

# CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI  
MAYOR

HOLLY L. WOLCOTT  
Interim City Clerk

Office of the  
CITY CLERK

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When making inquiries relative to  
this matter, please refer to the  
Council File No.

September 30, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 13-0122,  
at its meeting held September 24, 2013.

City Clerk  
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Mayor's Time Stamp  
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2013 SEP 26 AM 8:51  
CITY OF LOS ANGELES

City Clerk's Time Stamp  
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2013 SEP 26 AM 8:47  
CITY CLERK  
BY \_\_\_\_\_  
DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 13-0122

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE September 24, 2013

RE: AUTHORIZATION TO ESTABLISH AN ACCOUNT AND RECEIVE AND EXPEND HOMEBUYER ASSISTANCE GRANT FUNDS AWARDED FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT CALHOME PROGRAM IN THE AMOUNT OF \$1.5 MILLION

LAST DAY FOR MAYOR TO ACT OCT 07 2013  
(10 Day Charter requirement as per LAAC Section 14.7)

**DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY**

APPROVED  
✓  
\_\_\_\_\_

\*DISAPPROVED  
\_\_\_\_\_

\*Transmit objections in writing pursuant to LAAC Section 14.7

DATE OF MAYOR APPROVAL OR DISAPPROVAL 9/26/13

E. G. [Signature]  
MAYOR

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2013 SEP 27 AM 11:55  
BY \_\_\_\_\_  
CITY CLERK  
DEPUTY

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COMMUNICATION FROM VICE CHAIR, HOUSING COMMITTEE relative to authorization to establish an account and receive and expend Homebuyer Assistance Grant funds awarded from the California Department of Housing and Community Development CalHome program in the amount of \$1.5 million.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Los Angeles Housing and Community Investment Department (HCIDLA), or designee, to:

- a. Receive and deposit CalHome Program IX grant fund advances and reimbursements into the HCIDLA's existing CalHome Trust Fund account up to the entire grant award amount of \$1.5 million.
- b. Receive interest earned and CalHome IX Program repayments of principal and interest from low-income home buyers in accordance with federal and State guidelines and all local rules and ordinances of the City of Los Angeles.
- c. Appropriate the interest and program income to the previously established CalHome Fund 46X, 43E721 CalHome Reuse Acct-Program Income Account. The CalHome Program requires one Reuse Account be established for all CalHome Program grants to receive interest accrued, loan repayments and other program income.
- d. Use funds in the Affordable Housing Trust Fund (AHTF, Fund 44G) as an advance to Fund 46X CalHome Trust Fund as working capital until fully reimbursed by the California Department of Housing and Community Development.

2. AUTHORIZE the Controller to:

a. Establish a new CalHome Trust Fund account; and, appropriate funds within this account (CalHome Trust Fund 46X, Department 43) for FY 2013-14 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
43K923	CalHome IX Mortgage Assistance - Advances & Reimbursements	\$1,500,000

- b. Expend funds from CalHomeTrust Fund 46, Department 43, Account 43K923, CalHome IX Mortgage Assistance - Advances & Reimbursements, not to exceed \$1,500,000, upon proper written demand by the General Manager, HCIDLA, or designee, for soft-second loans to low-income homebuyers in accordance with applicable State and federal guidelines and all local rules and ordinances of the City of Los Angeles.
- c. Transfer \$375,000 Cash from AHTF Fund 44G/43 as an advance to be fully reimbursed upon receipt of Cal Home Trust Fund 46X/43.

- d. Establish a Balance Sheet Account in the AHTF Fund 44G to record the receivables account from Fund 46X/43 CalHome Trust Fund and corresponding Balance Sheet Liability Account to record payables in the latter fund.
3. AUTHORIZE the General Manager, HCIDLA, or designee to prepare Controller Instructions and to make any necessary technical adjustments consistent with Mayor and Council actions and relative to receipts and appropriation of funds received from interest earned, repayment from borrowers, and reimbursements to other funds for the CalHome Program, subject to approval by the City Administrative Officer (CAO), and AUTHORIZE the Controller to implement such instructions.

Fiscal Impact Statement: The CAO reports that there is no fiscal impact to the General Fund. Approval of the recommendations will result in the acceptance of a \$1.5 million grant from the California Department of Housing and Community Development to provide purchase and down-payment assistance to low-income homebuyers throughout the City. The recommendations are in compliance with City Financial Policies in that grant funds fully pay for program expenditures.

Community Impact Statement: None submitted.

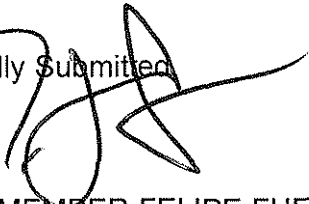
#### SUMMARY

At a regular meeting held on September 11, 2013, the Vice Chair of the Housing Committee considered a report from the HCIDLA dated July 23, 2013, and a report from the CAO dated September 9, 2013, relative to authorization for the HCIDLA to receive Homebuyer Assistance Grant funds awarded from the State of California Department of Housing and Community Development (HCD) CalHome Program in the amount of \$1.5 million, establish an account, and other related accounting actions to allow for the expenditure of the grant funds.

Representatives of the CAO and the HCIDLA provided a brief overview of the matter and responded to related questions from the Committee Vice Chair. The HCIDLA reported that it previously applied for a CalHome grant and is now requesting authorization to accept the \$1.5 million grant awarded from the California HCD in order to provide downpayment assistance for low income first time homebuyers in the City of Los Angeles. The HCIDLA is also requesting authorization for the Controller to establish an account for the CalHome grant and appropriate funds within the account.

After providing an opportunity for public comment, the Committee Vice Chair recommended that Council approve the recommendations in the CAO report. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,



COUNCILMEMBER FELIPE FUENTES, VICE CHAIR  
HOUSING COMMITTEE

**ADOPTED**

SEP 24 2013

LOS ANGELES CITY COUNCIL

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	ABSENT
FUENTES:	YES
WESSON:	ABSENT
BUSCAINO:	ABSENT
PRICE:	ABSENT

-NOT OFFICIAL UNTIL COUNCIL ACTS-