



Legislation Text

File #: 2023-0609, Version: 1

Report to Mayor and City Council

Tuesday, September 05, 2023

Consent

SUBJECT:

CONSIDER ADOPTION OF RESOLUTION NO. 23-136 TO ALLOCATE FUNDING REVENUE RECEIVED FROM THE PERMANENT LOCAL HOUSING ALLOCATION GRANT FOR FISCAL YEAR 2023/24 TO FUND SINGLE FAMILY REHABILITATION DEFERRED LOAN PROGRAM.

I. SUMMARY

On April 21st, 2022, the City was notified that it had been awarded The Permeant Local Housing Grant in the amount of \$1,059,349.00 for the combined amounts of 2019, (\$414,730) and 2020 (\$644,619). On August 3, 2022, HCD provided the Standard Agreement (Exhibit No. 1) executed by all parties. Staff is requesting the adoption of Resolution No. 23-136 and approval of revenue receipt of funds in the amount of \$353,116, to be allocated for use of the Rehabilitation and preservation of affordable ownership housing (Exhibit No. 2).

II. RECOMMENDATION

TAKE the following actions:

1. **WAIVE** further reading and **ADOPT** "RESOLUTION NO. 23-136 TO ALLOCATE FUNDING REVENUE RECEIVED FROM THE PERMANENT LOCAL HOUSING ALLOCATION GRANT FOR FISCAL YEAR 2023/24 TO FUND SINGLE FAMILY REHABILITATION DEFERRED LOAN PROGRAM"
2. **AUTHORIZE** the City Manager or it's designee to approve deferred loans up to \$50,000.00.

III. ALTERNATIVES

TAKE any other action the City Council deems appropriate.

IV. BACKGROUND

HCD is authorized to provide up to \$304 million under the Senate Bill 2 permanent Local Housing Allocation Program Formula component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties. Eligible uses of program funds include:

The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling units.

- Rehabilitation, and preservation of affordable ownership housing to low to moderate income families must meet the 30 to 80 percent Area Median Income Levels (AMI).
- meets the needs of a growing workforce earning up to 120 percent of Area Median Income (AMI), or 150 percent of AMI in high-cost areas.
- Assisting person who experiencing or at risk of homelessness.
- Fiscal incentives made by a county to a city within the county to incentivize approval of one or more 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 period. The county fiscal incentive 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.

PLHA funds can be used for a variety of housing purposes defined in the program for income-qualified residents. The program allows the assistance for Carson residents with incomes between very low-to-moderate levels. HCD's 2023 income limited for the different income groups is included for reference under (Exhibit No.3.)

The grant guidelines required the City application to list eligible activities specifying allocation amounts for the use of funds in the PLHA Plan. Accordingly, the PLHA plan includes the following three activities at an even 33.33% funding allocation each:

- First Time Homebuyer program (33.33% Allocation)
- Rehabilitation, and preservation of affordable ownership housing (33.33% Allocation)
- Assisting persons who are experiencing or at risk of homelessness (33.33% Allocation)

On February 7, 2023, City Council approved the program guidelines and approval of standard template loan acceptance and contractor agreement for the (PLHA) Grant Funds (Exhibit No. 4).

V. FISCAL IMPACT

Funds for the PLHA total Grant allocation amount of \$1,059,349 for years 2019-2020 amount requested and received \$353,116.00 to account number 221-70-790-710-6004, balance of funds account numbers, \$706,233.00, 221-70-790-711-6004 and 221-70-790-712-6004 to be allocated for fiscal year 2023-24.

VI. EXHIBITS

1. Executed Standard Agreement (4-24)
2. Resolution No. 23-136 (25-26)
3. HCD Income guidelines 2023-24 (27)
4. February 7th, 2023 Staff Report Program Guidelines (28-31)

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