



## Legislation Text

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**File #:** 10-0293, **Version:** 1

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Human Services recommending conceptual approval to submit a Community Development Block Grant (CDBG) application to the California Department of Housing and Community Development for a grant in an amount up to \$800,000 to provide additional funding resources for the County ongoing Housing Rehabilitation and Homeownership Assistance Loan Programs.

**FUNDING:** Federal CDBG Grant Funds.

Fiscal Impact/Change to Net County Cost: No cost associated with the application process. The application would propose to utilize \$6,000 of the administering departments County General Fund Housing Element Implementation dollars for staff time, to be budgeted for this purpose in FY 10-11, to meet the cash match and \$1,500 in building permit fee waivers and \$3,000 in Weatherization program as in-kind services during the three-year term.

**Background:**

The Housing Rehabilitation program was established in 1994 through a California State Department of Housing and Community Development (HCD) Community Development Block Grant (CDBG) award approved for submittal on April 5, 1994 by Board of Supervisors Resolution #86-94. The County also established a First-Time Homebuyer Loan Program through a HCD CDBG application approved for submittal on February 4, 2003 by Board of Supervisors Resolution #024-2003. Subsequent CDBG and HOME grant funding has been awarded to allow the County to continue to provide loans to low-income households on the programs wait lists.

**Reason for Recommendation:**

The Housing Rehabilitation and First-Time Homeownership Assistance Loan Programs provide funds to income eligible households, earning no more than 80% of the area median income based on household size, to rehabilitate or purchase homes in the unincorporated areas of El Dorado County. To date, the First-Time Homeownership Assistance Loan Program has enabled twenty-three (23) income qualified families to purchase homes. The Program wait list currently includes 174 households. Since 1994, the Housing Rehabilitation Loan Program has assisted sixty-four (64) homeowners to eliminate health and safety hazards and has a wait list with fifty-three (53) households.

The 2010-2011 CDBG Notice of Funding Availability (NOFA) is expected to be released by the State Department of Housing and Community Development (HCD) in April, 2010. An application under this NOFA would facilitate the continuation of the First-Time Homeownership Assistance and Housing Rehabilitation Loan Programs. It is anticipated that the grant would provide loans to eight (8) households (approximately twenty-eight (28) County residents) during the three-year term of the grant. Existing staff would be utilized to administer the Program activities under this grant.

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 continue to apply for funding in support of a first-time homebuyers program and Measure HO-18 apply for funds in support of housing rehab and weatherization programs for low-income households.

Following Board conceptual approval to proceed, the application will be developed, and a Public Hearing will be scheduled for Board consideration of the application and receipt of any public comments, at which time adoption of a Resolution would authorize submittal of the grant application.

Action to be taken following Board approval:

Housing, Community and Economic Development staff to prepare funding application and all relevant documents for Board of Supervisors approval to submit said application to the State Department of Housing and Community Development.

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Concurrences: N/A