

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

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**Notice of Funding Availability
CalHome Program Disaster Assistance for Imperial County
Owner-Occupied Rehabilitation
May 6, 2010**

PROGRAM DESCRIPTION

A. Introduction

The California Department of Housing and Community Development (HCD) is pleased to announce that it is accepting applications under the CalHome Program for Disaster Assistance for Imperial County. CalHome regulations permit HCD to issue a separate over-the-counter Notice of Funding Availability (NOFA)¹ and direct funding awards to designated local program types including, but not limited to, community revitalization.² On April 4, 2010, a devastating earthquake struck Imperial County resulting in, among other things damage to residential structures and manufactured homes. As a result of the destruction, Governor Schwarzenegger declared a state of emergency for Imperial County and issued Executive Order S-06-10. The funds made available through this NOFA shall be used for lower-income owner-occupied rehabilitation or reconstruction for homes that were damaged in the April 4, 2010, earthquake, thus contributing to the community revitalization of these areas. This NOFA makes \$10 million dollars available from the proceeds of the sale of bonds authorized by Proposition 1C. Applications will be accepted on an over-the-counter basis until available funds are exhausted subject to the following procedures:

Applications will be accepted beginning at 8 a.m., on Monday May 17, 2010 and will be accepted until HCD has received what it determines to be a sufficient number of applications to use all funds currently available. If there are insufficient funds to fund all complete applications received on May 17, 2010, all complete applications received on that date will be scored using the criteria and scoring system set forth in Application Procedures Section C. below. **HCD reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this NOFA. If such an action occurs, HCD will notify all interested parties.**

¹ 25 Cal. Code of Regs. Sec. 7749(b).

² Ibid.

B. Program Summary

The purpose of this NOFA is to provide funding for the repair or replacement of lower-income owner-occupied homes, both conventional and manufactured homes, that were damaged as the result of the April 4, 2010 earthquake in Imperial County.

This NOFA will be governed by CalHome Program regulations (California Code of Regulations, Title 25, Division 1, Chapter 7, Subchapter 8, commencing with Section 7715) available on HCD's website at www.hcd.ca.gov. Accordingly, applications should be completed pursuant to the requirements as stated in the regulations.

This NOFA is subject to the requirements of CalHome Program authorized by Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code.

C. Eligible Applicants

To be eligible to apply for funding, the applicant shall be the County of Imperial, or a city or non-profit corporation operating within the County of Imperial that has operated as a housing program administrator and can provide documentation that they have operated a housing program for two of the last four years. (To be eligible to apply, a nonprofit corporation must also meet the requirements of 25 Calif. Code of Regulations Sec. 7717(a)(2).) Individual households are not eligible to apply for assistance through this NOFA.

D. Eligible Uses of Funds

Funds may be used for costs related to owner-occupied rehabilitation or replacement of a conventional or a manufactured home, Section 7733.

E. Maximum Application Amount

The maximum application amount for this NOFA is \$1.5 million dollars.

F. Eligibility for Homeowners

Eligible homeowners must be low-income households whose incomes shall not exceed 80 percent of the county median income adjusted for family size.

Imperial County 2009 80% income limit

	1	2	3	4	5	6	7	8
80%	31,250	35,700	40,200	44,650	48,200	51,800	55,350	58,950

All assisted households shall occupy the units as their principal place of residence for the term of the loan.

G. Homeowners Loan Amount

The maximum subsidy amount for each individual household is \$60,000. The \$60,000 cap includes the loan amount to the household and activity delivery fees. Financial assistance provided to individual conventional homes shall be in the form of deferred payment loans, repayable upon sale or transfer of the homes, when they cease to be owner-occupied, or upon the loan maturity date. Financial assistance provided to individual household to rehabilitate or repair, or replace manufactured housing located in a mobilehome park and not permanently affixed to a foundation shall be in the form of a conditional grant. The grant shall be due and payable in 20 years, with 10 percent of the original principle to be forgiven annually for each additional year beyond the 10th year that the manufactured home is owned and continuously occupied by the borrower.

H. Timeframes for Use of CalHome Program Funds

Successful applicants shall enter into a Standard Agreement with HCD. The term of the Standard Agreement shall be for 36 months from the date of the award letter. Recipients shall be required to meet the performance goals pursuant to Section 7755 (a).

