

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Nancy Burns, Senior Management Analyst *Dec 11
for NB*

DATE: February 6, 2008 (CC Meeting of February 20, 2008)

SUBJECT: Consider Mobilehome Rehabilitation Program and Resolution Amending Fiscal Year 2007/2008 Budget to Fund the Program

BACKGROUND

The City's successful Mobilehome Rehabilitation Loan Program, funded through a CalHome grant of \$420,000, provided loans for repairs to 25 mobilehomes in Villa del Arroyo throughout 2002-2003. As some of the forgivable loans are paid off before the forgiveness period expires, those funds are deposited into a special reuse account, as required by CalHome regulations. These funds may be put to work again as new loans through the CalHome program. Funds are restricted to low and very low income applicants.

DISCUSSION

The City has not sponsored a mobilehome rehabilitation program since 2003. From time to time, residents of Villa del Arroyo have contacted City staff to inquire about the availability of funds for needed repairs to their mobilehomes. Because of the nature of these homes, not being permanently attached to real property, obtaining loans for repairs can be more difficult than obtaining a loan for repairs on a conventional home.

Staff recommends reinstating the City Mobilehome Rehabilitation Program. This includes maximum loan amounts of \$20,000, and a deferred forgiveness provision which allows 20% of the loan amount to be forgiven each year, from Year 6 of the loan, through Year 10, providing the Borrower is in compliance with the terms of the program. The loan must be repaid upon the refinance of any debt secured by a lien on the mobilehome, or upon any sale or transfer of any interest in the mobilehome without City's prior approval. Costs of the transaction, other than City staff time to oversee the program, will be included in the loan amount. These costs are estimated to be

approximately \$2,000 per transaction. No interest will be charged. Loan payoff amounts, if there are any, will be deposited in the same reuse account.

Funds identified for this program are estimated to be adequate for 3 or 4 mobilehome rehabilitations.

FISCAL IMPACT

Approximately \$74,324 is available from previous mobilehome rehabilitation loan payoffs to be "reused" for an eligible purpose, as discussed in this report. As these funds have not been budgeted for this purpose, a Budget Amendment Resolution is being requested.

STAFF RECOMMENDATION (ROLL CALL VOTE REQUIRED)

1. Authorize reinstating the Mobilehome Rehabilitation Program for low and very low income owner-occupied mobilehomes as described in this report.
2. Approve Resolution No. 2008 - _____.

Attachment "A" Resolution No.2008 - _____

Attachment "A"

RESOLUTION NO. 2008 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FISCAL YEAR 2007/2008 BUDGET BY APPROPRIATING \$74,324 FROM THE CITY'S CALHOME PROGRAM REUSE FUND FOR MOBILEHOME REHABILITATION LOANS AND ASSOCIATED COSTS

WHEREAS, On June 20, 2007, the City Council of the City of Moorpark adopted the budget for Fiscal Year 2007/2008; and

WHEREAS, the State of California Department of Housing and Community Development previously provided CalHome funds to the City for mobilehome rehabilitation loans; and

WHEREAS, certain of these mobilehome rehabilitation loans have been paid off, in the total amount of \$74,324; and

WHEREAS, the City wishes to authorize the "reuse" of these funds for additional mobilehome rehabilitation loans, consistent with CalHome program requirements; and

WHEREAS, a budget amendment is required to fund this program.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. A budget amendment in the total amount of \$74,324 from the City's CalHome Program Reuse Fund (2202) for a City Mobilehome Rehabilitation Loan Program, for mobilehome rehabilitation loans and associated costs, as more particularly described in Exhibit "A", attached hereto, is hereby approved.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 20th day of February 2008.

Patrick Hunter, Mayor

ATTEST:

Deborah S. Traffenstedt, City Clerk

Attachment: Exhibit "A" - Budget Amendment

EXHIBIT A

**BUDGET AMENDMENT FOR
CITY MANAGER
FY 2007-08**

FUND ALLOCATION FROM:

Fund	Account Number	Amount
CallHome Program Reuse Fund	2202-5500	\$ 74,324.00
Total		\$ 74,324.00

DISTRIBUTION OF APPROPRIATION TO EXPENSE ACCOUNTS:

Account Number	Current Budget	Revision	Amended Budget
2202.2430.0000.9282		\$ 74,324.00	\$ 74,324.00
	\$ -		\$ -
Total	\$ -	\$ 74,324.00	\$ 74,324.00

Approved as to Form: 