



City of San Leandro

Meeting Date: July 20, 2020

Staff Report

File Number: 20-335

Agenda Section: CONSENT CALENDAR

Agenda Number: 8.L.

TO: City Council

FROM: Jeff Kay
City Manager

BY: Tom Liao
Community Development Director

FINANCE REVIEW: Not Applicable

TITLE: Staff Report for a City of San Leandro City Council Resolution Approving and Authorizing the Continued Participation of the City of San Leandro in the Alameda County HOME Consortium for HOME Funds and Authorizing the City Manager to Execute the Necessary Documents to Maintain the Eligibility of the Consortium for HOME Program Funds in Accordance with the National Affordable Housing Act of 1990 (for the Federal Fiscal Years 2021-2023)

SUMMARY AND RECOMMENDATIONS

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 2021-2023 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.

Staff recommends that the City adopt a resolution approving the HOME Consortium Agreement between the City of San Leandro and County of Alameda for Federal Fiscal Years 2021-2023.

This action is a procedural item that only provides for the administration of the HOME funds. All proposed HOME expenditures for specific projects will be brought to the City Council for review and approval.

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 allocated over \$5.8 million in federal HOME funds since 1992, including most

recently over \$900,000 for the 200-unit Marea Alta and La Vereda projects. Program funds are allocated to local government agencies based on 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.

Alameda County HCD, as the lead HOME Consortium grantee and administrator, retains an annual, pro-rated fee from the annual HOME grant allocated by HUD to help defray the County's costs to administer the Consortium and perform monitoring, record-keeping, and reporting required by the Act. For FY 2020-2021, the County retained \$13,664 as its pro-rata share from the City of San Leandro to assist with County HCD oversight and administration costs. County HCD then allocated \$238,792 to San Leandro as its FY2020-2021 annual HOME allocation, of which \$225,128 may be awarded by the City for eligible affordable housing projects/activities and \$13,664 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 2021, 2022, and 2023.

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. On September 5, 2017, the City Council adopted a revision to the June 17, 2020 resolution per the request of Alameda County.

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 FFY2021-2023

PREPARED BY: Tom Liao, Community Development Director



City of San Leandro

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Resolution - Council

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Agenda Number:

TO: City Council

FROM: Jeff Kay
City Manager

BY: Tom Liao
Community Development Director

FINANCE REVIEW: Not Applicable

TITLE: RESOLUTION of the City of San Leandro City Council Authorizing 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 (for Federal Fiscal Years 2021-2023)

WHEREAS, the Congress of the United States has enacted the Cranston-Gonzalez National Affordable Housing Act of 1990 and Federal regulations have been 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 purposes of the Act; and

WHEREAS, the cities of Alameda, Fremont, Hayward, Livermore, Pleasanton, San Leandro and Union City have expressed their interest in joining with the Alameda County Urban County (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 2021, 2022 and 2023.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE, DECLARE, DETERMINE and ORDER as follows:

1. The City Council of the City of San Leandro hereby authorizes the continued participation of the City of San Leandro in the Alameda County HOME Consortium.

2. The City Council of the City of the City of San Leandro hereby authorizes the City Manager to execute the necessary documents to maintain the eligibility of the Consortium for HOME program funds in accordance with the National Affordable Housing Act of 1990.

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

A G R E E M E N T

This AGREEMENT is made and entered into this _____ day of _____ 2020, by and between the CITY of SAN LEANDRO, hereinafter called "CITY," and the COUNTY OF ALAMEDA, hereafter called "COUNTY."

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

WHEREAS, Title II of the Act creates the Home Investment in Affordable Housing Program, hereinafter called "HOME," that provides funds to states and local governments for acquisition, rehabilitation, new construction of affordable housing and tenant-based rental assistance; and

WHEREAS, the Act requires local governments to formulate a Consolidated Plan as part of the eligibility requirements for HOME funds; and

WHEREAS, funds from Title II are distributed to metropolitan cities, urban counties States, and consortia of local governments; and

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

WHEREAS, the Act requires that a local government member of an urban county participating in HUD's Community Development Block Grant (CDBG) program may participate in a consortium only through the urban county, and COUNTY is the lead agency of the Alameda County Urban County; and

WHEREAS, the Act requires that a consortium shall have one member unit of general local government authorized to act in a representative capacity as lead entity for all members for purposes of the Act and to assume overall responsibility for the Act, including requirements concerning the Consolidated Plan; and

WHEREAS, COUNTY has sufficient legal authority and administrative capacity to carry out the purpose of the HOME program on behalf of the Alameda County HOME Consortium ("CONSORTIUM") members and is the lead entity of the CONSORTIUM for the purposes of the Act, assuming overall responsibility for the Act on behalf of the CONSORTIUM members, including ensuring compliance with the requirements of the HOME program and Consolidated Plan.

