



Housing Rehabilitation Loan Committee Agenda

Housing Rehabilitation Loan Committee
Tenth Street Place, 1010 10th Street, Room 3001
Modesto, California

Thursday, May 2, 2019 at 12:00 PM

Roll Call - Silent

Declaration of Conflict of Interest

Public Comment Period

Only interested persons in the audience may present these matters. Under State law, the Citizen's Housing and Community Development Committee may respond to matters being presented under the item only as follows:

- a) Briefly respond to statements made or questions raised.
- b) Ask a question for clarification
- c) Provide a reference to staff or other resources for factual information.
- d) Request staff to report back at a subsequent meeting.
- e) Finally, a Committee member or the Committee itself may take action to direct staff to place a matter of business on a future agenda.

Consent Items - Unless withdrawn from consent, items are approved at one time.

- .1. Consider Approving Minutes Of The Housing Rehabilitation Loan Committee Meeting of March 7, 2019.

Documents:

[03 07 2019 MINUTES - HRLC \(4\).PDF](#)

New Business

- .1. Consider approving a \$22,480 Water and Sewer Connection Loan and a \$10,000 Water and Sewer Connection Loan Grant, for Ruth Young for the property located at 110 Rita Court, Modesto, CA 95351.

Documents:

[ITEM 1- AR -110 RITA COURT .PDF](#)
[ITEM 1- ATTACHMENT A -110 RITA COURT .PDF](#)

- .2. Consider approving an additional \$19,936 Homeowner Rehabilitation Grant, for Rol Daniel and Marina Daniel for the property located at 3955 Coffee Road space #11, CA 95351.

Documents:

[ITEM 2- AR -3955 COFFEE RD SP 11.PDF](#)
[ITEM 2- ATTACHMENT A -3955 COFFEE RD SP 11 .PDF](#)

- .3. Staff Presentation

Comments and Committee Reports

(These may be presented by members of the Citizens' Housing and Community Development Committee and staff upon determination by a majority vote that an emergency exists, as defined by State Law, or by a 2/3 vote that (1) there is a need to take immediate action, and (2) that the need for action came to the City's attention after the agenda was posted.)

Adjournment

Posted pursuant to Government Code Section 54954.2 on bulletin board at Tenth Street Place on

Name	Date
Time	

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If you require a translator, please contact the Community Development Division office by email or 209-577-5211, no fewer than two business days prior to the workshop to make the necessary arrangements.

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Este documento puede traducirse al español bajo petición llamando al (209) 577-5211.



MINUTES
City of Modesto
HOUSING REHABILITATION LOAN COMMITTEE

Tenth Street Place, 1010 10th Street, Suite 3001
Modesto, California

Thursday, March 7, 2019

The meeting was called to order by Chairperson Councilmember Kenoyer at 12:02 p.m.

ROLL CALL

Members Present: Councilmember Kenoyer, James Liberto, Rhoda Yare, David Wright,
Christina Kenney

Members Absent: Sandra Wilson, Mary Ramirez

Staff Present: Trena Ochoa, Yesenia Carrasco, Heather Hynes and Jessica Narayan

Public Present: Virginia Seaberry

DECLARATION OF CONFLICT OF INTEREST

PUBLIC COMMENT PERIOD

CONSENT ITEMS – UNLESS WITHDRAWN FROM CONSENT, ITEMS ARE APPROVED AT ONE TIME.

1. Consider approving minutes of the February 7, 2019 meeting.

ACTION: Motion (David Wright, Jim Liberto, 5-0) approving the minutes of the February 7, 2019.

New Business

1. Consider approving the forgiveness of accrued interest in the amount \$8,564 through the Homeowner Rehabilitation Program, for Virginia Seaberry for the property located at 225 Madera Avenue, CA 95351.

ACTION: Motion (David Wright, Christina Kenney; 4-1) approving forgiveness of accrued interest in the amount of \$8,564 and amending of the Promissory Note to reflect a zero percent (0%) interest for the remaining length of the loan.

2. Consider approving an additional \$8,004 Homeowner Rehabilitation Grant for Audrey Chrisco for the property located at 1200 S. Carpenter Rd Space #4, Modesto CA 95351.

ACTION: Motion (Jim Liberto/David Wright; 5-0) approving a \$8,004 Homeowner Rehabilitation Grant, Audrey Chrisco for the property located at 1200 S. Carpenter Rd Space #4, Modesto CA 95351.

