



DATE: August 18, 2010

TO: Chairman and Members of the Community Development Commission

FROM: Neighborhood Services Department

SUBJECT: **APPROVAL OF TWO LOAN APPLICATIONS UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) HOUSING REHABILITATION PROGRAM**

SYNOPSIS

Staff recommends that the Community Development Commission (CDC) approve two loan applications in the amounts of \$14,149 and \$13,587.25, under the CDBG Housing Rehabilitation Program.

BACKGROUND

The City of Oceanside has administered a CDBG housing rehabilitation program since 1978. The purpose of this program is to provide financial assistance for lower-income households to make necessary home improvements, eliminate serious health and safety hazards in private residences, and enhance the City's housing stock by improving and preserving the primary residences of low- and moderate-income families.

ANALYSIS

It is administratively necessary that the following loan applications, under the CDBG program, be submitted to the CDC for approval:

Application by Ms. "A" for the rehabilitation of a single-family dwelling. The work to be completed includes: exterminating termites; replacing dry-rotted wood, patio cover, fence, windows, and garage door; and installing smoke detectors.

Application by Mr. and Mrs. "B" for the rehabilitation of a single-family dwelling. The work to be completed includes: exterminating termites; replacing dry-rotted wood, rain-gutters, and windows; installing ground fault circuit interrupters and smoke detectors; and painting the exterior.

Contractors that want to participate in the Rehabilitation Loan Program submit their contractors license, Oceanside business license, general liability insurance, and workers' compensation insurance to Neighborhood Services Department staff to review

for compliance with program guidelines. A list of these contractors is provided to applicants as a courtesy, City staff does not endorse or recommend any contractors. Homeowners must obtain at least three (3) bids from any licensed contractors to bid on the proposed work. The low bidder must be awarded the contract unless the Neighborhood Services Director, or designee, deems that bid inordinately low.

FISCAL IMPACT

Funding of \$27,736.25 is available from the approved CDBG Residential Rehabilitation Program. Should the CDC approve these loans, the remaining CDBG fund balance available for loans in FY 2010-11 will be \$297,263.75. These loans are due and payable upon change of title. Administrative costs for this program are included in the Neighborhood Services Department's approved budget as part of the CDBG Housing Rehabilitation Loan Program.

COMMITTEE REPORT

At its meeting held on July 7, 2010, the Residential Rehabilitation Loan Committee found that the loan applicants have met the requirements of the CDBG Housing Rehabilitation Loan Program and recommended approval of the loan applications.

CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Staff recommends that the CDC approve two loan applications in the amounts of \$14,149, and 13,587.25, under the CDBG Housing Rehabilitation Program.

PREPARED BY:



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SUBMITTED BY:



Peter A. Weiss
Executive Director

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager



Margery M. Pierce, Director of Neighborhood Services



Exhibit: Summary Table

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**SUMMARY TABLE
RESIDENTIAL REHABILITATION**

**APPLICANT BMIR 3% LOAN/GRANT GRANT CALHOME
DEFERRED**

1. "A"		\$14,149			
2. "B"		\$13,587.25			
SUB-TOTAL		\$27,736.25			

GRAND TOTAL \$27,736.25 Prepared By: Neighborhood Services Dept.