



Board Agenda Item 12

DATE: October 24, 2023

TO: Board of Supervisors

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

SUBJECT: Pathways to Removing Obstacles to Housing Grant Application

RECOMMENDED ACTION(S):

- 1. Conduct a public hearing on the Fresno County Pathways to Removing Obstacles to Housing (PRO Housing) Grant Application.**
- 2. Authorize the Department of Public Works and Planning to submit the PRO Housing Grant Application to the U.S. Department of Housing and Urban Development for up to \$9,000,000 to fund the removal of barriers to affordable housing and seek to increase housing production in Fresno County.**

The U.S. Department of Housing and Urban Development (HUD) Community Planning Development program has issued a Notice of Funding Opportunity for its PRO Housing program. The County is eligible to apply for up to \$10,000,000. If awarded, the PRO Housing Grant funds will be predominantly used to fund infrastructure improvements in the County's unincorporated communities as well as implement various General Plan programs relating to unincorporated community plan updates, zoning ordinance amendments, development of a housing and services resource book for unincorporated residents, create a pilot loan program to build Accessory Dwelling Units (ADU), and prepare the County's 2025-2030 HUD required Consolidated Plan. This item pertains countywide.

ALTERNATIVE ACTION(S):

Your Board may direct staff to make changes to the recommended activities or reject staff's recommendation to submit a funding application to the HUD PRO Housing Grant.

FISCAL IMPACT:

There is no Net County Cost associated with the Recommended Actions. If awarded, Department staff will administer the grant and pursuant to HUD regulations, the County may use up to 10% of the grant award for administrative staff costs.

If the application is successful, a subsequent budget resolution to appropriate the grant funds in Org 5512 (PWP Grants) for FY 2023-24 will be presented to the Board for approval.

DISCUSSION:

The PRO Housing program empowers communities that are actively taking steps to remove barriers to affordable housing and seeking to increase housing production and lower housing costs for families over the long term. Locally, a key barrier to housing affordability has been the lack of adequate infrastructure

(sewer, water, storm drainage, etc.) in the County's unincorporated communities. Grantees may use awards to fund infrastructure improvements, develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate affordable housing production and preservation.

The PRO Housing Grant will fund approximately 20 awards nationwide with a total funding amount of an estimated \$85,000,000. The maximum award per project will be \$10,000,000. The estimated grant period will be from January 2024 to September 2029. If successful, the County intends to use various currently budgeted resources as leverage, including staff time, general plan implementation funding, and various grant funds already allocated to the activities proposed in the grant application.

The County's grant application focuses on implementing the General Plan with an emphasis on the following activities: improving infrastructure in the County's unincorporated communities to support housing production, fund unincorporated community plan updates, provide funding for the creation of a pilot ADU loan program, development of a housing and services resource book, fund necessary zoning ordinance amendments, and prepare the County's 2025-2030 Consolidated Plan (see Exhibit A). In addition, these funds would serve to implement further Affirmatively Furthering Fair Housing efforts, which are intended to foster inclusive communities and improve the quality of life for all its rural unincorporated residents.

As it relates to infrastructure improvements, Department staff has been in communication with the Laton Community Services District (District), which is in need of community wastewater infrastructure improvements to serve existing development. While the District has been notified of pending funding to make the needed improvements, approval of the PRO Housing Grant could be used to supplement the District's funding to fund expansion of their existing infrastructure thereby creating capacity for new potential housing production.

OTHER REVIEWING AGENCIES:

In accordance with the PRO Housing regulations, the County grant application was submitted to the State Clearinghouse and the Fresno County Council of Governments for review and comment. A notice was also published in the Business Journal on October 6, 2023 to allow for the required public hearing notice and to notify the public of the available 15-day comment period.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A - Draft Budget

CAO ANALYST:

Salvador Espino