



Legislation Details (With Text)

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Title:	Adopt City Council Resolution Approving Program Guidelines for HOME Owner Occupied Rehabilitation Loan Program				
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Attachments:	1. RESO Adopting HOME OOR Program Guidelines, 2. Fort Bragg HOME OOR Program Guidelines				

Date	Ver.	Action By	Action	Result
11/13/2018	1	City Council	adopted	Pass

Adopt City Council Resolution Approving Program Guidelines for HOME Owner Occupied Rehabilitation Loan Program

The City was awarded \$500,000 from the 2016 HOME Investment Partnerships (HOME) grant to provide an Owner Occupied Rehabilitation (OOR) loan program. The total grant is \$487,500, and it provides loan funds of up to \$370,500 for approximately seven projects, program operation funding of up to \$117,000, and \$12,500 for general administration tasks.

Per State Housing and Community Development (HCD) regulations, the HOME OOR loan program must be administered pursuant to Program Guidelines that have been approved by HOME and then by the local jurisdiction. City Council adoption of a Resolution adopting the Program Guidelines is requested so the final guidelines may be released for launch of the program.

The Program Guidelines provide information for applicants and program operators about program specifics including application process, applicant qualifications, property eligibility, allowable construction tasks, loan terms, loan servicing requirements, exceptions and special circumstances, and dispute resolution/appeals procedures. The Program Guidelines also include several attachments to further clarify income requirements, maximum funding limits, program marketing, relocation plans, lead-based paint procedures, and loan servicing procedures including foreclosure policy. The HOME program provides jurisdictions with a template for OOR Program Guidelines, and there are few opportunities for local discretion. The Draft Program Guidelines were approved by HCD on October 17, 2018. Options recommended by staff and approved by HCD include:

- The use of Interest Forms to generate waiting lists;
- Zero interest loans, as recommended by HCD (all loans are required to be 30 years, deferred);
- Unborn children are counted in household size;
- Relocation grants are limited to \$2,000;
- A limitation of 2 children per bedroom was removed;
- Use of electronic/online resources is allowed for certain communications and marketing purposes.