



City of San Leandro

Meeting Date: September 5, 2017

Staff Report

File Number: 17-466

Agenda Section: CONSENT CALENDAR

Agenda Number: 8.P.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Cynthia Battenberg
Community Development Director

FINANCE REVIEW: Not Applicable

TITLE: Staff Report for the HOME Consortium Agreement Between the City of San Leandro and the County of Alameda for Federal Fiscal Years 2018-2020

SUMMARY AND RECOMMENDATIONS

The City Council adopted a resolution on June 19, 2017 approving the HOME Consortium Agreement between the City of San Leandro and the County of Alameda for Federal Fiscal Years 2018-2020. HUD, via Alameda County Housing and Community Development staff, recently contacted City staff that the resolution had a typing error and must be revised to accurately reflect that the City is part of the Alameda County HOME Consortium, not the Alameda County Urban County Group.

Staff recommends that the City adopt the *revised* resolution approving the HOME Consortium Agreement between the City of San Leandro and County of Alameda for Federal Fiscal Years 2018-2020.

The City of San Leandro receives HOME Investment Partnership Program (HOME) funds through participation in the Alameda County HOME Consortium. The Consortium includes Alameda County cities and the Urban County area. The HOME Consortium Agreement for Federal Fiscal Years 2018 - 2020 continues the City's participation in the consortium and establishes Alameda County Housing and Community Development Department (HCD) as the lead agency in the administration of the HOME funds. The current HOME Consortium Agreement expires this year.

BACKGROUND

HOME is authorized under Title II of the Cranston-Gonzales National Affordable Housing Act (24 CFR Part 92), passed in 1990. It is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households.

The City has received and allocated over \$5.8 million in federal HOME funds from 1992 to 2017 (including over \$900,000 for Marea Alta Phases I and II in recent years) to fund projects through participation in the Alameda County HOME Consortium. Program funds are allocated to local government agencies on the basis of a formula that considers the relative inadequacy of each jurisdiction's housing supply, its incidence of poverty, its fiscal distress, and other factors.

Communities that do not qualify for an individual allocation under the formula can join with one or more neighboring localities in a legally binding consortium whose members' combined allocation would meet the threshold for direct funding. As the City of San Leandro does not qualify for an individual direct allocation due to its size, the City participates in the Alameda County HOME Consortium in order to receive federal HOME funds.

Analysis

San Leandro joins with six other cities - Alameda, Fremont, Hayward, Livermore, Pleasanton, and Union City - in Alameda County and the Urban County (consisting of the cities of Albany, Dublin, Emeryville, Newark, Piedmont, and the unincorporated County) in the Alameda County HOME Consortium. An agreement between the City and County of Alameda is required in order for the City to participate.

This agreement assigns monitoring, oversight, and administration of the HOME program to Alameda County HCD. For example, in FY 2016-17, County HCD allocated \$166,737 for the City, but retained \$9,301 to assist with County HCD oversight and administration costs. County HCD then allocated the remaining \$157,436 to the City, of which \$148,135 reflects new HOME funds for eligible projects and \$9,301 towards City-related HOME administration costs.

The agreement under City Council consideration tonight will continue the City's participation in the Consortium and provide for the administration of the HOME Program by Alameda County HCD for Federal Fiscal Years 2016, 2017, and 2018.

Current Agency Policies

The City of San Leandro is currently a member of the Alameda County HOME Consortium.

Previous Actions

The City Council approved the FY 2018-2020 Agreement between the City of San Leandro and County of Alameda for administration of HOME Consortium funds on June 19, 2017. The following language excerpted from the adopted resolution reflects what language has been struck as requested by HUD.

NOW, THEREFORE, the City Council of the City of San Leandro does
RESOLVE as follows:

1. The City Council of the City of San Leandro hereby authorizes its

continued participation in the in the ~~Alameda County Urban County-~~
~~group~~ Alameda County HOME Consortium.

Applicable General Plan Policies

Chapter 6, Goal 3: New Housing Opportunities - Provide housing opportunities and improve economic access to housing for all segments of the community.

Fiscal Impacts

This agreement will not impact the City's General Fund because HOME funds are federal discretionary funds.

Budget Authority

Title II of the Cranston-Gonzales National Affordable Housing Act (24 CFR Part 92).

Attachments to Resolution

- HOME Consortium 3 Year Agreement FY2018-2020

PREPARED BY: Tom Liao, Deputy Community Development Director



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Resolution - Council

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TO: City Council

FROM: Chris Zapata
City Manager

BY: Cynthia Battenberg
Community Development Director

FINANCE REVIEW: Not Applicable

TITLE: RESOLUTION to Authorize the Continued Participation of the City of San Leandro in the Alameda County HOME Consortium for HOME Funds and Authorizing Execution of the Necessary Documents to Maintain the Eligibility of the Consortium for HOME Program Funds in Accordance with the National Affordable Housing Act of 1990

WHEREAS, the United States Congress enacted the Cranston-Gonzalez National Affordable Housing Act of 1990 and Federal regulations were adopted pursuant thereto, hereinafter called the "Act"; and

WHEREAS, Title II of the Act creates the HOME Investment Partnership Program hereinafter called "HOME," that provides funds to participating jurisdictions for acquisition, rehabilitation, new construction of affordable housing, homebuyer and tenant-based rental assistance; and

WHEREAS, the Act allows local governments to form consortia for the purpose of receiving and administering HOME funds and carrying out the purposes of the Act; and

WHEREAS, the cities of Alameda, Fremont, Hayward, Livermore, Pleasanton, San Leandro and Union City expressed their interest in joining with the Alameda County Urban County group (consisting of the cities of Albany, Dublin, Emeryville, Newark, Piedmont, and the unincorporated County) to continue in the Alameda County HOME Consortium for federal fiscal years 2018, 2019 and 2020;

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

1. The City Council of the City of San Leandro hereby authorizes its continued participation in the Alameda County HOME Consortium.
2. The City Council of the City of San Leandro hereby authorizes the City Manager to execute the necessary documents to maintain the eligibility of the Consortium, and the City of San Leandro, for HOME program funds in accordance with the

National Affordable Housing Act of 1990.

3. This resolution shall take effect immediately upon its adoption.