



Legislation Details (With Text)

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Title: RESOLUTION - Adopt Substantial Amendment No. 2015-004 to the FY 2014-2015 Annual Action Plan authorizing \$200,000 of HOME Investment Partnerships Community Housing Development Organization (HOME-CHDO) funds to Habitat for Humanity Fresno County, Inc., for the Lotus Avenue/Effie Street single-family housing project and authorize the City Manager to sign all implementing documents as required by HUD and approved as to form by the City Attorney

Sponsors: Planning and Development Department

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Attachments: 1. Amendment Resolution2015-004CAOreview.pdf

Date	Ver.	Action By	Action	Result
4/9/2015	1	City Council	adopted	Pass

REPORT TO THE CITY COUNCIL

April 9, 2015

FROM: JENNIFER K. CLARK, Director
Development and Resource Management Department

BY: JOSE TRUJILLO, Housing Manager
Housing and Community Development Division

SUBJECT

RESOLUTION - Adopt Substantial Amendment No. 2015-004 to the FY 2014-2015 Annual Action Plan authorizing \$200,000 of HOME Investment Partnerships Community Housing Development Organization (HOME-CHDO) funds to Habitat for Humanity Fresno County, Inc., for the Lotus Avenue/Effie Street single-family housing project and authorize the City Manager to sign all implementing documents as required by HUD and approved as to form by the City Attorney

RECOMMENDATION

Staff recommends the Fresno City Council:

1. Adopt Substantial Amendment No. 2015-004 to the FY 2014-2015 Annual Action Plan authorizing award of \$200,000 of HOME Investment Partnerships Community Housing Development Organization (“HOME-CHDO”) funds to Habitat for Humanity Fresno County, Inc. (“Habitat”) to

develop two single family houses on Lotus Avenue and Effie Street.

2. Authorize the City Manager to sign all implementing documents required by the Department of Housing and Urban Development (“HUD”) and approved as to form by the City Attorney.

EXECUTIVE SUMMARY

On June 20, 2014, Habitat was selected as the CHDO to receive \$200,000 for its Lotus/Effie Single-Family Housing Project. The CHDO Agreement will be structured so the \$200,000 CHDO loan is proportionally conveyed to the two proposed homebuyers as a second mortgage. Upon completion of each house, the property will be conveyed through escrow to a low-income homebuyer. Also upon completion, the City will forgive \$10,000 of each homebuyer’s respective portion of the CHDO loan to make the homes more affordable. In addition to the CHDO second mortgage assistance, the homebuyers will receive “sweat equity” credit toward the purchase of their home as facilitated through Habitat.

BACKGROUND

As a recipient of federal HOME Investment Partnership (“HOME”) Program funds from HUD, the City is required to set aside 15 percent of its HOME Program allocation specifically for CHDO projects. At the approval of the FY 2014-2015 Annual Action Plan on June 19, 2014, the City had not yet selected a CHDO project for funding.

On March 10, 2014, the Housing and Community Development Division released a combined HOME Program and CHDO Notice of Funding Availability (“NOFA”). In response to the NOFA, the City received one CHDO application from Habitat for its Lotus/Effie Single-Family Housing Project. On June 20, 2014, Habitat was selected as the CHDO to receive \$200,000 for its Lotus/Effie Single-Family Housing Project.

Substantial Amendment

The City’s Citizen Participation Plan requires an amendment when proposed projects have not been identified in the action plan. The Lotus/Effie Single-Family Housing Project is included in Substantial Amendment 2015-004 to the FY 2014-2015 Annual Action Plan. Substantial Amendment 2015-004 was available for a 30-day public review and comment period initiated with a public notice in The Fresno Bee on February 26, 2015. The public comment period ended on March 26, 2015.

HCDC conducted the public hearing meeting in compliance with citizen participation regulations established at 24 CFR Part 91.505. The public comment received at the public hearing was provided by the project sponsor and was in support of the proposed project.

Housing and Community Development Commission (HCDC)

HCDC reviewed Substantial Amendment 2015-004 at a Special Meeting on March 18, 2015 and recommends City Council approval.

ENVIRONMENTAL FINDINGS

This is not a project for purposes of California Environmental Quality Act (“CEQA”) pursuant to CEQA

Guidelines Section 15378. Development of the Lotus/Effie Project is subject to environmental review and will be brought to Council in May, 2015 with the HOME-CHDO Agreement.

LOCAL PREFERENCE

Local preference is not applicable to a Substantial Amendment to the Annual Action Plan.

FISCAL IMPACT

This agenda item is administrative and does not have a fiscal impact. Action on this agenda approves staff to proceed with project feasibility, set up and reviews for Council consideration and adoption. HOME-CHDO funds for the proposed project were appropriated to DARM during the FY 2015 budget process. Staff will return to Council in May 2015 with project funding details.

Attachments:

Exhibit A - Resolution