

RESOLUTION NO. RA 02-01

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF PASO ROBLES  
APPROPRIATING \$2,600 IN LOW AND MODERATE INCOME HOUSING FUNDS TO OFFSET  
LOAN ADMINISTRATION FEES FOR THE CALHOME LOAN PROGRAM

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WHEREAS, in 2000, pursuant to SB 1656 (Alarcon), the State of California established the "CalHome" Program, which provides grants of up to \$500,000 to local governments to make first-time homebuyer's deferred-payment second mortgage loans for lower income households; and

WHEREAS, on April 12, 2001, the City of El Paso de Robles ("City") received notification from the State Department of Housing and Community Development that the City had been approved for a grant of \$500,000 in CalHome funds; and

WHEREAS, it is expected that the \$500,000 grant will provide 26 CalHome loans; and

WHEREAS the City of Paso Robles has engaged the services of the Housing Authority of the City of San Luis Obispo ("HASLO") to provide loan administration services for CalHome Loans up to the close of escrow, for a fee of 5% of the amount of the loan up to a maximum fee of \$900 per loan; and

WHEREAS, at its meeting of May 15, 2001, the Redevelopment Agency of the City of El Paso de Robles ("Agency") adopted Resolution RA 01-06 to appropriate \$26,000 in Low and Moderate Income Housing ("LMIH") Funds to assist in the financing of loan administration services for the CalHome Loan Program at the rate of \$500 per loan; and

WHEREAS, the State's Guidelines for the CalHome Program allow for CalHome grant proceeds to be used for loan administration purposes up to a maximum of \$250 per loan; and

WHEREAS, the State's Guidelines for the CalHome Program limit the amount of funds provided by CalHome borrowers to a maximum of \$50 per loan; and

WHEREAS, it is expected that HASLO's fees for most CalHome Loans will be \$900, of which \$600 must be provided by either the City or the Agency; and

WHEREAS, such use of LMIH funds for assisting first-time homebuyers purchase homes is consistent with the 1999 Redevelopment Implementation Plan; and

NOW, THEREFORE, BE IT RESOLVED, by the Paso Robles Redevelopment Agency (“Agency”) to appropriate \$2,600 in Redevelopment Low and Moderate Income Housing funds to Account No. 701-810-5235-486 to supplement the LMIH funds authorized by Resolution RA 01-06 to offset a portion of the cost of HASLO’s loan administration fees at the rate of \$600 for each household that qualifies and obtains a CalHome loan.

PASSED AND ADOPTED by the Redevelopment Agency of the City of Paso Robles on this 3<sup>rd</sup> day of January 2002 by the following roll call vote:

AYES: Heggarty, Mecham, Nemeth, Picanco and Finigan  
NOES: None  
ABSENT: None  
ABSTAIN: None

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George P. Finigan, Chairman

ATTEST:

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Sharilyn M. Ryan, Deputy City Clerk