APPLICATION PROCEDURES

A. Applications shall not be considered for funding unless the application is received by the deadline as stated in the NOFA and demonstrates that all of the following conditions exist:

- The Applicant is eligible.
- The activities are eligible.
- The proposed use of funds is eligible.
- The application was received by HCD on time.
- The application is complete.
- The application has not been altered or modified except to accommodate computer software.
- The application is signed by the party authorized in the Resolution.
- The applicant does not have any unresolved audit findings for prior department or federally-funded housing or community development projects or programs.
- The applicant has no pending lawsuits that would implementation of the program.

B. Evaluation Criteria

The Department will begin its review of applications after May 17, 2010, in the order of submission. Each application will be reviewed to ensure that the application meets the threshold requirements for completeness and sufficiency. With the exception of C. below those applications that meet the threshold will continue to receive awards on a first-come/first-served basis until the funds have been exhausted.

C. Application Scoring Criteria

If applications meeting threshold exceed \$10 million by close of business on May 17, 2010, all application will be scored using the criteria and scoring system set forth below. Applications will be scored in the categories noted below in **bold** type and applications with the highest scores will be funded until all funds are exhausted.

Criteria: (The criteria listed below represents a summary. Please refer to Section 7751 in the regulations for more specific information.)	Maximum Points
Capability to operate the program or develop the project by demonstrating prior experience with administration of the program activity proposed or in developing the type of homeownership development project as proposed and prior experience with loan servicing or a plan to provide loan servicing/management capabilities.	400
Community need in a geographic area of the proposed local program or project will be based on the following factors: Poverty level and overpayment for housing by low-income households, age of housing stock in the jurisdiction, numbers and percentages of substandard housing units, overcrowding of housing by tenure (including rental and ownership housing) in the jurisdiction, and percentages of households that are below poverty level and who are overcrowded and living in substandard housing by tenure, as reflected in U.S. Census data; and the ratio between the median home sales price and the median household income in the jurisdiction.	150
Feasibility of the proposed program activity is demonstrated by the extent to which the proposed program is responding to a community need and demonstrates a likelihood of success. For applicants proposing a homeownership development project, readiness of the project, and ability of the project to serve low- and very low-income households will be measured. Feasibility for program applications will be determined by statistical indicators in the following areas: For a mortgage assistance program, the ratio between the median home sales price and median household income in the jurisdiction, and the percentage of low-income homeowners.	200
Contributes to community revitalization by operating a program/project located in a federally defined Qualified Census Tract or in a designated redevelopment area under the jurisdiction of the local Redevelopment Agency.	100

Extent to which contributed labor is utilized in homeownership project for new construction. A minimum of 500 hours of onsite contributed construction labor per assisted unit must be provided. Points will be awarded comparatively, based on the number of contributed construction labor hours guaranteed, with additional weight given to the amount of contributed labor being provided by the homebuyer.	50
Maximum Baseline Points	900

D. Application Submission

Applications must be made on the forms provided by HCD. Applicants may submit only **one** application in response to this NOFA. Application forms must not be modified.

CalHome Program staff will be holding an Application Workshop,

Applications will be available at the Application Workshop and will also be available at HCD's website on the date this NOFA is released or you may contact program staff at (916) 327-3646. Applications must be delivered to one of the following addresses:

U.S. Mail

Department of Housing and
Community Development
CalHome Program
Division of Financial Assistance

P.O. Box 952054
Sacramento, CA 94252-2054

Private Courier

Department of Housing and
Community Development
CalHome Program
Division of Financial
Assistance

1800 3rd Street, Room 390-2
Sacramento, CA 95811

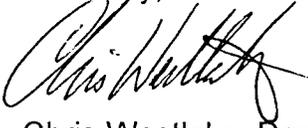
It is the applicant's responsibility to ensure that the application is clear, complete and accurate. CalHome Program staff may request clarifying information provided that such information does not affect the rating of the application. No information will be solicited or accepted if this information would result in an advantage to the applicant. No applicant may appeal HCD staff's evaluation of another applicant's submission.

E. Information and Assistance

Staff is available to answer questions regarding the program or the preparation and submittal of the application. Please call the CalHome Program staff at (916) 327-3646.

Thank you for your interest in the CalHome Program Disaster Assistance NOFA.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Westlake", written in a cursive style.

Chris Westlake, Deputy Director
Division of Financial Assistance