



CITY OF LONG BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT

RES-29

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

August 24, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Resolution Authorizing the Submittal of an Application to the California State Department of Housing and Community Development for Funding Under the CalHome Program (Redevelopment Project Areas)

DISCUSSION

The Community Development Department requests authorization to submit an application for \$1,000,000 under the State Department of Housing and Community Development's CalHome Program. The CalHome Program is a valuable funding source sponsored by the State and designed to provide mortgage assistance to qualified low-income, first-time homebuyers. Funds for the CalHome Program were allocated in the Housing and Emergency Shelter Trust Fund Act of 2002 (Proposition 46). The CalHome Program provides 30-year, silent second mortgages to be used for purchases in redevelopment project areas. When funds are repaid to the City from a sale or an early payoff, the funds must be re-distributed as second mortgages for future homeownership developments.

The City of Long Beach has previously received CalHome allocations totaling \$1,500,000 from the State. These funds have successfully been used by participants of the City's Section 8 Homeownership Program and by qualified first-time homebuyers.

This letter was reviewed by Deputy City Attorney Everett L. Glenn on August 17, 2004, and Budget Management Officer David Wodynski on August 16, 2004.

TIMING CONSIDERATIONS

City Council action is requested on August 24, 2004, as the application for CalHome Program funds is due on September 15, 2004. A resolution authorizing the submittal of this application is required in the application package.

FISCAL IMPACT

The application will be submitted in the amount of \$1,000,000, the maximum amount allowed under the CalHome Program funding announcement. A budget adjustment will be requested as part of the Department of Financial Management's quarterly budget adjustment request if and when the funds are received.

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IT IS RECOMMENDED THAT THE CITY COUNCIL:

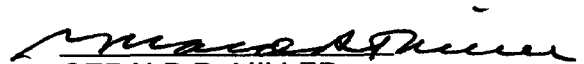
Adopt the attached resolution authorizing the submission of an application to the California State Department of Housing and Community Development CalHome Program for \$1,000,000 and authorize the City Manager to execute all necessary documents upon funding approval.

Respectfully submitted,



MELANIE S. FALLON
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

MF:EBS:JG:DS
CalHome Resolution 2004.cc.lt.doc

Attachment: Resolution Authorizing the Submittal of an Application to the California State Department of Housing and Community Development for Funding Under the CalHome Program