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City of Hercules Awarded \$1.6 Million for Affordable Housing

SACRAMENTO, December 28, 2004- The California Housing Finance Agency's (CalHFA), Housing Enabled by Local Partnerships (HELP) program has awarded the City of Hercules \$1.6 million to help finance the predevelopment cost for constructing an affordable multifamily rental project. This represents one of eight California localities awarded a total of \$10 million in low-interest loans to acquire, develop, rehabilitate, or preserve affordable rental or ownership housing.

The HELP Program financing will be leveraged by pooling it with the City's other sources of affordable housing funds. This is part of a larger planned unit development project which includes both retail space and over 300 single-family homes. Once completed, the rental project will be home to an estimated 50 low-income working households.

"The partnership between CalHFA and the City of Hercules is a positive approach to improving the affordable multifamily rentals in the community," said Theresa Parker, CalHFA Executive Director. "The most rewarding benefit from this partnership will be providing more renters with safe, decent and affordable housing in the community in which they work."

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Since 1999, the HELP program has partnered with more than 85 local government entities to fund \$120 million in affordable housing. CalHFA funding provides additional resources to address the localities unmet affordable housing needs by using a competitive process to award ten-year loans at a three percent interest rate. Through the HELP program, CalHFA offers two funding cycles of \$10 million in the fall and spring of each year. Recipients of the semi-annual award are evaluated on six criteria: affordability, cost efficiency, maximization of benefits, implementation readiness, resource impact and comprehensiveness of program design.

CalHFA, the state's affordable housing bank, was chartered in 1975 to meet the housing needs of low and moderate income Californians. HELP's funding commitments, to date, will help to finance over 19,000 units of affordable housing for Californians that are most in need. More information on the HELP program and the full complement of CalHFA programs is available at 1.800.789.2432 or www.calhfa.ca.gov.

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