

STAFF REPORT
City of Lancaster, California

CC 17
03/13/07
RSL

Date: March 13, 2007

To: Mayor Hearn and City Council Members

From: Elizabeth Brubaker, Housing and Neighborhood Revitalization Director

Subject: **Approve the Appropriation of the Award of Funds from the CalHome Program to be used for Eligible Activities under the State of California, Department of Housing and Community Development CalHome Program**

Recommendation:

Approve the appropriation of the award of funds from the CalHome Program to be used for eligible activities under the State of California, Department of Housing and Community Development CalHome Program. Appropriate \$262,875 to revenue account number 349-3302-100 and appropriate \$262,875 to expenditure account number 349-4542-770.

Fiscal Impact:

The Agency will receive an award of funds in the amount of \$262,875 from the State of California, Department of Housing and Community Development CalHome Program to be used for the preservation and restoration of the existing owner-occupied affordable housing in the Arbor Walk section of the North Downtown Transit Village, which is an eligible activity under the State of California, Department of Housing and Community Development CalHome Program.

Background:

On July 24, 2001, the City Council directed staff to undertake actions necessary to implement and complete the approved North Downtown Transit Village (NDTV). The NDTV although shaped irregularly in some blocks is generally bounded by Avenue I, Kettering Avenue, Sierra Highway, and Fern Avenue.

One significant component of the removal of blight and renewal of the North Downtown Transit Village is the revitalization of a four-block area of residential and commercial properties bounded by Avenue I, Sierra Highway, Jackman Street, and Elm Avenue referred to as Arbor Walk. The plan emphasis in the three blocks west of Beech Avenue is for the retention and rehabilitation of the existing housing stock.

On August 23, 2003, the City Council directed staff to apply for funds from the California Department of Housing and Community Development under the CalHome Program, execute a standard agreement, any amendments, and/or related documents, to receive such funds and to take other actions necessary to facilitate the proposed CalHome Program. The City has secured

Appropriate Award of Funds from the CalHome Program

March 13, 2007

Page 2

\$262,875 from this program for the rehabilitation of existing owner-occupied housing to preserve and restore affordable housing in the North Downtown Transit Village.

The CalHome funding will be utilized for the rehabilitation of owner-occupied residences in the Arbor Walk section of the NDTV. The City will use the funds to provide decent, safe, sanitary, and affordable housing; to preserve the quality of the neighborhoods as well as the value of public capital invested in local schools, streets, utilities, and public park facilities; and to help homeowners carry out and maintain the improvements, preserving pride of ownership as well as the value of homeowners' equity. If the cost to rehabilitate the residences due to unforeseen events exceeds \$262,875 the Agency will grant to the homeowner the funds to complete rehabilitation of the residence utilizing the Agency's Low and Moderate Income Housing Fund

EB:tv:dle