

PLACER COUNTY
COMMUNITY DEVELOPMENT GRANTS AND LOANS
MEMORANDUM

TO: Honorable Members of the Board of Supervisors
FROM: Richard E. Colwell, Chief Assistant CEO–Redevelopment Director
James LoBue, Deputy Director *RE Colwell*
DATE: March 25, 2008
SUBJECT: Adopt a Resolution Authorizing the Transfer of \$30,000 of Community Development Block Grant Program Income from the Community Facilities Revolving Loan Account and \$20,000 from the Business Assistance Revolving Loan Account into the Housing Rehabilitation Revolving Loan Account.

ACTION REQUESTED: Adopt a resolution authorizing the transfer of \$30,000 of Community Development Block Grant (CDBG) Program Income from the Community Facilities Revolving Loan Account (RLA) and \$20,000 from the Business Assistance RLA into the Housing Rehabilitation RLA.

BACKGROUND: CDBG Program Income are funds returned from loans made with CDBG funds. Federal CBDG guidelines require that the governing body overseeing CDBG Program Income loan activities hold a public hearing and authorize transfers, when necessary, between revolving loan accounts.

As of December 31, 2007, there are positive balances of \$25,524 remaining in the Business Assistance RLA, \$61,783 remaining in the First Time Homebuyer RLA, and \$35,136 remaining in the Community Facilities RLA. There are insufficient funds in the Housing Rehabilitation RLA to fund current applications. State regulations require that CDBG Program Income be spent as soon as possible. There are no business loans or proposed community facilities projects imminent, and there are several applications on file with Placer County for housing rehabilitation assistance. Therefore, it is recommended that the funds transfer occur.

FISCAL IMPACT: The proposed action is to transfer existing CDBG Program Income funds within existing eligible categories. There will be no impact to the County’s General Fund. Housing Rehabilitation loans are fully funded by CDBG Program Income funds as well as CDBG grant funds and Redevelopment Tax Increment Housing Set-Aside Funds.

ENVIRONMENTAL: This action is an administrative action that is exempt from both the California Environmental Quality Act and the National Environmental Policy Act.

RECOMMENDATION: Adopt a resolution authorizing the transfer of \$30,000 of CDBG Program Income from the Community Facilities RLA and \$20,000 from the Business Assistance RLA into the Housing Rehabilitation RLA.

Attachment: Resolution

cc: Karin Schwab, Deputy County Counsel

Before the Board of Supervisors County of Placer, State of California

In the matter of:

The Transfer of \$30,000 of Community Development Block Grant Program Income from the Community Facilities Revolving Loan Account and \$20,000 from the Business Assistance Revolving Loan Account into the Housing Rehabilitation Revolving Loan Account.

Resol. No:.....

Ord. No:.....

First Reading:

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

Chair, Board of Supervisors

Clerk of said Board

WHEREAS, the State Department of Housing and Community Development's Community Development Block Grant (CDBG) Management Manuals requires that a public hearing be held and a resolution passed by the governing board for all transfers of CDBG Program Income from one Revolving Loan Account (RLA) to another; and

WHEREAS, the Placer County Board of Supervisors held a public hearing on March 25, 2008, and notice of the meeting was duly published in accordance with State and County regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer that the Chief Assistant CEO-Redevelopment Director or designee is authorized to transfer \$30,000 of CDBG Program Income from the Community Facilities RLA and \$20,000 Business Assistance RLA into the Housing Rehabilitation RLA.