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## **CalHFA Offers \$20 Million to Local Governments**

*For Affordable Residential Development in California Communities*

**SACRAMENTO, March 26, 2007** – The California Housing Finance Agency (CalHFA) announced it is accepting applications from local government entities for low interest loans for the development of affordable single family housing projects through their Residential Development Loan Program (RDLP). RDLP is an innovative loan program designed to assist local communities in promoting infill development for affordable owner-occupied housing. With recent program enhancements, local governments may find additional opportunities to use this low-cost financing.

CalHFA initiated RDLP in 2006 with a commitment to provide up to \$75 million to local governments over a three-year period. With the November passage of Proposition 1C, RDLP has been augmented by an additional \$100 million. Now, with these additional resources, the current available funding has been increased by \$10 million over the previous round to \$20 million this round. The 3% interest rate loan will be complemented by a new longer loan term of up to five years and an increase in the maximum loan amount to \$5 million. Local government agencies can apply for the low-interest loans for site acquisition, predevelopment, and beginning in this funding cycle, construction costs. RDLP funds are available to California cities, counties, housing authorities, redevelopment agencies, and community development commissions.

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“We were extremely pleased with the response to the two previous rounds of RDLP funding. With the added benefits and increase in funding capacity for the program, we anticipate an even greater response,” said Theresa Parker, CalHFA Executive Director. “The program can now assist more localities with more of their affordable housing projects.”

CalHFA will offer an additional \$20 million funding this summer. A competitive process is used to assist in the selection of successful applicants. 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. To be considered for funding in the current round, local government entities must submit applications to CalHFA by 5 p.m. on Friday, May 11, 2007.

“Working families striving to purchase a first home will benefit two-fold from this program. The low interest funding received by the cities and counties translates into a lower sales price of the new home. Plus, qualified homebuyers can obtain low-interest rate mortgages and down payment assistance from CalHFA to purchase their new home with a mortgage they can afford,” said Parker.

RDLP is the newest addition to CalHFA’s local governments’ product portfolio. A very successful existing program that lends to local governments, the Housing Enabled by Local Partnerships (HELP) Program, has assisted 102 local government agencies, providing \$160 million in financing for the development of nearly 19,500 housing units since its inception in 1998.

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](http://www.calhfa.ca.gov) or call toll free 877.9.CalHFA (877.922.5432).

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