3. Consider approving Homeowner Rehabilitation Grant options and Policy review.

ACTION: Motion (David Wright/ Jim Liberto; 5-0) Motion to approve staff recommendation (option 2) Grant assistance Twenty percent (20%) of the total project cost or \$10,000 whichever is less, Zero percent (0%) interest for borrowers making monthly payment or three percent (3%) interest for borrowers not making monthly payments .

4. Consider approving an additional \$21,987 Homeowner Rehabilitation Loan and a \$10,000 Homeowner Rehabilitation Grant contingencies and related permitting fees for Sandra Starn for the property located at 139 Lee St, Modesto CA 95354.

ACTION: Motion (Jim Liberto/David Wright; 5-0) Denied \$21,987 Homeowner Rehabilitation Loan and a \$10,000 Homeowner Rehabilitation Grant contingencies and related permitting fees for Sandra Starn for the property located at 139 Lee St, Modesto CA 95354. Per committee all repairs must be addressed.

5. Consider approving Homeowner Rehabilitation Loan Committee meeting schedule.

ACTION: Motion (David Wright/ Jim Liberto; 5-0) Motion to approve staff recommendation of meeting once month (first Thursday) second meeting will be added as needed.

COMMITTEE COMMENTS & REPORTS

None

MATTERS TOO LATE FOR THE AGENDA

None

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:28 p.m. by Chairperson Councilmember Kenoyer.

Respectfully submitted and approved by,

Jessica Narayan, Community Development Manager
Community and Economic Development Department



CITY OF MODESTO
COMMITTEE AGENDA REPORT

DATE OF MEETING:
May 2, 2019

Date: April 22, 2019

TO: Housing Rehabilitation Loan Committee

THROUGH: Jessica Narayan, Community Development Manager

SUBJECT: Water and Sewer Connection Loan and Grant for 110 Rita Court, Modesto, CA 95351 (Ruth Young)

CONTACT: Yesenia Carrasco, Housing Financial Specialist
ycarrasco@modestogov.com , (209) 571-5506

DESCRIPTION:

Consider approving a \$22,480 Water and Sewer Connection Loan and a \$10,000 Water and Sewer Connection Loan Grant, for Ruth Young for the property located at 110 Rita Court, Modesto, CA 95351. (Funding: Community Development Block Grant Revolving Loan Fund)

STRATEGIC PLAN ELEMENT:

This item supports, Strategic Commitment - Great Safe Neighborhoods: Increase collaboration with neighborhoods and school district(s) to achieve quality of life improvements, and safe neighborhoods through supporting community self-reliance, problem solving and public/private partnerships.

BACKGROUND:

The Water & Sewer Connection Program is designed to enable local government with existing public water and/or sewer line(s) to connect low and moderate-income (LMI) households. LMI households are defined as households whose income is 80% or below the Area Median Income. Residential Infrastructure Connection to the City's sewer and water systems with the intent of promoting health and to protect the environment by eliminating those hazards associated with failing septic sewer systems (and well water and/or groundwater contamination, sinking foundations, water-borne illnesses, etc.).

Eligible Improvements include application fees; any and all fees associated with the connection to water or sewer system (i.e. sewer capacity charge; septic tank abandonment fee, encroachment permit, building permit, etc.); costs of a licensed contractor to connect the property to the water or sewer connection for the private property; removal costs associated with septic tanks or cap wells, as required by the health department; and repairs to LMI household leaking water pipes or sewer pipes related to the connection to the public infrastructure lines, and other reasonable costs deemed necessary to connect to the City's water and/or sewer system.

Financial assistance is available in the form of a grant with a maximum award of \$10,000. Eligible assistance includes repairs that are located from the property line to the residential unit

and associated improvements within the unit. For expenses over \$10,000 additional financial assistance is available in the form of low interest loans, secured by Deeds of Trust and recorded against equity qualifying owner-occupied properties. The Housing Rehabilitation Loan Committee (HRLC) is authorized to approve loans up to \$49,999; loans in excess of \$49,999 require City Council approval.

Technical assistance is provided for both programs and includes preparation of work specifications, preparation and review of cost estimates, bidding assistance and coordination with local contractor(s) to ensure work is completed pursuant to applicable Federal & State regulations.

