

CITY OF AMADOR
RESOLUTION NO. 208

RESOLUTION FOR DESIGNATION CITY OF AMADOR
AS A MORTGAGE ASSISTANCE AREA

WHEREAS, It is the goal of this locality to assist persons and families of low and moderate income achieve access to housing finance; and

WHEREAS, The California Housing Finance Agency has such programs;

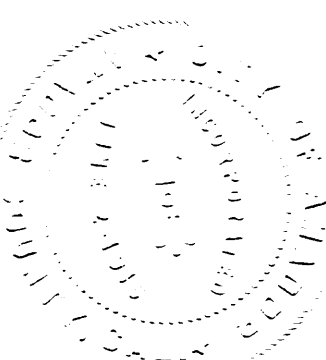
THEREFORE, We hereby designate the (City of Amador, unincorporated County of Amador) for the purpose of receiving financial assistance from the California Housing Finance Agency.

Passed and Adopted at a regular meeting of the City Council of the City of Amador on the 10th day of July, 1980, by the following vote;

AYES: Councilmen Daubenspeck, Matich, Hart

NOES: None

ABSENT: Councilman Fagundes



Lloyd L. Smith
Mayor, City of Amador

ATTEST:

Harold K. Burns
City Clerk, City of Amador

Home Ownership Home Improvement Loan Program(HOHI)

The California Housing Finance Agency (CHFA) will be accepting applications from cities and counties in the Central Sierra for the Home Ownership Home Improvement Program. The Central Sierra Planning Council will prepare the application to CHFA on behalf of member agencies interested in the program. The application is necessary to have the applicant jurisdiction designated by CHFA as a "mortgage assistance area". Localities so designated will receive their share of the agency's available HOHI mortgage funds. These funds can be used by low and moderate income people to purchase and/or rehabilitate their homes at an interest rate approximately 2 full points below the market interest rate. Maximum loan amount is \$60,000. Eligible applicants must have annual incomes below \$14,400 for a family of 1-2 persons; \$17,300 for a family of 3-5 persons; \$18,700 for family of 6 or more persons.

The program works as follows: An individual or family will apply directly to a private lender for either FHA, VA or commercial bank financing. The lender then determines eligibility through its normal processes. Downpayments depend on the type of financing. The only difference is that the interest rate will reflect that of the State's most recent bond sale(plus a small fee). Once the loan is closed, the lender will sell the loan to the California Housing Finance Agency.

For a mortgage of \$50,000, an applicant would save at least \$70 to \$80 per month in mortgage payments.

The types of loans available are the following:

1. Purchase of an existing structure.
2. Purchase of an existing structure, and rehabilitation costing at least 20% of the structure's valuation.
3. Refinancing of an already-owned structure, plus rehabilitation so that the total appraised value does not exceed \$60,000.
4. Construction of new homes.

The (Board/Council) should be advised that its involvement is limited to approving the attached resolution, and after approval, executing an agreement with CHFA. The agreement recites the locality's obligation to designate the mortgage assistance area and to select the approved mortgage lender. No local funds will be expended. In fact, no tax dollars are used to provide the financing. CHFA sells tax-exempt revenue bonds on the municipal bond market. It uses these funds to actually buy the mortgages.

The Central Sierra Planning Council proposes to select the approved mortgage lender on behalf of and with the assistance of participating localities. We will set up a competitive process to insure maximum service to applicants and a comprehensive approach to the program. CSPC's ongoing housing outreach program will serve to provide referrals to approved lenders.

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WHEREAS, The California Housing Finance Agency has such programs;

THEREFORE, We hereby designate the (City of _____, unincorporated County of _____) for the purpose of receiving financial assistance from the California Housing Finance Agency.

Passed and Adopted at a regular meeting of the _____
_____ (city council, Board of Supervisors) of the
_____ (city, county) of _____
_____ on the _____ day of _____, 19 _____, by
the following vote:

AYES:

NOES:

ABSENT:

Attest: _____
(Secretary)

Mayor (or Chairman)

ATTN: TOM B.