



AGENDA SUMMARY EUREKA CITY COUNCIL

TITLE: Application for the Competitive Permanent Local Housing Allocation Program (CPLHA) Non Entitlement Local Government Competitive Component

DEPARTMENT: Finance

PREPARED BY: Kristen Raymond

PRESENTED FOR: Action Information only Discussion/Direction

RECOMMENDATION

1. Hold a Public Hearing and receive public comments on the potential projects for funding under the PLHA Competitive component.
2. Adopt a resolution authorizing the City of Eureka to submit an application to the California Department of Housing and Community Development for funding under the competitive Permanent Local Housing Allocation (CPLHA) and, if selected providing authorization to the City Manager, or designee to execute a standard agreement, any amendments thereto, and any related documents necessary to participate in the CPLHA Program, and approving corresponding budget revenue and expense amendments, if awarded

FISCAL IMPACT

No Fiscal Impact Included in Budget Additional Appropriation

COUNCIL GOALS/STRATEGIC VISION

Housing & Homelessness Enhancement

DISCUSSION

HCD released a NOFA (Attachment 1) for the CPLHA Program on October 14, 2022, with applications due December 5, 2022. The NOFA provides grants to Non-entitlement Local Governments in California to assist persons experiencing or at risk of homelessness and investments that increase the supply of housing to households with incomes of 60 percent or less of area median income.

The eligible activities are:

1. Development of new multifamily rental housing that is affordable to households at or below 60 percent of AMI or substantial rehabilitation of multifamily rental housing that will be affordable to households at or below 60 percent of AMI, but which is not currently restricted as affordable housing. In order to be eligible as “substantial rehabilitation”, a project must complete a minimum of \$40,000 per unit in hard construction costs; or
2. Assistance to persons who are experiencing or at risk of homelessness, including, but not limited to, through rapid rehousing, rental assistance, supportive services, and case management services that allow people to obtain and retain housing, operating and capital costs for Navigation Centers, or new construction, rehabilitation, or preservation of permanent or transitional rental housing

The maximum application amount, including administrative costs, for the development of new multifamily rental housing or substantial rehabilitation of a multifamily rental housing project, or development of a Navigation Center is \$5 million. The minimum application amount shall be \$500,000.

The maximum application amount, including administrative costs, for assistance through program activities is \$1 million. The minimum application amount shall be \$500,000.

Administrative expenses may be incurred to implement the project or program activity, up to a maximum of 5% of the grant amount.

Danco Communities, an affordable housing developer with communities located throughout California, had requested that the City apply for the CPLHA funds to assist with developing and constructing the new senior affordable housing project located at 7th and Myrtle. This 36-senior affordable housing project will contain a mix of one-bedroom, two-bedroom, and studio apartments. The Area Median Income (AMI) levels will be 30-60%.

The CPLHA program is now asking for a resolution (Attachment 2) by the City Council.

At this time, Staff is recommending that Council adopt the resolution authorizing the City of Eureka to have submitted an application to the California State Department of Housing and Community Development for funding under the CPLHA Program, and if selected, authorize the City Manager to execute a Standard Agreement, any amendment thereto, and any related documents necessary to participate in the CPLHA Program; and approve corresponding budget revenue and expense amendments, if the application is awarded.

REVIEWED AND APPROVED BY:

- City Attorney
- City Clerk/Information Services
- Development Services
- Finance
- Fire
- Community Services
- Personnel
- Police
- Public Works