



Legislation Details (With Text)

File #: ID 22-1254 **Version:** 1 **Name:**
Type: Action Item **Status:** Passed
File created: 7/27/2022 **In control:** City Council
On agenda: 8/11/2022 **Final action:** 8/11/2022
Title: Approve a Second Amendment to the HOME Investment Partnerships Program, Community Housing Development Organization Agreement with Self-Help Enterprises to allow for subordination to the State of California CalHome Program and hold a no less than third position lien (District 3)
Sponsors: Planning and Development Department
Indexes:
Code sections:
Attachments: 1. Exhibit A - Second Amendment to Agreement

Date	Ver.	Action By	Action	Result
8/11/2022	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

FROM: JENNIFER K. CLARK, Director
Planning and Development Department

PHIL SKEI, Assistant Director
Planning and Development Department

BY: CORRINA NUNEZ, Project Manager
Housing and Community Development Division

SUBJECT

Approve a Second Amendment to the HOME Investment Partnerships Program, Community Housing Development Organization Agreement with Self-Help Enterprises to allow for subordination to the State of California CalHome Program and hold a no less than third position lien (District 3)

RECOMMENDATION

Staff recommends the City Council approve a Second Amendment to the HOME Investment Partnerships Program, Community Housing Development Organization Agreement (Agreement) with Self-Help Enterprises (SHE) (Exhibit "A" - Second Amendment to Agreement) to allow for subordination to the State of California CalHome Program and hold a no less than third position lien.

EXECUTIVE SUMMARY

On June 28, 2022, SHE requested a second amendment to the August 28, 2020, Agreement to allow

for subordination to the State of California CalHome Program. The CalHome Program will provide additional mortgage subsidy to the proposed homebuyers.

BACKGROUND

On July 16, 2020, the Council approved a \$1,462,000 HOME Investment Partnerships (HOME) Program, Community Housing Development Organization (CHDO) Agreement with SHE for Annadale Phase I, the development of a 22-unit single-family affordable housing subdivision at Annadale and Elm in southwest Fresno. Eleven of the single-family units will be HOME CDHO-assisted units and carry a 30-year affordability covenant.

On February 24, 2021, SHE requested a first amendment to the Agreement to make a correction of the legal description of the property. The First Amendment to the Agreement, Deed of Trust, and Declaration of Restrictions were completed as an administrative amendment and were recorded on May 20, 2021.

On June 28, 2022, SHE requested a Second Amendment to the Agreement to provide for the subordination of the Agreement and related documents to the State of California CalHome Program. Due to the increased costs of construction, materials, and labor for single-family houses coupled with the need for additional down payment assistance to the prospective homebuyers, SHE applied to the State of California for an allocation of CalHome Program funds to supplement the HOME CHDO funding to the development.

Annadale Phase I Single-Family Housing project is currently underway with the subdivision infrastructure improvements to be completed at the end of August and construction of the single-family homes to commence by the end of 2022.

ENVIRONMENTAL FINDINGS

This request is not a project for the purposes of the California Environmental Quality Act or National Environmental Policy Act.

FISCAL IMPACT

There is no impact to the Planning and Development Department fiscal year 2022 Budget for this action.

ATTACHMENTS:

Exhibit A - Second Amendment to Agreement