and Economic Development Unit, attention of C.J. Freeland.

STRATEGIC PLAN COMPONENT

Economic Development - Housing

CONTACT

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