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CalHFA Awards \$7.75 Million to Hercules, Livermore and Morgan Hill

For Affordable Residential Development in Local Communities

SACRAMENTO, November 20, 2006 – The California Housing Finance Agency's (CalHFA) Residential Development Loan Program (RDLP) announced \$7.75 million in funding to the Cities of Hercules, Livermore, and Morgan Hill to assist with the development of affordable homeownership housing. CalHFA, through its innovative loan program, will provide four-year, 3% interest rate loans for site acquisition and predevelopment expenses for new affordable infill owner-occupied housing developments in these three Bay Area communities.

“With the shortage of affordable housing throughout California, CalHFA is working with local governments and stakeholders to address the problem of creating more housing stock. RDLP financing is one way we are helping,” said Theresa Parker, CalHFA Executive Director. “Cities and Counties will be able to use the low-cost funding to acquire infill sites, as well as cover predevelopment costs, for affordable home development promoting smarter urban growth. New owners benefit with the purchase of an affordable home that is closer to their jobs and schools, and convenient to transit, shopping and public services.”

The City of Hercules will receive \$1.75 million for site acquisition and predevelopment expenses for 23 affordable condominiums within the Sycamore Downtown Street Project, a mixed-use, mixed income development. The project plans include 23 for-sale affordable condominiums, as well as 30,000 square feet of commercial space, 52 affordable rentals, 29 market-rate condominiums and parking.

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Additionally, the RDLP funding will contribute to the overall redevelopment of historic downtown Livermore. The City of Livermore will receive \$4 million in funding to assist with site acquisition and predevelopment expenses for 84 affordable for-sale units within a 283-unit mixed-income ownership housing project. Other planned components of the project include retail and community spaces, as well as a 320-stall parking garage. Construction for the entire project will occur in phases with completion projected for 2011.

Also, the City of Morgan Hill Redevelopment Agency will receive \$2 million in RDLP funding for the site acquisition and predevelopment of 71 affordable for-sale units within the master-planned project Madrone Plaza. In addition to the affordable for-sale units, Madrone Plaza will offer 24 units for sale at the market rate. All homeowners will have access to indoor and outdoor recreation areas.

CalHFA will offer an additional \$10 million in RDLP funding to local government entities in early Spring 2007. The RDLP funds are available to California cities, counties, housing authorities, redevelopment agencies, and community development commissions. CalHFA uses a competitive process to award the funding, which is limited to a maximum of \$4 million per development. Applications are evaluated on criteria that include: housing affordability; local government funding and involvement; demonstrated need for infill for-sale housing; comprehensiveness of project planning; readiness of the development to proceed; and the local government's ability to meet the terms, conditions and repayment of the loan.

Created in 1975 as the state's affordable housing bank, the California Housing Finance Agency has invested over \$14 billion in non-taxpayer funds to help more than 140,000 California families live in a home of their own with a mortgage they can afford. For more information and a complete description of CalHFA's Homeownership, Multifamily, and Mortgage Insurance programs, visit www.calhfa.ca.gov or call toll free 877.9.CalHFA (877.922.5432).

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