

SUMMARY OF STAFF REPORT FOR ITEM #20-00811

June 25, 2020

ITEM SUBJECT:

***RESOLUTION – Adopting Substantial Amendment 2019-04 to the 2019-2020 Annual Action Plan and Second COVID-19 Amendment to the Citizen Participation Plan to submit a request to the U.S. Department of Housing and Urban Development (HUD) to reprogram \$7.11 million HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) funds for the development of affordable housing in areas of opportunity and authorizing the City Manager to sign all necessary implementing documents (Subject to Mayor’s Veto)

SUMMARY:

- Today the City Council is taking formal action needed to program \$7.11M HUD entitlement funds for the development of affordable housing in areas of opportunity. The source of the funds is HOME program income of \$5,366,900 and \$1.75M from general funds already appropriated for affordable housing.
- Funds will be programmed for:
 - \$750,000 for disposition of the City-owned property located at Willow and Byrd for affordable single family homeownership in partnership with a City-approved CHDO for construction of at least 70 homes. 100% of the homes will be affordable to households at or below 80% of median family income;
 - \$1,000,000 for acquisition and disposition of land designated in the Housing Element as extremely, very, and low income parcels in areas of opportunity and;
 - \$5,366,900 in the form of Development Agreements to create affordable rental units on those parcels. At least 51% of the units will be affordable to households at or below 80% of median family income.