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Title: Approve the Third Amendment to the HOME Investment Partnerships Program (HOME) agreement between the City of Fresno and the Housing Authority of Fresno (Housing Authority) to extend the term of the agreement through June 30, 2025.

Sponsors: Planning and Development Department

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Attachments: 1. Agreement with The Housing Authority City of Fresno, 2. First Amendment to the agreement with The Housing Authority City of Fresno, 3. Second Amendment to the agreement with The Housing Authority City of Fresno, 4. Third Amendment to the agreement with The Housing Authority City of Fresno

Date	Ver.	Action By	Action	Result
6/20/2024	1	City Council		

REPORT TO THE CITY COUNCIL

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SUBJECT

Approve the Third Amendment to the HOME Investment Partnerships Program (HOME) agreement between the City of Fresno and the Housing Authority of Fresno (Housing Authority) to extend the term of the agreement through June 30, 2025.

RECOMMENDATION

Staff recommends the City Council approve the third amendment to the agreement between the City of Fresno and the Housing Authority to extend the term of the agreement and authorize the City Manager or designee to sign all necessary implementing agreements as approved to form by the City Attorney.

EXECUTIVE SUMMARY

The City Council previously approved the HOME Tenant-Based Rental Assistance (TBRA) agreement for the Housing Authority to provide services to assist individuals who are homeless or at risk of homelessness with very low and extremely low incomes. The proposed amendment would extend the agreement an additional twelve months through June 30, 2025, to fully expend the funds and continue the provision of TBRA.

BACKGROUND

On May 02, 2019, City Council approved a resolution adopting the 2019-2020 Annual Action Plan authorizing \$667,000 of HOME funds for the Housing Authority to provide TBRA services. On May 21, 2020, City Council approved a resolution adopting the 2020-2021 Annual Action Plan authorizing \$711,789 of HOME grant fund for continued TBRA services.

In April 2021, the City entered into a HOME-TBRA agreement with the Housing Authority funded with the previously approved 2019-2020 and 2020-2021 allocations of \$667,000 and \$711,789, respectively, for an agreement total of \$1,378,789.

The original agreement had an end date of December 31, 2022. During the original agreement's term, the Housing Authority was not able to fully expend the available budget due to the issuance of additional housing choice vouchers that took precedence over the use of the HOME-TBRA services. Many HOME-TBRA clients were transitioned to the additional housing choice vouchers decreasing the HOME-TBRA expenditures. Due to the decrease in expenditures an amendment to the agreement was executed to extend the term of the agreement to June 30, 2024.

In 2023, the Housing Authority experienced another decrease in spending due to HOME-TBRA participants' inability to secure housing at the Fair Market Rent standards. In December 2023, a Second Amendment to the agreement was executed to allow the Housing Authority to approve leases and execute payments up to 120% of the Fair Market Rent, so long as it is determined that the rent is reasonable as compared to comparable units in the market and area. The Second Amendment expanded the options for housing, increasing the expenditures, while maintaining compliance with HOME-TBRA regulations. Since the execution of the second amendment new participants have been able to secure housing on a monthly basis.

Under the HOME-TBRA agreement, the Housing Authority has provided services to 82 individuals of which 24 were children, and 4 were aged 65 and older. Forty-five individuals have exited the program and remained in permanent housing. Zero individuals who have exited the program have returned to homelessness or temporary housing.

The Housing Authority is projected to have a remaining balance of HOME-TBRA funds at the end of the term. In order to fully expend the funds and continue the provision of TBRA services, a third amendment to the agreement is required. Approval of the third amendment does not add any additional funding but allows the Housing Authority an additional year to fully expend the available funds.

ENVIRONMENTAL FINDINGS

This is not a project for purposes of CEQA pursuant to CEQA guidelines Section 15378. These plans, strategies and studies are Categorical Excluded Not Subject to Section 58.5 Pursuant to 24

CFR Part 58.34(a) and 58.35(b) under HUD NEPA Requirements (24 CFR 58.35 (b) (2) (3)).

LOCAL PREFERENCE

Local preference is not applicable because of the use of federal funding.

FISCAL IMPACT

Approval of the Third Amendment to the HOME-TBRA agreement will allow the Housing Authority to fully expend HOME funds previously approved and budgeted.

Attachments:

- Agreement with The Housing Authority City of Fresno
- First Amendment to the agreement with The Housing Authority City of Fresno
- Second Amendment to the agreement with The Housing Authority City of Fresno
- Third Amendment to the agreement with The Housing Authority City of Fresno