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Title: ***RESOLUTION - Authorizing the City to accept \$20 million in U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee funds for the development of a Senior Activity Center; and authorizing the City Manager or designee to sign all necessary implementing documents required by HUD (Subject to Mayor's veto)

Sponsors: Planning and Development Department

Indexes:

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Attachments: 1. 24-879 Resolution – Section 108 Loan Acceptance

Date	Ver.	Action By	Action	Result
6/27/2024	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

FROM: JENNIFER CLARK, Director
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THROUGH: PHILIP SKEI, Assistant Director
Planning and Development Department

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SUBJECT

***RESOLUTION - Authorizing the City to accept \$20 million in U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee funds for the development of a Senior Activity Center; and authorizing the City Manager or designee to sign all necessary implementing documents required by HUD (Subject to Mayor's veto)

RECOMMENDATION

Staff recommends the City Council allow the City to accept \$20 million in HUD Section 108 Loan Guarantee funds for the development of the Senior Activity Center.

EXECUTIVE SUMMARY

The City requires explicit authorization by the City Council to accept \$20 million in HUD Section 108 Loan Guarantee funds for the development of the Senior Activity Center. The application for funds

was authorized by City Council through Resolution 2023-239.

BACKGROUND

On September 14, 2023, the City Council approved Substantial Amendment 2023-01 to the 2023-2024 Annual Action Plan through Resolution 2023-239 which enabled the City to seek a HUD Section 108 Loan Guarantee to secure \$20 million in CDBG funding for the construction of a Senior Activity Center at 4343 N. Blackstone Avenue.

HUD approved the City's application on October 5, 2023. To receive the funds, the City needs Council's authorization to accept the \$20 million in HUD Section 108 Loan Guarantee funding. Once approved, staff will submit the required documents to HUD to advance the funds necessary to award a construction agreement for the development of the Senior Activity Center which is tentatively scheduled to go to Council before November 2024.

ENVIRONMENTAL FINDINGS

This is not a project for purposes of CEQA pursuant to CEQA guidelines Section 15378 and is exempt for NEPA purposes pursuant to 24 CFR 58.34.

LOCAL PREFERENCE

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

FISCAL IMPACT

Adoption of this Resolution will enable the City to accept \$20 million in Section 108 Loan funds for the development of a Senior Activity Center.

Attachment: Resolution - Section 108 Loan Acceptance