

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, APPROVING AN AMENDMENT TO THE FIVE-YEAR PLAN TO THE CALIFORNIA HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT 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

A necessary quorum and majority of the Council of the City of Fresno (“Applicant”) hereby consents to, adopts and ratifies the following resolution:

WHEREAS, the Department is authorized to provide up to \$195 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)); and

WHEREAS the State of California (the “State”), Department of Housing and Community Development (“Department”) issued a Notice of Funding Availability (“NOFA”) dated 02/26/2020 under the Permanent Local Housing Allocation (PLHA) Program; and

WHEREAS Applicant is an eligible Local government applying for the program to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation; and

1 of 3

Date Adopted:
Date Approved:
Effective Date:

City Attorney Approval:



Resolution No.

WHEREAS the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement and other contracts between the Department and PLHA grant recipients; and

WHEREAS the Department requires the adoption of a Plan for a term of five years outlining the eligible activities to be funded with the jurisdiction's PLHA allocation; and

WHEREAS the City Council adopted and approved the Plan on August 20, 2020; and

WHEREAS the City wishes to increase the area median income (AMI) maximums for the development of affordable multifamily and single-family housing to 80% AMI; and

WHEREAS the state requires an amendment to the PLHA Five-Year Plan to change the AMI for development of affordable multifamily and single-family housing (Exhibit "A").

NOW THEREFORE BE IT RESOLVED by the Council of the City of Fresno as follows:

1. The Council of the City of Fresno, California, adopts the amendment to the Permanent Local Housing Allocation 5-Year Plan to increase the AMI maximums for the development of affordable multifamily and single-family housing to 80% AMI.

2. The City Manager of the City of Fresno is authorized to execute the PLHA Program Application, the PLHA Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the PLHA grant awarded to Applicant, as the Department may deem appropriate.

3. This resolution shall be effective upon final approval.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____ 2022.

AYES :
NOES :
ABSENT :
ABSTAIN :

TODD STERMER, CMC
City Clerk

By: _____
Deputy Date

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: _____
Tracy N. Parvanian Date
Senior Deputy City Attorney

Attachment: Exhibit A - Amendment to the Permanent Local Housing Allocation Plan

Eligible Activities, §301

§301(a) Eligible activities are limited to the following:	Included?
§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary operating subsidies.	<input checked="" type="checkbox"/> YES
§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.	<input checked="" type="checkbox"/> YES
§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.	<input type="checkbox"/> YES
§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.	<input type="checkbox"/> YES
§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.	<input type="checkbox"/> YES
§301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.	<input type="checkbox"/> YES
§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.	<input type="checkbox"/> YES
§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.	<input type="checkbox"/> YES
§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.	<input type="checkbox"/> YES
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.	<input type="checkbox"/> YES

§302(c)(4) Plan

Rev. 5/7/21

§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.
 The City has amended the AMI for eligible activity 1 to 80% and eligible activity 2 to 80%.

The City plans to use the funds for the following activities: 1) development of affordable rental housing for low-income individuals; and 2) development of single-family homes for low-income individuals; and 3) owner occupied rehabilitation program for low-income individuals; and 4) down payment assistance program for low- and moderate-income individuals.

§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).

10% of PLHA funding will be used to benefit individuals at or below 60 percent of Area Median Income through the owner-occupied rehabilitation programming. The City will also prioritize investments in the development of affordable rental and single-family housing that include individuals at or below 60% AMI.

§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.

The Housing Element includes a program for home-buyer assistance, housing rehabilitation, and strengthening partnerships with affordable housing developers. The City plans to use 100% of its PLHA funds for activities that address these three programs.

Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))

§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.

The PLHA funds will be used to provide assistance in the form of low-interest, deferred loans to project sponsors for the development of Affordable Multifamily Rental Housing, focusing on areas of opportunity. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust, and Regulatory Agreements restricting occupancy and rents.

Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023										
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	30.0%	30.0%	30.0%	30.0%	30.0%										
§302(c)(4)(E)(ii) Area Median Income Level Served	80%	80%	80%	80%	80%										TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level Note: complete for year 2019 & 2020 only	503	492													995
§302(c)(4)(E)(ii) Projected Number of Households Served	11	11	11	11	11										55
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Affordable Rental Housing Activity (55 years required for rental housing projects)	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

The City issues Notice of Funding Availability (NOFAs) for Affordable Housing Development and Substantial Rehabilitation. Projects that meet the requirements set forth in this plan will be considered for PLHA assistance.

§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental and Ownership Housing Activity.	Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing	100%
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The PLHA funds will be used to develop affordable single family homes, focusing development in areas of opportunity.

Complete the table below for each proposed Affordable Rental and Ownership Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023										
Type of Affordable Housing Activity	Owner	Owner	Owner	Owner	Owner										
§302(c)(4)(E)(ii) Area Median Income Level Served	80%	80%	80%	80%	80%										TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level Note: complete for year 2019 & 2020 only	297	293													590
§302(c)(4)(E)(i) Percentage of Funds Allocated for Each Affordable Housing Activity	30%	30%	30%	30%	30%										
§302(c)(4)(E)(ii) Projected Number of Households Served	8	8	8	8	8										40
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)	10	10	10	10	10										

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of each Affordable Rental and Ownership Housing project.

The City issues NOFAs for Affordable Housing Development. Projects that meet the requirements set forth in this plan will be considered for PLHA assistance.

- §301(a)(3)** Matching portions of funds placed into Local or Regional Housing Trust Funds.
- §301(a)(4)** Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.
- §301(a)(5)** Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing.
- §301(a)(6)** Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.
- §301(a)(7)** Accessibility modifications in Lower-income Owner-occupied housing.
- §301(a)(8)** Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.
- §301(a)(9)** Homeownership opportunities, including, but not limited to, down payment assistance.

§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.