



## City of Grass Valley City Council Agenda Action Sheet

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**Title:** HOME investment Partnership (HOME) Application to the State of California

**CEQA:** Not a project

**Recommendation:** Approve Resolution 2026-22 authorizing the submittal of an application to the State of California Department of Housing and Community Development (HCD) for HOME Program Income funds to be used for the City's First-Time Homebuyer Assistance Program

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**Prepared by:** Taylor Whittingslow, Deputy City Manager

**Council Meeting Date:** 05/26/2026

**Date Prepared:** 05/20/2026

**Agenda:** Consent

**Background Information:** Staff requests authorization to submit an application to expend their HOME Program Income (HOME PI) funds for the City's First-Time Homebuyer Assistance Program (FTHB Program) for \$892,615. This FTHB Program is used to facilitate eligible low-income households in the purchase of their first home.

The FTHB Program has been in operation since 1998 and has issued 65 loans to first-time homebuyers. The FTHB Program was placed on hold state-wide by HCD in 2022 to update guidelines for compliance with state and federal regulations, including incorporating recapture terms and new subsidy calculations. As such, the City has accrued \$892,615 in HOME PI that they have been unable to expend. In April 2026, HCD approved the City's new guidelines to begin administering their FTHB Program again. The State HOME Program also now requires cities to submit an application to access their HOME PI cash on hand.

**Discussion:** In response to the most recent version of the 2024 HOME NOFA dated January 21, 2026, Staff is proposing Council authorize an application in the amount of \$892,615 for a HOME PI-Only FTHB Program.

The parameters of the FTHB Program remain the same, which allows a maximum loan amount of \$75,000 for down payment assistance and closing costs. The terms are 2% deferred for 30 years. The City's HOME PI amount includes \$839,000 in loan funds and \$53,615 in administration funds. It is anticipated that at least 11 participants will be assisted.

**Recommended Action:** Adopt a resolution authorizing the submittal of a HOME PI-Only application from the City of Grass Valley for \$892,615 in HOME Investment Partnerships Program funds for the deployment of a First-Time Homebuyer Program and authorize the Mayor to execute the standard agreement, any amendments thereto, and any related documents necessary, and authorize the corresponding budget amendments if awarded the grant.

**Council Goals/Objectives:** Goal 1; Objective 1.A.1. Promote programs that improve livability; Develop quality of life housing opportunities

**Fiscal Impact:** No fiscal impact to the City. All costs to administer the program and process any loans are covered by the City's HOME PI funds

**Funds Available:** N/A

**Account #:** 233-304

**Reviewed by:** Interim City Manager

**Attachments:**

Resolution 2026-22

Nevada County HOME 2026 Income Limits

HOME FTHB Program Guidelines

HOME 2024 NOFA