DATE: APRIL 12, 1999

TO: COMMUNITY DEVELOPMENT COMMISSION

FROM: CYNTHIA J. KURTZ, CHIEF EXECUTIVE OFFICER

SUBJECT: APPROVAL OF A GRANT IN THE AMOUNT OF \$15,000 TO CHRISTMAS IN

APRIL * PASADENA FROM THE LOW AND MODERATE INCOME HOUSING TRUST FUND, OF PASADENA COMMUNITY DEVELOPMENT COMMISSION, FOR THE PROVISION OF MINOR HOUSING REHABILITATION ACTIVITY IN

THE FANNIEMAE REVITALIZATION AREA

RECOMMENDATIONS:

It is recommended that the Pasadena Community Development Commission ("Commission") adopt a resolution:

- 1) Finding and determining that the proposed expenditure of \$15,000 from the Commission's Low and Moderate Income Housing Trust Funds ("Housing Trust Funds"), is necessary to assist in the rehabilitation efforts of homes located in the FannieMae Revitalization Area.
- 2) Approving a \$15,000 grant from the Low and Moderate Income Housing Trust Fund General Account to "Christmas in April * Pasadena" to fund the annual housing rehabilitation program in the city of Pasadena for low income families, elderly and disabled individuals.
- 3) Amend the budget to approve a journal voucher in the amount of \$15,000 to be taken from the unallocated fund balance of the Low/Moderate Income Housing Trust Fund.
- 4) Authorize the Chief Executive Officer to execute, and the Secretary to attest, the contract with Christmas in April * Pasadena for said services.

BACKGROUND:

Christmas in April, founded in Midland, Texas, 1973, is a non-profit private organization. The Christmas in April Program is a nationwide one-day event to repair and rehabilitate the residential properties of low income, elderly or disabled households. Every year on the last Saturday in April, this national project unites a diverse volunteer population, including private developers, businesses, non-profit organizations, financial institutions and church groups, in an effort to assist people in need. The event will take place on April 24, 1999.

On the local level, last year the Commission approved a grant of \$10,000 to Christmas in April. Six (6) houses were rehabilitated; three of which were occupied by elderly disabled persons. Over 300 individuals volunteered their services. In addition to the work performed on the houses a significant amount of painting was done at Madison Elementary School. On the national level, last April, more than 50,000 volunteers rehabilitated and repaired approximately 2,000 homes in 165 cities throughout the United States. Volunteers from the communities heated homes that had no heat, installed plumbing in bathrooms and kitchens which were non-operable, and replaced or repaired broken kitchen appliances for the elderly.

A co-sponsorship has been established with the City of Pasadena and FannieMae. Since 1992, 46 homes have been rehabilitated for eligible homeowners in Pasadena. Housing repairs include: carpentry, plumbing, electrical, window repairs, plastering, painting, glazing, weather stripping, locksmithing as well as trash removal, landscaping and cleaning.

ESTABLISHED NEED:

For the low income, elderly or disabled in Pasadena, properly maintaining a home can be an impossible task. Due to the lack of adequate finances, many low-income households are not able to invest money in housing repairs and maintenance, thus resulting in deteriorated and dilapidated houses. Properties in need of repair contribute to blighted conditions for the neighborhood and the entire community.

A site visit is made of the properties by skilled trades persons and a member from the cosponsorship. Individual homeowners also request services by correspondence or by telephone contact. There is no financial responsibility incurred by the homeowner for services or supplies. A committee, composed of Christmas in April members, evaluates each property to determine eligibility. The criteria includes: rehabilitation need; location of property and household income.

FANNIEMAE RESIDENTIAL REVITALIZATION PROGRAM

The FannieMae Revitalization Program area of Northwest Pasadena has been identified by staff as the targeted area (Exhibit A) to be the recipient of this year's Christmas in April services. It is planned that eight (8) properties located within FannieMae Revitalization Area will be rehabilitated. In prior years, rehabilitation activity focused on residential properties in the Madison Neighborhood Revitalization Area, the Villa Parke Redevelopment Project Area, Lincoln Triangle, Northwest Pasadena, and the Carlton/Barthe areas. Funding for the Christmas in April program will address two specific goals and objectives contained in the City of Pasadena/Community Development Commission Implementation Plan 1995 -1999:

- Eliminate the conditions of blight existing in the Project Area
- Encourage and foster a Project Area residential rehabilitation program by providing incentives to landowners to improve and rehabilitate their properties

FINDINGS FOR THE PROPOSED EXPENDITURE OF COMMISSION FUNDS:

Section 33334.3 (c) of the State Health and Safety Code requires that "monies in the Low and Moderate Income Housing Fund shall be used to increase, improve, and preserve the supply of low-and moderate-income housing within the territorial jurisdiction of the agency. "Section 3334.2 (g) allows the Commission to use these funds outside the boundaries of a redevelopment project are if the City Council and the Commission first find that the use will benefit the redevelopment project from which the funds emanated. With respect to the proposed expenditure of the Commission's Low and Moderate Income Housing Trust Funds for the proposed rehabilitation activity, staff believes the commission is able to make a finding that the expenditure is necessary to increase or improve the supply of low-and moderate-income housing. The approval of the grant to Christmas in April * Pasadena is of benefit to the City of Pasadena since it will assist in the revitalization efforts of the FannieMae Revitalization Program Area. It is anticipated that the funds will be used to purchase materials which will be used for rehabilitation of the properties.

FISCAL IMPACT:

Christmas in April receives funds, in-kind donations, services/products from financial institutions, churches, businesses, corporations, foundations, service organizations, associations and individuals. Each year Christmas in April purchases paint, nails, lumber, roofing tiles, pipes, and in some cases fixtures. The Housing Trust Funds will be used to purchases these materials. There are no administrative costs for the program. Approval of the subject recommendation will reduce the unallocated fund balance by \$15,000 in the Low Income Housing Trust Fund, General Account (Account # 8172-684120-51501). The projected fund balance as of February 1999 is \$2,017,153. The Housing Rehabilitation Category in the budget: is 8172. Included in this report is a copy of the Christmas in April * Pasadena Projected Budget, April 1999, (Exhibit "B").

There is no impact on the General Fund.

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Chief Executive Officer

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