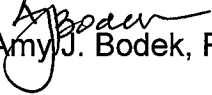


MEMORANDUM

Date: September 19, 2012

To: Board of Directors
The Long Beach Housing Development Company

From: 
Amy J. Bodek, President

Subject: **Adoption of an Amended 2011 Resolution Authorizing Submission of an application to the California State Department of Housing and Community Development for funding under the CalHome Program**

RECOMMENDATION

Adopt the attached amended 2011 resolution authorizing submission of an application to the California State Department of Housing and Community Development for funding under the CalHome Program, and authorize the President to execute all necessary documents related to funding approval.

BACKGROUND

On November 11, 2011, the LBHDC adopted a resolution authorizing the submission of an application to the California State Department of Housing and Community Development (HCD) for funding under the CalHome Program in the amount of \$1,500,000. A copy of the November 16, 2011 LBHDC staff report is attached for your reference.

In April 2012, HCD awarded \$1,500,000 in CalHome funds to the LBHDC to be used for owner occupied single-family rehabilitation loans. It is anticipated that at least 30 qualified low-income homeowners will be assisted with the funds.

In June 2012, HCD requested staff to amend the 2011 resolution to include a revision to Sec. 3 indicating that Amy J. Bodek, as President of the LBHDC, is authorized to execute all necessary documents required by HCD for the CalHome Program.

Staff recommends approval of the amended resolution.

AJB:RMZ:PU:hy

Attachments: Amended 2011 Resolution for the CalHome Program
November 16, 2011 LBHDC staff report

R:\LBHDC\Staff Reports\2012\September\CalHome Staff Letter Resolutions 8-29-12
FINAL.doc

A RESOLUTION OF THE LONG BEACH HOUSING DEVELOPMENT COMPANY AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD) FOR FUNDING UNDER THE CALHOME PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT AND ANY AMENDMENTS THERETO IF SELECTED FOR SUCH FUNDING; AND THE EXECUTION OF ANY ADDITIONAL DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM

WHEREAS, The Long Beach Housing Development Company (the "LBHDC"), a nonprofit public benefit corporation wholly owned by the City of Long Beach, wishes to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS, on October 3, 2011, the California Department of Housing and Community Development (the "HCD") issued a Notice of Funding Availability ("NOFA") for the CalHome Program established by Chapter 84, Statutes of 2000 (SB 1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the "Statute"). Pursuant to the Statute, the HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the Statute and the CalHome Program Regulations adopted by HCD in April 2004; and

WHEREAS, the LBHDC wishes to submit an application to obtain from the HCD an allocation of CalHome funds in the amount of \$1,500,000.

NOW, THEREFORE, the Board of Directors of The Long Beach Housing Development Company resolves as follows:

Section 1. The LBHDC shall submit to the HCD an application to participate in the CalHome Program in response to the NOFA issued on October 3, 2011, which will request a funding allocation for the following activities: rehabilitation loans to owner-occupied single family households and owner-occupied mobile-home households located in the designated low-income census tracts and redevelopment areas of the City of Long Beach up to the maximum amount permitted by CalHome Program Guidelines.

Sec. 2. If the application for funding is approved, the LBHDC hereby agrees to use the CalHome funds for eligible activities in the manner presented in the application as approved by the HCD and in accordance with program guidelines cited above. It also may execute any and all other instruments necessary or required by the HCD for participation in the CalHome Program.

Sec. 3. Amy J. Bodek, as the President of the LBHDC, is authorized to execute the application, the Standard Agreement, and all other documents required by the HCD for participation in the CalHome Program, and any amendments thereto.

Sec. 4. This Resolution shall take effect immediately upon its adoption by the Board of Directors.

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I hereby certify that the foregoing Resolution was adopted by the Board of Directors of The Long Beach Housing Development Company at its meeting of November 16, 2011, and as amended on _____, 2012, by the following vote:

Ayes: Board Members: _____

Noes: Board Members: _____

Absent: Board Members: _____

LBHDC Chair

MEMORANDUM



The
**Long Beach
Housing
Development
Company**

DATE: November 16, 2011

TO: Board of Directors
The Long Beach Housing Development Company

FROM: *for* Ellie Tolentino, Vice President

PREPARED BY: Robin Grainger, Housing Rehabilitation Services Officer

SUBJECT: Adoption of a Resolution Authorizing the
Submission of an Application to the State
Department of Housing and Community
Development for CalHome Program Funds

RECOMMENDATION

Adopt the attached resolution authorizing the submission of an application to the California State Department of Housing and Community Development CalHome Program for \$1,500,000 and authorize the President or designee to execute all necessary documents upon funding approval.

