

Council Communication

Office of the City Manager



Date

February 20, 2006

Agenda Item No. 28
Roll Call No. 06-
Communication No. 06-081

Department: Community Development

AGENDA HEADING:

Approval of revised HOME Agreements for buyers of homes in the New Construction Program.

RECOMMENDATION:

Recommend approval to adopt use of revised HOME Agreements for buyers of homes in the Community Development's New Construction Program.

FISCAL IMPACT:

The Community Development's New Construction Program is funded through the U.S. Department of Housing and Urban Development's (HUD) HOME Investment Partnership Program (HOME), an entitlement program.

ADDITIONAL INFORMATION:

The City's Community Development Department is working with a variety of developers and end-purchasers on new construction of single family homes for low and moderate income buyers. The form of contract attached to the Roll Call will ensure that any HOME funds committed to an individual home owner are done so in compliance with the regulations of the HOME Investment Partnership Program. The agreements add language that homes assisted through the HOME new construction program are required to be resold to an income-qualified family for the duration of the period of affordability. The agreements also allow the City the right to verify income of the new owner and monitor the home throughout the period of affordability. Approval of the contract will allow Community Development staff to work with individual homeowners and lending institutions on satisfying the conditions of the HOME Program.

PREVIOUS COUNCIL ACTION(S):

Date: April 9, 2002

Roll Call Number: 02-872

Action: Council approved agreements for CDBG funded construction projects.

BOARD/COMMISSION ACTION(S):

Date: N/A

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Additional amendments will be needed to HOME and Community Development Block Grant (CDBG) Agreements to reflect changes to federal regulations and to allow commitment of funds for individual projects.