

## **RESOLUTION NO. 21-153**

### **A RESOLUTION OF THE CITY OF CARSON, CALIFORNIA, AUTHORIZING THE APPLICATION AND ADOPTING THE PERMANENT LOCAL HOUSING ALLOCATION PLAN FOR THE PERMANENT LOCAL HOUSING ALLOCATION PROGRAM**

A necessary quorum and majority of the Council Members of the City of Carson, California hereby consents to, adopts, and ratifies the following resolution:

**WHEREAS**, the State of California (the “State”), Department of Housing and Community Development (“Department”) issued a Notice of Funding Availability (“NOFA”) dated May 3, 2021 under the Permanent Local Housing Allocation (PLHA) Program;

**WHEREAS**, the Department is authorized to provide up to \$304 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)).

**WHEREAS**, the City of Carson (“Applicant”) is an eligible Local government who has applied for program funds to administer one or more eligible activities.

**WHEREAS**, the Department may approve funding allocations for the 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;

#### **NOW THEREFORE BE IT RESOLVED THAT:**

**Section 1.** If Applicant receives a grant of PLHA funds from the Department pursuant to the above referenced PLHA NOFA, it represents and certifies that it will use all such funds in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding the PLHA Program, as well as any and all contracts Applicant may have with the Department.

**Section 2.** Applicant is hereby authorized and directed to receive a PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the current NOFA in accordance with all applicable rules and laws.

**Section 3.** Applicant hereby agrees to use the PLHA funds for eligible activities as approved by the Department and in accordance with all Program requirements, Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the Applicant and the Department.

**Section 4.** Pursuant to Section 302 (c) (4) of the Guidelines, Applicant’s PLHA Plan for the 2019-2023 Allocations is attached to this Resolution, and Applicant hereby adopts

**this PLHA Plan and certifies compliance with all public notice, public comment, and public hearing requirements in accordance with the Guidelines.**

**Section 5.** Applicant certifies that it has or will subgrant some or all of its PLHA funds to another entity or entities. Pursuant to Guidelines Section 302 (c) (3), “entity” means a housing developer or program operator, but does not mean an administering Local government to whom a Local government may delegate its PLHA allocation.

**Section 6.** Applicant certifies that its selection process of these subgrantees was or will be accessible to the public and avoided or shall avoid any conflicts of interest.

**Section 7.** Pursuant to applicant’s certification in this Resolution, the PLHA funds will be expended only for eligible Activities and consistent with all program requirements.

**Section 8.** Applicant certifies that, if funds are used for the acquisition, construction or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the requirements stated in Guidelines Section 302 (c) (6) (A), (B) and (C).

**Section 9.** Applicant certifies that, if funds are used for the development of an Affordable Rental Housing Development, the Local government shall make PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project, and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict occupancy and rents in accordance with a Local government-approved underwriting of the Project for a term of at least 55 years.

**Section 10.** Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB2 Guidelines published by the Department.

**Section 11.** The City Manager 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.

**PASSED AND ADOPTED** at a regular meeting of the Carson City Council this 7<sup>th</sup> day of December, 2021, by the following vote:

AYES: \_\_\_\_\_ ABSTENTIONS: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSENT: \_\_\_\_\_

Signature of Approving Officer: \_\_\_\_\_  
Lula Davis-Holmes, Mayor

## CERTIFICATE OF THE ATTESTING OFFICER

The undersigned, Joy Simarago, Deputy City Clerk of the City of Carson, does hereby attest and certify that the foregoing Resolution is a true, full, and correct copy of a Resolution duly adopted at a meeting of the Carson City Council which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

ATTEST: \_\_\_\_\_

Signature of Attesting Officer  
Joy Simarago, Deputy City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Sunny Soltani, City Attorney