BACKGROUND

Staff requests authorization to submit an application for \$1,500,000 under the State Department of Housing and Community Development's (HCD) CalHome Program. The CalHome Program provides Owner-occupied Rehabilitation Loans to qualified low-income homeowners. When the loans are repaid to the LBHDC from a sale or an early payoff, the funds must be re-distributed as housing rehabilitation loans for future qualified low-income owner-occupant assistance.

The LBHDC and the City of Long Beach previously received CalHome grant allocations totaling \$7,200,000 from the State. To date, 80 qualified homebuyers have received assistance with the purchase of their first home while 32 qualified low-income homeowners have been approved to receive housing rehabilitation loans to rehabilitate their single-family dwelling or manufactured home.

CalHome funds, granted to the LBHDC in 2008 for qualified owner-occupied housing rehabilitation, have proven to be a valuable resource for eligible homeowners whose property values have decreased, leaving them unable to finance their housing rehabilitation needs using conventional or HUD HOME financing. The CalHome Program allows

**MAKING
AFFORDABLE
HOUSING
HAPPEN**

AGENDA ITEM NO. 6

Mailing Address:
110 Pine Avenue
Suite 1200
Long Beach, CA 90802
Tel 562/570-6949
Fax 562/570-5921

LBHDC Board of Directors
November 16, 2011
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higher "after-rehabilitation" property values and a higher debt-to-value ratio compared to current HUD HOME Program requirements, which enables the LBHDC the opportunity to assist eligible property owners and promote neighborhood improvement. It is anticipated that at least 30 qualified low-income homeowners will be assisted if the LBHDC application is successful.

Should the LBHDC approve the recommendation, staff will submit an application to the HCD for CalHome funds.

ET:RG

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

A RESOLUTION OF THE LONG BEACH HOUSING DEVELOPMENT COMPANY AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD) FOR FUNDING UNDER THE CALHOME PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT AND ANY AMENDMENTS THERETO IF SELECTED FOR SUCH FUNDING; AND THE EXECUTION OF ANY ADDITIONAL DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM

WHEREAS, The Long Beach Housing Development Company (the "LBHDC"), a nonprofit public benefit corporation wholly owned by the City of Long Beach, wishes to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS, on October 3, 2011, the California Department of Housing and Community Development (the "HCD") issued a Notice of Funding Availability ("NOFA") for the CalHome Program established by Chapter 84, Statutes of 2000 (SB 1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the "Statute"). Pursuant to the Statute, the HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the Statute and the CalHome Program Regulations adopted by HCD in April 2004; and

WHEREAS, the LBHDC wishes to submit an application to obtain from the HCD an allocation of CalHome funds in the amount of \$1,500,000.

NOW, THEREFORE, the Board of Directors of The Long Beach Housing Development Company resolves as follows:

Section 1. The LBHDC shall submit to the HCD an application to participate in the CalHome Program in response to the NOFA issued on October 3, 2011, which will request a funding allocation for the following activities: rehabilitation loans to owner-occupied single family households and owner-occupied mobile-home households located in the designated low-income census tracts and redevelopment areas of the City of Long Beach up to the maximum amount permitted by CalHome Program Guidelines.

Sec. 2. If the application for funding is approved, the LBHDC hereby agrees to use the CalHome funds for eligible activities in the manner presented in the application as approved by the HCD and in accordance with program guidelines cited above. It also may execute any and all other instruments necessary or required by the HCD for participation in the CalHome Program.

Sec. 3. The President of the LBHDC is authorized to execute the application, the Standard Agreement, and all other documents required by the HCD for participation in the CalHome Program, and any amendments thereto.

Sec. 4. This Resolution shall take effect immediately upon its adoption by the Board of Directors.

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I hereby certify that the foregoing Resolution was adopted by the Board of Directors of The Long Beach Housing Development Company at its meeting of November 16, 2011 by the following vote:

Ayes: Board Members: _____

Noes: Board Members: _____

Absent: Board Members: _____

LBHDC Chair