

RESOLUTION NO. 2010-188

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING
UNDER THE HOME INVESTMENT PARTNERSHIPS PROGRAM AND
AUTHORIZING THE CITY MANAGER TO EXECUTE A STANDARD AGREEMENT,
ANY AMENDMENTS THERETO, AND ANY RELATED DOCUMENTS NECESSARY
TO PARTICIPATE IN THE HOME INVESTMENT PARTNERSHIPS PROGRAM IF THE
CITY OF ELK GROVE IS SELECTED TO RECEIVE HOME FUNDS**

WHEREAS, the California Department of Housing and Community Development (the "Department") is authorized to allocate HOME Investment Partnerships Program (HOME) funds made available from the U.S. Department of Housing and Urban Development (HUD). HOME funds are to be used for the purposes set forth in Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, in federal implementing regulations set forth in Title 24 of the Code of Federal Regulations, part 92, and in Title 25 of the California Code of Regulations commencing with section 8200; and

WHEREAS, on June 1, 2010 the Department issued a 2010 Notice of Funding Availability (NOFA) announcing the availability of funds under the HOME program; and

WHEREAS, in response to the 2010 NOFA, the City of Elk Grove, a municipal corporation, wishes to apply to the Department for, and receive an allocation of, HOME funds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Elk Grove that in response to the 2010 Notice of Funding Availability (NOFA), the City of Elk Grove, a municipal corporation, shall submit an application to the California Department of Housing and Community Development (the "Department") to participate in the HOME Investment Partnerships Program (HOME) and for an allocation of funds not to exceed eight hundred thousand dollars (\$800,000) for the following activities and/or programs:

First-Time Homebuyer Program: The City will use HOME funds to assist eligible First-Time Homebuyers (FTHB) with securing affordable housing located in the City of Elk Grove. Eligible FTHB's must have a household income at or below eighty percent (80%) of the Area Median Income (AMI). In addition, an eligible FTHB must have a traditional, market priced, and fully amortizing 30-year mortgage in order to receive HOME assistance through the City. The City will provide HOME assistance to eligible FTHB's in the form of low-interest deferred payment loans and the actual amount of HOME loans to FTHB's is dependent on the amount of subsidy necessary to make the home affordable to FTHB's. The affordability period of HOME loans made to FTHB's by the City are as follows:

- 5 years for under \$15,000;

- 10 years for \$15,001 to \$40,000; and
- 15 years for more than \$40,000.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Elk Grove that if the application for funding is approved, the City Manager is authorized to execute a standard agreement with the U.S. Department of Housing and Urban Development (HUD) whereby the City of Elk Grove will agree to use the HOME funds for eligible activities in the manner presented in this resolution and as set forth in its approved application in accordance with the statutes and regulations cited above. The City Manager is further authorized to execute , any amendments to the standard agreement and any and all other documents or instruments necessary or required by the Department or HUD for participation in the HOME program (collectively, the required documents).

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 25th day of August 2010.



SOPHIA SCHERMAN, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, INTERIM CITY CLERK

APPROVED AS TO FORM:



SUSAN COCHRAN, CITY ATTORNEY

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2010-188

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)


I, Jason Lindgren, Interim City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on August 25, 2010 by the following vote:

AYES : **COUNCILMEMBERS:** **Scherman, Detrick, Hume**

NOES: **COUNCILMEMBERS:** **None**

ABSTAIN : **COUNCILMEMBERS:** **None**

ABSENT: **COUNCILMEMBERS:** **Davis, Cooper**



Jason Lindgren, Interim City Clerk
City of Elk Grove, California