

# Agenda Report

February 11, 2013

**TO:** Honorable Mayor and City Council

**FROM:** Housing Department

**SUBJECT:** ADOPTION OF RESOLUTION AUTHORIZING CITY MANAGER TO EXECUTE, ON BEHALF OF THE CITY OF PASADENA AS HOUSING SUCCESSOR TO THE PASADENA COMMUNITY DEVELOPMENT COMMISSION, ALL DOCUMENTS REQUIRED BY THE STATE OF CALIFORNIA FOR PARTICIPATION IN THE CALHOME PROGRAM

**RECOMMENDATION:**

It is recommended that the City Council take the following actions:

- 1) Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (General Rule); and
- 2) Adopt a resolution authorizing City Manager to execute, on behalf of the City of Pasadena as Housing Successor to the Pasadena Community Development Commission, all documents required by the State of California Department of Housing and Community Development for participation in the Calhome Program.

**BACKGROUND:**

The Pasadena Community Development Commission ("Commission") was the recipient of "Calhome" program funds totaling \$1,500,000 awarded by the State of California in FY 2008 (\$600,000 award under State Agreement No. 06-Calhome-0256) and FY 2009 (\$900,000 award under State Agreement No. 08-Calhome-4931). Calhome funds are utilized to provide loan assistance for qualified low income first-time homebuyers. Under the terms of the Calhome funding agreements with the State, the Commission's Chief Executive Officer is authorized to execute documents required by the State in connection with the Calhome program. Such documents include loan agreements, restrictive covenants, and amendments to the funding agreements.

With the dissolution of the Commission as redevelopment agency in 2012, the State has required that the City of Pasadena, as Housing Successor to the Commission, adopt a resolution authorizing the City Manager to execute all documents required by the State for participation in the Calhome Program.

To date, all Calhome funds awarded to the Commission have been utilized or are

committed.

**COUNCIL POLICY CONSIDERATION:**

The proposed action is consistent with the City's General Plan - Housing Element and the Five-Year Consolidated Plan. It also supports and promotes the quality of life and the local economy -- a goal of the City Council's Strategic Objectives.

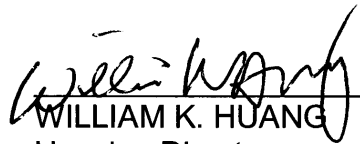
**ENVIRONMENTAL ANALYSIS:**

The proposed action has been determined to be exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3), the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The adoption of the proposed resolution in connection with State of California Calhome program funds has been deemed to not have the potential for significant effect on the environment.

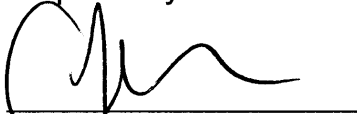
**FISCAL IMPACT:**

There is no fiscal impact in connection with the subject recommendation.

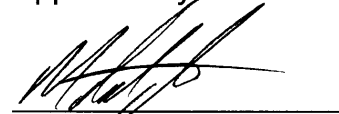
Respectfully submitted,

  
WILLIAM K. HUANG  
Housing Director

Prepared by:

  
JAMES WONG  
Senior Project Manager

Approved by:

  
MICHAEL J. BECK  
City Manager

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF PASADENA AS HOUSING SUCCESSOR TO THE PASADENA COMMUNITY DEVELOPMENT COMMISSION AUTHORIZING THE CITY MANAGER TO EXECUTE, ON BEHALF OF THE CITY OF PASADENA, ALL DOCUMENTS REQUIRED BY THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CALHOME PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM**

**WHEREAS**, THE former PASADENA COMMUNITY DEVELOPMENT COMMISSION (hereafter "Commission"), a public body, corporate and politic, had applied for and received allocations 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") 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 Commission submitted applications to obtain from HCD allocations of CalHome funds in the amount totaling \$1,500,000.

NOW THEREFORE the City of Pasadena as Housing Successor to the Pasadena Community Development Commission (hereafter "City of Pasadena") does hereby find, determine, and resolve as follows:

Section 1. The former Commission submitted to HCD two (2) separate applications to participate in the CalHome Program in response to the NOFAs issued on February 13, 2007 and April 18, 2008, which requested funding allocations for the following activities:

**February 13, 2007 NOFA** -- A grant of \$600,000 to fund the First-Time Homebuyer Assistance Program. The program will to be administered by a qualified, local non-profit organization and will provide providing mortgage assistance to qualified first-time homebuyers located in Pasadena, California.

**April 18, 2008 NOFA** -- A grant of \$900,000 to fund the First-Time Homebuyer Assistance Program to be administered by a qualified, local non-profit organization

providing mortgage assistance to qualified first-time homebuyers located in Pasadena, California.

Section 2. The applications for funding were approved and the Commission and HCD entered into Standard Agreements 06-CalHome-0256 and 08-CalHome-4931. The City of Pasadena 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. It also may execute any and all other instruments necessary or required by HCD for participation in the CalHome Program.

Section 3. The City of Pasadena authorizes the City Manager to execute in the name of the City of Pasadena, the application, the Standard Agreement, and all other documents required by HCD for participation in the CalHome Program, and any amendments thereto.

ADOPTED at the regular meeting of the City of Pasadena on the \_\_\_\_ day of \_\_\_\_\_, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Mark Jomsky, City Clerk

APPROVED AS TO FORM:

  
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Brad L. Fuller, Assistant City Attorney