DISCUSSION:

On April 2, 2019, staff met with Ruth Young (Homeowner) to complete an intake interview, and eligibility was completed and approved by the Housing Financial Specialist on April 4, 2019.

On April 4, 2019 staff met with Ruth Young to conduct housing quality standards inspection of the property located at 110 Rita Court, Modesto, CA 95351. The inspection found substantial health and safety related items in need of repair and/or replacement such as connection of sewer.

A more detailed breakdown of the project improvements and corresponding costs are provided in the Homeowner Rehabilitation Program Summary Sheet, provided as **Attachment A**.

FISCAL IMPACTS:

The Water and Sewer Connection Program is funded through the Community Development Block Grant Revolving Loan Fund. Sufficient funds are available to fund the requested project.

CEQA/NEPA REQUIREMENTS:

As per the National Environmental Policy Act (NEPA) and as required by the U.S. Department of Housing and Urban Development, an environmental review is being prepared and completed. Funds will be released to the lowest responsive contractor only after the NEPA Environmental Review has been completed by the Environmental Review Specialist.

RECOMMENDED COMMITTEE ACTION:

Motion approving a \$22,480 Water and Sewer Connection Loan and a \$10,000 Water and Sewer Connection Grant, for Ruth Young for the property located at 110 Rita Court, Modesto, CA 95351. (Funding: Community Development Block Grant Revolving Loan Fund)

Prepared By: _____
Yesenia Carrasco, Housing Financial Specialist

Approved By: _____
Jessica Narayan, Community Development Manager

Attachments:
A. Homeowner Rehabilitation Program Summary Sheet

ATTACHMENT A

Homeowner Rehabilitation Program

Summary Sheet - Updated 4/23/2019

110 Rita Court - Young

Finance Items:

Area Median Income: 22.25%

Back End Debt Ratio: 0%;

Grant forgivable at 20 years, Loan deferred for 20 yrs at 0% interest

Property Information:

SFR; Bdrm(s): 3; Bath(s): 1; Living Area: 857sq ft ; Unit Age: 1948

PROPOSAL DETAIL			
Health and Safety	Loan	Grant	Description
Health and Safety		\$ 1,150.00	Building Permit
Health and Safety		\$ 3,750.00	Drain line
Health and Safety	\$ 19,000.00	\$ 5,100.00	Sewer Service
12% of estimated project cost	\$ 3,480.00		Contingency
Total	\$ 22,480.00	\$ 10,000.00	Proposed Rehab. Work

* Contingency is there for unforeseen moisture damage from roof. If not used, then will be applied back to the deferred loan or grant amount.

Bids in excess of 15% of the HRLC approved amount must be brought back to HRLC for approval consideration - \$37,352



CITY OF MODESTO
COMMITTEE AGENDA REPORT

DATE OF MEETING:
May 2, 2019

Date: April 22, 2019

TO: Housing Rehabilitation Loan Committee

THROUGH: Jessica Narayan, Community Development Manager

SUBJECT: Homeowner Rehabilitation Grant for 3955 Coffee Road space #11, Modesto, CA 95355 (Rol Daniel and Marina Daniel)

CONTACT: Jessica Narayan, Community Development Manager
jnarayan@modestogov.com, 577-5321

DESCRIPTION:

Consider approving an additional \$19,936 Homeowner Rehabilitation Grant, for Rol Daniel and Marina Daniel for the property located at 3955 Coffee Road space #11, CA 95351. (Funding: Community Development Block Grant Revolving Loan Fund and Community Development Block Grant Entitlement Fund)

STRATEGIC PLAN ELEMENT:

This item supports, Strategic Commitment - Great Safe Neighborhoods: Increase collaboration with neighborhoods and school district(s) to achieve quality of life improvements, and safe neighborhoods through supporting community self-reliance, problem solving and public/private partnerships.

BACKGROUND:

The Homeowner Rehabilitation Loan Program is designed to repair or eliminate health and safety hazards in residential properties for qualifying low income households whose income is 80% or below the Area Median Income. Eligible improvements include roofing, weatherization, heating and cooling systems, plumbing, electrical, ramps, handrails and widening of doorways. Financial assistance is available in the form of low interest loans, secured by Deeds of Trust and recorded against equity qualifying owner-occupied properties. The Housing Rehabilitation Loan Committee (HRLC) is authorized to approve loans up to \$49,999; loans in excess of \$49,999 require City Council approval.

