TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: Leslye Corsiglia
Julia H. Cooper
DATE: February 26, 2014

SUBJECT: SEE BELOW

INFORMATION


EXECUTIVE SUMMARY

This memorandum details actions taken under the delegation of authority to the Director of Housing and the Director of Finance for the second quarter of FY 2013-14 (October 1, 2013 through December 31, 2013). During this reporting period, the Director of Housing approved actions modifying terms of: one (1) single-family home; and two (2) miscellaneous actions pertaining to multifamily projects. These transactions are listed in Attachment A.

In addition, the Director of Housing approved: six (6) new rehabilitation loans and grants totaling $315,000; four (4) new homebuyer loans totaling $359,096; and one (1) Housing Trust Fund grant totaling $50,000. The Director of Finance held no TEFRA hearings during this reporting period. This activity is summarized in Attachment B.

BACKGROUND

On September 4, 1990, the City Council adopted Ordinance No. 23589, which delegated to the Director of Housing certain specified authorities in the administration of the City’s comprehensive affordable housing program (the “Delegation of Authority” or “DOA”). On May 23, 2000, the DOA was amended by Ordinance No. 26127 to clarify certain sections and to add several other provisions. On June 25, 2002, the DOA was further amended by Ordinance No. 26657 to add several provisions delegating additional authority to the Director of Housing, the Director of Finance, and the City Manager. Subsequently, the City Manager delegated to the Director of Housing the contract authority granted to the City Manager. Effective July 26, 2007, the DOA was further amended by Ordinance No. 28067 to modify certain provisions in order to streamline the Housing Department’s process of making and adjusting loans and grants.
The DOA is codified in Chapter 5.06 of the Municipal Code. This Memorandum reports on activities undertaken pursuant to the Administration’s delegated authority for the period of October 1, 2013 through December 31, 2013.

ANALYSIS

The DOA authorizes the Director of Housing: to develop and implement additional guidelines for housing programs; to adjust terms on housing loans and grants; to change the funding sources of a loan; to convert loans to grants; to loan or to grant Housing and Homeless funds, Predevelopment funds, and Housing Rehabilitation Program funds; to negotiate and to execute grant agreements necessary to implement Council-approved programs adopted in the Annual Action Plan of the Consolidated Plan; to provide management for, and/or dispose of, properties acquired through direct purchase, foreclosure or deed-in-lieu proceedings; to formalize the City Council’s policies and procedures regarding housing loan defaults; to apply for federal or State funding; to determine, within defined parameters, various terms and conditions of loans and grants previously approved by the City Council; to make adjustments, within defined parameters, to loans and grants previously approved by the City Council; and to make other technical changes.

Further, the DOA delegates jointly to the Director of Housing and Director of Finance certain authority related to the City’s issuance of tax-exempt, private activity bonds to finance the development of affordable housing projects. The DOA also delegates to the Director of Finance the authority to hold Tax Equity and Fiscal Responsibility Act (TEFRA) hearings on the City’s proposed issuance of tax-exempt bonds to finance affordable housing projects.

Attached are charts that detail the actions taken under the DOA during the period of October 1, 2013 through December 31, 2013.

COORDINATION

Preparation of this report has been coordinated with the Office of the City Attorney.

/s/ JULIA H. COOPER /s/ LESLYE CORSIGLIA
Director of Finance Director of Housing

For more information, contact Leslye Corsiglia, Director of Housing, at (408) 535-3851.

Attachments A & B
ATTACHMENT A

ACTIONS TAKEN BY THE DIRECTOR OF HOUSING
2nd Quarter 2013 – 2014 (October - December 2013)

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>Action</th>
<th>Muni Code Citation</th>
</tr>
</thead>
</table>
| 1  | 10/16/13  | Approved the following for the single family home located on North Jackson Avenue:  
- Allowed the short sale and acceptance of $9,000; and  
- Reduced deferred income by $76,000;  
The City received information that the property would be listed for a short sale.  
Review of the financial information substantiates that the Borrower has a financial hardship. | 5.06.380           |
| 2  | 12/11/13  | Approved loan terms for a performance-based loan commitment of up to $240,000 to 2112 Monterey Road, L.P., a California limited partnership, for the Metropolitan Apartments – a 100-unit development targeted to low-income households – located on Monterey Road. Loan terms include 0% interest rate, disbursements of up to $80,000 per year for 36 months, up to four six-month extensions, repayable by construction sources. | 5.06.340           |
| 3  | 12/19/13  | Approved specific business terms per the City Council approval for Donner Lofts Apartments for the following:  
- Right of Entry Agreement regarding demolition of existing improvements; and  
- Terms for an Amended and Restated Right of Entry Agreement.  
The planned development is a 102-unit development and is targeted to extremely low-income and very low-income households located on St. John Street. | 5.06.380           |
ATTACHMENT B

ACTIONS TAKEN BY THE DIRECTOR OF HOUSING
1st Quarter 2013 – 2014 (October – December 2013)

Single Family Rehabilitation and Improvement Loans and Grants approved by the Director of Housing during the second Quarter of FY 2013-14.

<table>
<thead>
<tr>
<th>REHABILITATION LOANS AND GRANTS</th>
<th>NUMBER</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rehabilitation Loans</td>
<td>5</td>
<td>$310,000</td>
</tr>
<tr>
<td>Single Family Rehabilitation Grants</td>
<td>1</td>
<td>$5,000</td>
</tr>
<tr>
<td>Mobilehome Rehabilitation Grants</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6</td>
<td>$315,000</td>
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</tbody>
</table>

Homebuyer Loans approved by the Director of Housing during the second Quarter of FY 2013-14.

<table>
<thead>
<tr>
<th>HOMEBUYER LOANS</th>
<th>NUMBER</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEGIN – Loan Program</td>
<td>2</td>
<td>$214,496</td>
</tr>
<tr>
<td>Neighborhood Stabilization Program 2 (NSP 2 funds)</td>
<td>2</td>
<td>$144,600</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4</td>
<td>$359,096</td>
</tr>
</tbody>
</table>

Housing Trust Fund Grants approved by the Director of Housing during the second Quarter of FY 2013-14.

<table>
<thead>
<tr>
<th>AGENCY NAME</th>
<th>PROJECT NAME</th>
<th>FUNDED AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adobe Services</td>
<td>Administer a Flex Fund to meet immediate or emergency housing-related financial needs of homeless.</td>
<td>$50,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$50,000</td>
</tr>
</tbody>
</table>

TEFRA Hearings held by the Director of Finance

There were no TEFRA Hearings held during this quarter.