

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Planning and Community Development Af

BOARD AGENDA # *D-1

Urgent Routine

AGENDA DATE November 3, 2015

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Designate the CalHome Reuse Fund as Interest Bearing Consistent with the California Department of Housing and Community Development Approved CalHome Grant Reuse Plans

STAFF RECOMMENDATIONS:

1. Authorize the Auditor-Controller to designate the existing CalHOME Reuse fund 1782 as an interest bearing fund.
2. Direct the Auditor-Controller to transfer three years of interest earned, totaling \$1,084.34, from the CEO Discretionary Revenue General Fund Interest Pool account to the CalHome Reuse fund.

FISCAL IMPACT:

The interest bearing designation will allow the funds to capture the interest based on the cash balances in the individual fund. Pursuant to a California Department of Housing and Community Development (HCD) approved CalHome reuse plans, the CalHome Reuse fund will be credited with three years of interest earned, \$124.50 for Fiscal Year 2012-2013, \$414.43 for Fiscal Year 2013-2014 and \$545.41 for Fiscal Year 2014-2015 for a total calculated interest amount of \$1,084.34. The CalHome Reuse fund will reflect future interest earnings annually beginning in Fiscal Year 2015-2016. Interest is calculated quarterly on the cash balance in the CalHome Reuse fund.

BOARD ACTION AS FOLLOWS:

No. 2015-555

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

DISCUSSION:

The Planning and Community Development Department administers two CalHome Grants awarded by the California Department of Housing and Community Development (HCD). These are the CalHome 2008 and 2010 grants and are used to provide income eligible individuals and/or households assistance via low interest loans for housing rehabilitation and down payment assistance for first time home buyers.

Assistance provided through CalHome loans is secured by a deed of trust against the home owner's property and when the loan funds are recaptured, they are deposited into a "Reuse Account" fund. As a stipulation of the CalHome grants, Stanislaus County developed and submitted a Reuse Plan for each grant to address the use and handling of revenue collected from CalHome associated property liens. The Reuse Account Plans state, "Any interest earned on deposited CalHome active and reuse funds will accrue to the CalHome identified funds and be reused for CalHome eligible activities." Upon a recent monitoring visit from HCD, it was discovered that the Reuse fund was not showing interest credited. A resulting action identified that three years of retroactive interest be calculated and credited back to the Reuse fund.

The County Auditor's office has calculated the three year interest figure at \$1,084.34. Interest will be transferred from the CEO Discretionary Revenue General Fund Interest Pool account. Staff recommends that the Board of Supervisors authorize the Auditor-Controller to change the designation of the CalHome Reuse fund from non-interest bearing to interest bearing and post three years of calculated interest back to the Reuse fund. This will direct Auditor-Controller staff to post interest earned by the Reuse fund to the Reuse fund interest pool account beginning in Fiscal Year 2015-2016 and going forward.

POLICY ISSUES:

Approval of these recommendations will support the Board of Supervisor's priority of maintaining Efficient Delivery of Public Services.

STAFFING IMPACTS:

Approval of this request will have no staffing impacts.

CONTACT PERSON:

Angela Freitas, Planning and Community Development Director
Telephone: 209-525-6330