



Board Agenda Item 9

DATE: June 23, 2020

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Application and Receipt of Senate Bill 2 Permanent Local Housing Allocation Grant Application

RECOMMENDED ACTION(S):

- 1. Conduct public hearing to receive testimony and public comment on the proposed Permanent Local Housing Allocation Plan (302)(c)(4) specifying the use of the grant funds;**
- 2. Adopt Resolution authorizing the Department of Public Works and Planning to submit the Permanent Local Housing Allocation Plan and grant application to the California Department of Housing and Community Development for Senate Bill 2 Permanent Local Housing Allocation Grant for the preparation, adoption, and implementation of a grant to receive funds to increase the production of affordable housing (\$1,643,348); and**
- 3. Approve and authorize Director or his designee, upon review and approval by County Counsel as to legal form, and the Auditor-Controller/Treasurer-Tax Collector as to accounting form, to execute and deliver a State of California Standard Agreement to secure the Senate Bill 2 Permanent Local Housing Allocation Grant.**

Approval of the recommended actions will authorize submittal of the Permanent Local Housing Allocation (PLHA) grant application along with the plan that allocates the use of the grant funds, and the execution of the related standard agreement if awarded. The California Department of Housing and Community Development (HCD) released a Notice of Funding Availability (NOFA) for counties and cities statewide under the Senate Bill 2 PLHA program Entitlement and Non-entitlement Local government formula. For the current program year, the County is eligible, based on its population, to receive \$1,643,348 through a non-competitive formula grant process. This is a countywide item.

ALTERNATIVE ACTION(S):

Your Board may choose not to apply for the grant, making the Department of Public Works and Planning (Department) ineligible to receive the non-competitive grant funding to increase the production of affordable housing.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The grant does not require a match or in-kind contribution, and will be used to assist the Department to increase the production of affordable housing throughout Fresno County. When funding is awarded, Department staff will return to your Board with the related budget resolution or add during the preparation of Department's annual budget.

As of February 26, 2020, based on the grant formula, Fresno County is eligible for up to \$1,643,348 in the first program year.

DISCUSSION:

The Senate Bill 2 PHLA Grant was part of a 2017 15-bill housing package created to address the State's affordable housing shortage and high housing costs. The PLHA is intended to provide a permanent source of funding to local governments in California to help cities and counties implement programs to increase the production of affordable housing. Local cities that were members of the County's 2017 Urban County Joint Powers Agreement (Fowler, Kerman, Kingsburg, Mendota, Reedley, Sanger, and Selma) will also have access to these funds. Department staff anticipates administering these funds in a similar manner to the County's HOME Program. The attached Permanent Local Housing Allocation Plan allocates the annual allocation of funds to be utilized for the acquisition, rehabilitation, and/or new construction of multifamily rental housing for households earning 80% of Area Median Income (AMI) and restricting a minimum of 50% of the units to households earning no more than 60% AMI.

The agreement with the State of California would be for five years, with the annual allocation varying dependent on the amount of funds the State receives annually from the additional document recording fees instituted by Senate Bill 2.

The deadline for the application is July 27, 2020. Successful applicants will be notified between August and October of 2020.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution
On file with Clerk - Housing Plan

CAO ANALYST:

Debbie Paolinelli