



# COUNTY OF HUMBOLDT

## Legislation Text

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**File #:** 23-1457, **Version:** 1

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**To:** Board of Supervisors

**From:** Planning and Building Department

**Agenda Section:** Consent

**Vote Requirement:** 4/5th

**SUBJECT:**

Approval of CalHome Program Policy and Guidelines and Supplemental Budget for Advanced Planning in the amount of \$2,660,000 for the CalHome Program (4/5 Vote Required)

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Review and approve CalHome Program Policy and Guidelines;
2. Approve the attached Supplemental Budget for Advanced Planning in the amount of \$2,660,000 for the CalHome Program (4/5 Vote Required);
3. Direct Auditor to add a new 10-digit Org Key; and
4. Direct Planning and Building staff to implement the Housing and Community Development CalHome Grant.

**SOURCE OF FUNDING:**

California State Department of Housing and Community Development (HCD) CalHome Grant; funded by the Affordable Housing Bond Act Trust Fund of 2018.  
General Fund - Advanced Planning (1100282)

**DISCUSSION:**

Your Board approved an application for a \$2,660,000 grant through the California Department of Housing and Community Development (HCD) CalHome Program for an owner-occupied rehabilitation loan program (OOR) and accessory dwelling unit loan program (ADU). This action requests approval of a supplemental budget to accept grant funds in the amount of \$2,660,000 (Attachment A).

The OOR program allows an owner to repair the home they live in. The ADU program allows the owner to add a unit, thus increasing their income. Currently the Cal Home Program limits participation to individuals and households that earn less than 80% of the area's median income, based on household

size. In 2022, an individual earning less than \$43,650 per year is eligible to borrow CalHome funds and a household of four people would need to earn less than \$62,300 to be eligible. In most cases, the maximum funding amount per loan is \$100,000.

The cost to administer the loans are factored into and covered by the grant. There is a maximum of 20% activity delivery fees allowed per loan which equates to a maximum of \$20,000 per loan. In addition, there is up to 5% allowed for general grant administration (billing, tracking, etc.) The program will be administered according to the county's CalHome Policies and Guidelines (Attachment B). This was developed by the county and approved by HCD.

FINANCIAL IMPACT:

The Supplemental Budget attached will recognize \$2,660,000 in revenue and establish expense lines for the administration of the HCD CalHome Grant including expenses associated to the set-up, administration and loan costs of the program in Advanced Plannings' budget. 1100282.

The grants will allow issuance of loans to people to improve their property. It is hard to estimate how many will happen per year or the amount. There is administrative cost included within the grant to cover the staff time processing the loans.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by protecting vulnerable populations and creating opportunities for improved health and safety.

OTHER AGENCY INVOLVEMENT:

None.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose to not accept the grant award and/or approve the policy and guidelines for the CalHome Program. However, this is not recommended because budgeting these funds will make money available for Owner Occupied Rehab for the preservation of existing housing and to make money available to encourage development of Accessory Dwelling Units. Adding housing stock and protecting existing housing stock are priorities for the county.

ATTACHMENTS:

Attachment A: HCD CalHome Supplemental Budget

Attachment B: County of Humboldt CalHome Policies and Guidelines

PREVIOUS ACTION/REFERRAL:

Board Order No.: D15

Meeting of: 11/16/21; 7/12/22; 9/27/22

File No.: 21-1606; 22-834; 22-1186

