



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 17-1113, **Version:** 1

Approve and authorize the Economic Development Department Housing Office to use the most current version of the California Department of Housing and Community Development (HCD) Homebuyer Program Guidelines to implement the HOME-funded First Time Homebuyer (FTHB) Program.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the Economic Development Department Housing Office to use the most current version of the California Department of Housing and Community Development (HCD) Homebuyer Program Guidelines to implement the HOME-funded First Time Homebuyer (FTHB) Program.

SUMMARY:

On December 13, 2011, the Board of Supervisors approved minor revisions to the First Time Homebuyer Program Manual (Manual). The County has been using this Manual to implement its FTHB Program.

The California Department of Housing and Community Development has requested County staff to submit updated Homebuyer Program Guidelines in order to continue spending HOME funds on the FTHB program. HCD provides a Homebuyer Program Guidelines template that can be used by three of its funding programs: the HOME Investment Partnership Program, the Community Development Block Grant (CDBG) Program, and the CalHome Program. HCD updated the template in June 2017.

If the County participates in the aforementioned programs, each program must individually approve the Program Guidelines before the County can implement a FTHB program. Currently, the County only has HOME program income on hand to implement a FTHB Program. The HOME program approved the attached draft of the County of Monterey Homebuyer Program Guidelines on August 15, 2017.

DISCUSSION:

Over the years, the County has received grants from HCD to provide FTHB program loans to income-qualified households. In order to qualify for these grants, the County is required to have current Program Guidelines that describe all the aspects of the Program, including eligibility criteria, loan terms, and loan servicing procedures.

Currently, the County does not have an active grant, but it does have funds from Program Income in the amount of approximately \$575,000 received from the repayment of loans that were made using State HOME funds from prior grants.

HCD has requested that the County set up and complete its General Setup Conditions to be able to continue implementing a FTHB program using Program Income. The process requires approval of the Program Guidelines. The County's HCD HOME representative provided their current template for us to use. Staff recommends that the County of Monterey Economic Development Department Housing Office begin using HCD's provided template for uniformity and consistency with state regulations, and to make sure the County does not miss any updates released by HCD.

All current program terms and conditions are consistent with the previous approval from the Board of

Supervisor in December 2011.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved the recommended County of Monterey Homebuyer Program Guidelines (HOME approved 8/15/2017) as to form.

FINANCING:

There is no impact on the General Fund. All FTHB loans and loan repayments are budgeted in account Fund 013-8199.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The First Time Homebuyer Program provides down payment assistance opportunities to low and very-low income households to purchase their first home in the unincorporated areas of Monterey County.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development

Administration

X Health & Human Services

Infrastructure

X Public Safety

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Attachments:

Attachment A - County of Monterey First Time Home Buyer Program Manual

Attachment B - County of Monterey Homebuyer Program Guidelines

(Attachments are on file with the Clerk of the Board)