The Homeowner Rehabilitation Grant Program is designed to address health and safety concerns in residential properties for qualifying low income households whose income is 80% or below the Area Median Income. Eligible Improvements include upgrading or replacement of heating, ventilating and air conditioning systems; replacement of windows, water heaters, doors, fans; insulation, and leaking roofs. Financial assistance is available in the form of a grant with a maximum award of \$10,000 for owner occupied single-family residential units and \$20,000 for Modular Homes.

Technical assistance is provided for both programs and includes preparation of work specifications, preparation and review of cost estimates, bidding assistance and coordination with local contractor(s) to ensure work is completed pursuant to applicable Federal & State regulations.

DISCUSSION:

On March 15, 2019, staff met with Marina Daniel (Homeowner) to complete an intake interview, and eligibility was completed and approved by the Housing Financial Specialist on March 17, 2019.

On March 20, 2019 staff met with Marina Daniel and Rol Daniel to conduct housing quality standards inspection of the property located at 3955 Coffee Rd spc #11, Modesto, CA 95355. The inspection found substantial health and safety related items in need of repair and/or replacement such as a replace eight windows, demo porch, replace steps and landing, replace gas stove, exhaust fan, paneling repair, replace range hood, shower door, repair mounted air conditioner and bringing smoke detectors up to current building code.

A more detailed breakdown of the project improvements and corresponding costs are provided in the Homeowner Rehabilitation Program Summary Sheet, provided as **Attachment A**.

FISCAL IMPACTS:

The Homeowner Rehabilitation Program is funded through the Community Development Block Grant Revolving Loan Fund, and Community Development Block Grant Entitlement Fund. Sufficient funds are available to fund the requested project.

CEQA/NEPA REQUIREMENTS:

As per the National Environmental Policy Act (NEPA) and as required by the U.S. Department of Housing and Urban Development, an environmental review is being prepared and completed. Funds will be released to the lowest responsive contractor only after the NEPA Environmental Review has been completed by the Environmental Review Specialist.

RECOMMENDED COMMITTEE ACTION:

Motion approving an additional \$19,936 Homeowner Rehabilitation Grant for Rol Daniel and Marina Daniel for the property located at 3955 Coffee Road spc #11, CA 95355. (Funding: Community Development Block Grant Revolving Loan Fund and Community Development Block Grant Entitlement Fund)

Prepared By:

Yesenia Carrasco, Housing Financial Specialist

Approved By:

Jessica Narayan, Community Development Manager

Attachments:

- A. Homeowner Rehabilitation Program Summary Sheet

ATTACHMENT A

Homeowner Rehabilitation Program

Summary Sheet - Updated 4/22/2019

3955 Coffee Road spc #11 - Daniel

Finance Items:

Area Median Income:38.82%

Back End Debt Ratio: 0%;

Grant forgivable at 5 years

Property Information:

SFR; Bdrm(s): 2; Bath(s): 2; Unit Age: 1972

PROPOSAL DETAIL		
Health and Safety	Grant	Description
Health and Safety	\$ 3,600.00	Window Replacement (8)
Health and Safety	\$ 1,400.00	Lead Based Paint disturbance
Health and Safety	\$ 1,250.00	Glass slider door repair
Health and Safety	\$ 5,270.00	Demo porch
Health and Safety	\$ 2,350.00	Steps/ landing repalcement
Health and Safety	\$ 150.00	Exhaust fan
Health and Safety	\$ 250.00	Paneling Repair
Health and Safety	\$ 50.00	Smoke/ Carbon Monoxide detector
Health and Safety	\$ 350.00	Range Hood
Health and Safety	\$ 180.00	GFCI
Health and Safety	\$ 550.00	Shower Door replacement
Health and Safety	\$ 750.00	Air conditoner/ window mounted
Health and Safety	\$ 1,350.00	Gas stove
Health and Safety	\$ 300.00	Water Heater Closet door
Contingency (12% of project cost)	\$ 2,136.00	
Total	\$ 19,936.00	Proposed Rehab. Work

* Contingency is there for unforeseen moisture damage from roof. If not used, then will be applied back to the deferred loan or grant amount.

Bids in excess of 15% of the HRLC approved amount must be brought back to HRLC for approval consideration

- \$20,000