**ATTACHMENT NO. 1**  
**PLHA PLAN**

§302(c)(4) Plan														Rev. 5/14/21
<p><b>§302(c)(4)(A)</b> Describe the manner in which allocated funds will be used for eligible activities.</p> <p>The City of Carson proposes to utilize its PLHA funding for the following activities: a first-time home buyer program; rehabilitation and preservation of affordable ownership housing; and assisting persons and households who are experiencing or are at risk of homelessness. At present, it is estimated that the funding will be evenly distributed between the three activities.</p>														
<p><b>§302(c)(4)(B)</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).</p> <p>The first-time homebuyer program will provide down payment assistance to income eligible households to enable them to enter the home ownership market. The City formerly operated a first-time home buyer program utilizing HOME and housing successor funds, and the PLHA funds will enable the City to resume such a program. Housing rehabilitation and preservation are key priorities for the City, as 90% of its housing stock is 30 years or older. The City has an existing owner-occupied rehabilitation program supported by CDBG funds, but the demand far exceeds the available funding. The PLHA funds would enable the City to meet this excess demand. Homelessness in Carson has fluctuated markedly as measured by the annual point-in time count, which between 2015 and 2020 (no count was taken in 2021 due to the Covid pandemic) ranged from a low of 157 to a high of 462. The situation promises to be exacerbated by the imminent closure of four mobilehome parks in Carson, placing some 465 households at risk of homelessness.</p>														
<p><b>§302(c)(4)(C)</b> Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.</p> <p>The Plan addresses the following goals in the City's Housing Element: maintain and rehabilitate Carson's existing housing stock; encourage the development of a variety of housing to meet needs of the broad spectrum of the community, with a particular emphasis on multifamily housing and development standards that facilitate housing production; and promote and preserve housing opportunities for persons with special needs, including lower-income households, large families, single parent households, disabled persons, the elderly, and persons experiencing homelessness.</p>														
<b>Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))</b>														
<p><b>§301(a)(1)</b> 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.</p>														
<p><b>§301(a)(2)</b> 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.</p>														
<p><b>§302(c)(4)(E)(i)</b> Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental and Ownership Housing Activity.</p>												<b>Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing</b>		<b>100%</b>
<p>The City would initiate a housing rehabilitation program for the owner occupied properties located within the city. The eligibility for participation would be based on the income of the resident household(s). While the program is intended to be open to all eligible income levels up to 150% of AMI.</p>														
<p>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).</p>														
Funding Allocation Year	2019	2020	2021	2022	2023									
Type of Affordable Housing Activity	Ownership: Rehabilitation	Ownership: Rehabilitation	Ownership: Rehabilitation	Ownership: Rehabilitation	Ownership: Rehabilitation									
<b>§302(c)(4)(E)(ii) Area Median Income Level Served</b>	150%	150%	150%	150%	150%									<b>TOTAL</b>
<b>§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level</b> <span style="color: red;">Note: complete for year 2019 &amp; 2020 only</span>	181	181 (unchanged)												181
<b>§302(c)(4)(E)(i) Percentage of Funds Allocated for Each Affordable Housing Activity</b>	33.33%	33.33%	33.33%	33.33%	33.33%									

<b>§302(c)(4)(E)(ii)</b> Projected Number of Households Served	10	10	10	10	10										50
<b>§302(c)(4)(E)(iv)</b> Period of Affordability for the Proposed Activity ( <b>55 years required for rental housing projects</b> )	TBD	TBD	TBD	TBD	TBD										
<b>§302(c)(4)(E)(iii)</b> A description of major steps/actions and a proposed schedule for the implementation and completion of each Affordable Rental and Ownership Housing project.															
Rehabilitation program would likely use same or similar application as existing CDBG-funded rehabilitation program. These applications would have to be updated accordingly.															
<b>§301(a)(3)</b> Matching portions of funds placed into Local or Regional Housing Trust Funds.															
<b>§301(a)(4)</b> Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.															
<b>§301(a)(5)</b> Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing.															
<b>§301(a)(6)</b> 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.															
<b>§302(c)(4)(E)(i)</b> Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.															
The funding would be used to supplement existing contracts with providers for outreach, counseling, navigation, and placement services for existing homeless, and for services (including rental assistance within PLHA guidelines) for households at risk of homelessness.															
Complete the table below for each proposed 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 Activity for Persons Experiencing or At Risk of Homelessness	Rental Assistance (term of six months)	Rental Assistance (term of six months)	Rental Assistance (term of six months)	Rental Assistance (term of six months)	Rental Assistance (term of six months)										
<b>§302(c)(4)(E)(i)</b> Percentage of Funds Allocated for the Proposed Activity	33.33%	33.33%	33.33%	33.33%	33.33%										
<b>§302(c)(4)(E)(ii)</b> Area Median Income Level Served	30%	30%	30%	30%	30%										<b>TOTAL</b>
<b>§302(c)(4)(E)(ii)</b> Unmet share of the RHNA at AMI Level <b>Note: complete for year 2019 &amp; 2020 only</b>	351	351 (unchanged)													351
<b>§302(c)(4)(E)(ii)</b> Projected Number of Households Served	25	25	25	25	25										125
<b>§302(c)(4)(E)(iv)</b> Period of Affordability for the Proposed Activity ( <b>55 years required for rental housing projects</b> )	N/A	N/A	N/A	N/A	N/A										
<b>§302(c)(4)(E)(iii)</b> A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.															

Intake and screening processes would need to be developed. Service provider contracts would need to be drafted or amended as appropriate. After these steps, the program(s) would ramp up as soon as possible during the PLHA 5-year plan.

**§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.

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

Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing (AOWH)

100%

The first-time homebuyer program provides down payment assistance to income-qualifying households toward the purchase of a home within the city.

Complete the table below for each proposed 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 Homeowner Assistance	Down Payment Assistance	Down Payment Assistance	Down Payment Assistance	Down Payment Assistance	Down Payment Assistance										
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	33.33%	33.33%	33.33%	33.33%	33.33%										
§302(c)(4)(E)(ii) Area Median Income Level Served	150%	150%	150%	150%	150%										TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level <b>Note: complete for year 2019 &amp; 2020 only</b>	190 (2019 figure)	40													40
§302(c)(4)(E)(ii) Projected Number of Households Served	3	3	3	3	3										15
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity	TBD	TBD	TBD	TBD	TBD										

**§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 formerly had a down-payment assistance program and will use that program as a starting point to initiate the new PLHA funded downpayment assistance program. Guidelines and application materials will need to be updated. The program would commence shortly after.

**§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.