Subject: Resolution Authorizing the Submittal of an Application for Funding Under the CalHome Program for Disaster Assistance

Department: County Administration

Contact: Heather MacDonald  Phone: 530.552.3337

Meeting Date Requested: June 25, 2019

Regular Agenda ☐  Consent Agenda ☒

Department Summary: (Information provided in this section will be included on the agenda. Attach explanatory memorandum and other background as necessary).

In October 2017 and November 2018, Butte County experienced wildfires that destroyed the homes of a significant number of residents in the unincorporated area of Butte County. The State Department of Housing and Community Development (HCD) has issued a Notice of Funding Availability (NOFA) as Round 2 for disaster assistance under its CalHome Program. Funding for Round 1 was already issued and Butte County was awarded $500,000 for Owner-Occupied Housing Rehabilitation (OOR). For Round 2, Eligible activities include: first-time home buyer mortgage assistance, owner-occupied rehabilitation assistance, technical assistance for self-help housing projects, technical assistance for shared housing programs, and homeownership project development loans. After coordination with other eligible jurisdictions and nonprofits, County staff recommends the County apply for OOR funding in the amount of $10,080,000. OOR has been selected due to the fact that there is a demonstrated need in the unincorporated area of the County and it is the activity with which the County has the experience to meet eligibility factors. The CalHome grant does not provide any funding for General Administration. The grant also does not provide adequate funding for Activity Delivery, which is the funding the County typically uses to pay the Program Operator. The County will need to identify additional sources of funding for General Administration and Activity Delivery costs so that there is no impact to the General Fund.

Fiscal Impact:

The Activity Delivery percentage allowed by the CalHome grant is 20% which is 4% less than other community development grants operated by the County. The County will need to work with a Program Operator to determine if the lower percentage is feasible or identify another funding source to cover the gap. In addition, there is no General Administration allowed by the CalHome grant. The County will need to identify another funding source for additional staff to administer the grant at the County level so that there is no

Personnel Impact:

None at this time.

Action Requested:

Adopt the Resolution approving the submittal of a CalHome disaster assistance grant application and authorize the Chair to sign.

Administrative Office Review:  Brian Ring, Assistant Chief Administrative Officer
RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CALHOME PROGRAM DISASTER ASSISTANCE

WHEREAS, the County of Butte, a political subdivision of the State of California wishes to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS, the California Department of Housing and Community Development (hereinafter referred to as “HCD”) has issued a Notice of Funding Availability (“NOFA”) on May 3, 2019 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, 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 County of Butte wishes to submit an application to obtain from HCD an allocation of CalHome funds in the amount of $10,080,000; and

WHEREAS, the County of Butte shall submit to HCD an application to participate in the CalHome Program in response to the NOFA issued on May 3, 2019 which will request a funding allocation for the following activity: Owner-Occupied Housing Rehabilitation in the unincorporated area of Butte County, in the amount of $10,080,000; and

WHEREAS, if the application for funding is approved, the County of Butte hereby agrees to use the CalHome funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with program regulations cited above. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement. The County of Butte acknowledges and agrees that it may be required to execute any and all other instruments necessary or required by HCD for participation in the CalHome Program; and

WHEREAS, The County of Butte authorizes the Chief Administrative Officer, or designees in the event that sufficient evidence of designation is provided to the Department to execute in the name of the County of Butte, the application, the Standard Agreement, and any subsequent amendments or modifications thereto, as well as any other documents required by HCD for participation in the CalHome Program, and any amendments thereto.
NOW, THEREFORE, BE IT RESOLVED that the Butte County Board of Supervisors hereby authorizes the submittal of an application to the California State Department of Housing and Community Development for funding under the CalHome Program; the execution of a standard agreement if selected for such funding and any amendments thereto; and any related documents necessary to participate in the CalHome Program.

PASSED AND ADOPTED by the Butte County Board of Supervisors this 25th day of June, 2019, by the following vote:

AYES:
NOES:
ABSENT:
NOT VOTING:

ATTEST:
Ashley Snyder,
Assistant Clerk of the Board of Supervisors

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Steve Lambert, Chair
Butte County Board of Supervisors