

SUMMARY OF STAFF REPORT FOR ITEM #20-00873

June 16, 2020

ITEM SUBJECT:

Actions pertaining to Permanent Local Housing Allocation 5-Year Plan:

1. ***RESOLUTION – Authorizing submission of a five-year Plan to the California Housing and Community Development Department in application for funding from the Permanent Local Housing Allocation (PLHA) for the development of affordable multifamily and single family housing, owner occupied home rehabilitation, and down payment assistance to benefit low- and moderate-income persons and authorizing the City Manager to sign all necessary implementing documents (Subject to Mayor's Veto)
2. ***RESOLUTION – Adopting the XXth amendment to the Annual Appropriation Resolution No. 2020-XXX appropriating \$3,407,603 for affordable housing development, housing rehabilitation, and homebuyer assistance through state entitlement grant program (Requires 5 affirmative votes) (Subject to Mayor's veto)

SUMMARY:

- Today the City Council is taking formal action needed to receive \$3,407,603 of State entitlement funds to address housing needs for low- and moderate-income persons.
 - \$971,100 for multifamily housing development to benefit very-low income persons (28.5% of grant award)
 - \$971,100 for the construction of single-family homes for low-income persons (28.5% of grant award)
 - \$971,100 for down payment assistance to low- and moderate-income first-time homebuyers (28.5% of grant award)
 - \$323,923 for owner-occupied home rehabilitation (9.5% of grant award)
 - \$170,380 for administration of the program (5% of grant award)
- This represents the first-year allocation of the five-year plan. Each of the remaining four years will be allocated to activities at the same ratio. Changes of +/- 10% to activity allocations in subsequent years require a Plan amendment to include a public hearing.
- Subsequent year allocations will change based on changes to the HUD CDBG formula which is used as the basis for allocation, and variable in receipt by the State real estate recording fees.