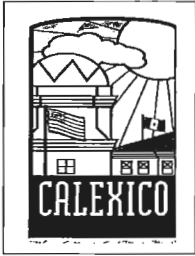


**AGENDA  
ITEM**

**14**



# CITY COUNCIL AGENDA STAFF REPORT

**DATE:** March 2, 2022

**TO:** Mayor and City Council

**APPROVED BY:** Miguel Figueroa, City Manager *MFK*

**PREPARED BY:** Lisa Tylenda, Planning and Building Services Director

**SUBJECT:** Adopt Resolution Authorizing the Resubmittal of Previously Approved Resolution for the Permanent Local Housing Allocation (PLHA) for funding changes from \$500,000.00 to \$1,222,996.00

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## Recommendation:

Approve corrections to previously approved Resolution authorizing the resubmittal of updated resolution for the grant application and adoption of the Permanent Local Housing Allocation (PLHA) Plan for the Permanent Local Housing Allocation Program. Funding changes have increased from \$500,000.00 to \$1,222,996.

## Background:

The Permanent Local Housing Allocation Program (PLHA) Grant program was established to provide financial assistance to local governments. Funding will potentially help cities and counties with the following State goals in regard to unmet housing needs of their local communities:

- Increase supply of housing for households at or below 60% of Area Median Income (commonly referred to as AMI)
- Increase assistance to affordable owner-occupied workforce housing
- Assist persons experiencing or at risk of homelessness
- Facilitate housing affordability, particularly for lower- and moderate-income households
- Promote projects and programs to meet the local government's unmet share of regional housing needs allocation
- Ensure geographic equity in the distribution of the funds

Entitlement and Non-entitlement Local governments are eligible for an allocation of PLHA funds. The PLHA funds allocated to each entitlement Local government are directly proportionate to each entitlement Local government's share of the total 2017 CDBG allocation in California. The PLHA funds allocated to each Non-entitlement Local government are based on the sum of two factors: 50% distributed equally amongst eligible non-entitlement local



governments, and 50% allocated proportionately based upon HUD's most recent Comprehensive Housing Affordability Strategy data.

### **Discussion and Analysis:**

The City of Calexico will be submitting two applications for the PLHA grant. One application will be a stand-alone application while the second application, the City of Calexico, will be a co-applicant with Spread the Love Foundation/Imperial Valley Housing Coalition. The application submittals will be geared towards the following Eligible Activities as outlined in the PLHA Grant guidelines:

- Activity 1: Predevelopment, development, acquisition, rehabilitation, and preservation of Multifamily, Residential live-work, Rental housing; includes necessary Operating subsidies. In addition to these development types, the first Eligible Activity is geared towards Affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary Operating subsidies.
- Activity 5: must have Capitalized Reserves provided for Services connected to the preservation and creation of new Permanent supportive housing.
- Activity 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. This activity may include subawards to administrative entities as defined in HSC Section 50490(a)(1-3) that were awarded CESH program or HEAP funds for rental assistance to continue assistance to these households. Applicants must provide rapid rehousing, rental assistance, navigation centers, emergency shelter, and transitional housing activities in a manner consistent with the Housing First practices described in 25 CCR, Section 8409, subdivision (b)(1)-(6) and in compliance with WIC Section 8225(b)(8). An applicant allocated funds for the new construction, rehabilitation, and preservation of permanent supportive housing shall incorporate the core components of Housing First, as provided in WIC Section 8255, subdivision (b).

The deadline to submit the grant applications was at 11:59PM on December 31, 2021.

The City of Calexico met the deadline and submitted all the required documentation. While the grant application was under review by the California Department of Housing and Community Development it was found that there had been funds allocated for the City of Calexico that had not been applied for by the City of Calexico in previous years. HCD reached out to the City requesting that we amend the original resolution to obtain and utilize all allocated funds in the amount of \$1,222,996. The City had originally applied for funding in the amount of \$500,000.00. HCD has given the City the ability to use funds from 2019, 2020, and 2021 that were never applied for.

**Fiscal Impact:**

None.

**Coordinated With:**

Planning and Building Services Department.

**Attachment(s):**

1. Resolution Authorizing The Application And Adoption Of The Permanent Local Housing Allocation Plan For The Permanent Local Housing Allocation Program

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO AUTHORIZING THE APPLICATION AND ADOPTION OF THE PERMANENT LOCAL HOUSING ALLOCATION PLAN FOR THE PERMANENT LOCAL HOUSING ALLOCATION PROGRAM**

**THE CITY COUNCIL OF THE CITY OF CALEXICO DOES HEREBY RESOLVE AND AUTHORIZE AS FOLLOWS:**

- A. 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)).
- B. WHEREAS the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 5/3/2021 under the Permanent Local Housing Allocation (PLHA) Program;
- C. WHEREAS City of Calexico is an eligible Local government who has applied for program funds 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.
- D. 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;

**NOW THEREFORE BE IT RESOLVED THAT:**

- 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.
- 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 \$1,222,996 in accordance with all applicable rules and laws.
- 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.

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.
5. If applicable: Applicant certifies that it was delegated by [insert name of the delegating local government] to submit an application on its behalf and administer the PLHA grant award for the formula allocation of PLHA funds, pursuant to Guidelines Section 300(c) and 300(d), and the legally binding agreement between the recipient of the PLHA funds and the Applicant is submitted with the PLHA application.
6. If applicable: 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.
7. If applicable: 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.
8. If applicable: Pursuant to Applicant's certification in this resolution, the PLHA funds will be expended only for eligible Activities and consistent with all program requirements.
9. If applicable: 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).
10. If applicable: 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.
11. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.
12. The City Manager or designee is/are 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 City Council this 2<sup>nd</sup> day of March, 2022, by the following vote:

AYES:

ABSTENTIONS:

NOES:

ABSENT:

Signature of Approving Officer:

\_\_\_\_\_  
Javier Moreno, Mayor

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CERTIFICATE OF THE ATTESTING OFFICER

The undersigned, Officer of the City of Calexico 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 regular meeting of March 2, 2022, 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