THEREFORE, it is agreed that:

1. CITY and COUNTY will cooperate in the operation of the CONSORTIUM, for the purpose of undertaking or assisting in undertaking HOME-eligible housing assistance activities

pursuant to Title II of the Act including but not limited to, acquiring, rehabilitating, and constructing affordable housing and providing homebuyer and tenant-based rental assistance.

2. COUNTY is authorized to and shall act in a representative capacity as the lead entity for all members of the CONSORTIUM for the purposes of administering the HOME program.

3. COUNTY assumes overall responsibility for ensuring that the CONSORTIUM's HOME program is carried out in compliance with the requirements of the HOME program, including requirements concerning the Consolidated Plan.

4. CITY shall have thirty (30) calendar days to approve the portions of the Consolidated Plan which pertain to CITY before COUNTY submits final Consolidated Plan to the U.S. Department of Housing and Urban Development. COUNTY shall incorporate CITY changes in Consolidated Plan, if any, provided that they meet HOME requirements.

5. CITY shall approve each project funded with HOME funds within CITY before COUNTY approves funding project with HOME funds, provided that CITY approval or disapproval does not obstruct the implementation of the approved Consolidated Plan.

6. There shall be a Technical Advisory Committee for the Consortium to recommend spending priorities, policies, and review projects and proposed expenditures. CITY shall designate a staff member to participate on the Technical Advisory Committee.

7. CITY shall designate a representative to whom all notices and communications from COUNTY shall be directed. COUNTY'S duty to notify CITY shall be complete when the communication is sent to the designated representative. It is the exclusive duty of the designated representative to notify the appropriate individuals or departments within CITY.

8. To carry out activities under this Agreement, COUNTY shall allocate to CITY a portion of HOME funds received under the Act. Initial allocations shall be approved by the Technical Advisory Committee for the CONSORTIUM. If necessary to meet HOME requirements, funds will be reallocated by COUNTY in accordance with such needs, objectives, or strategies as COUNTY shall decide. In preparing such needs, objectives, or strategies, COUNTY shall consult with CITY and Technical Advisory Committee before making its determinations.

9. Each party to this agreement and each CONSORTIUM member shall affirmatively further fair housing.

10. CITY shall pay COUNTY an annual fee to help defray COUNTY'S costs to administer the Consortium and perform monitoring, record-keeping, and reporting required by the Act. Such fee shall be based upon COUNTY'S expected actual costs and shall in no case exceed five percent (5%) of the CITY'S annual allocation of HOME funds.

11. CITY shall provide COUNTY with all of the following information concerning CITY and the activities CITY carries out under this agreement which COUNTY requires to be prepared: 1) documents required to be submitted to HUD, 2) annual HOME performance report, 3) such other

documents as COUNTY may require to carry out eligible housing activities or meet Federal requirements. All information shall be submitted on forms prescribed by COUNTY. In addition, CITY agrees to make available upon request all records concerning the activities carried out under this agreement for inspection by COUNTY or Federal officials during regular business hours.

12. Pursuant to Government Code Section 895.4, CITY shall defend, indemnify, and hold harmless COUNTY, its officers, employees, and agents from all claims, suits, actions or losses of any type, and from liability for any fines, penalties or damages of any type, resulting from CITY'S performance of this Agreement and caused by any act or omission of CITY, including failure to comply with any requirement of the Act or the Program described herein, except to the extent that any such claim, suits, actions, losses, or liabilities arise from any act or omission of COUNTY.

13. Pursuant to Government Code Section 895.4, COUNTY shall defend, indemnify, and hold harmless CITY, its officers, employees, and agents from all claims, suits, actions or losses of any type, and from liability for any fines, penalties or damages of any type, resulting from COUNTY'S performance of this Agreement and caused by any act or omission of COUNTY, including failure to comply with any requirement of the Act or the Program described herein, except to the extent that any such claims, suits, actions, losses, or liability arise from any act or omission of CITY.

14. CITY agrees to defend, indemnify, and hold harmless all other cities participating in the Alameda County HOME CONSORTIUM for CITY'S negligent acts or omissions arising from this Agreement.

15. This Agreement shall go into effect immediately upon the signature of both parties and shall continue in full force and effect until the HOME funds received during each of the federal fiscal years of the qualification period (2021-2023) are expended on eligible activities or returned to HUD. CITY will be included in the Consortium for a minimum of three (3) federal fiscal years, specifically federal fiscal years 2021, 2022 and 2023. CONSORTIUM members, including CITY, shall not withdraw from the CONSORTIUM during this period (federal fiscal years 2021-2023).

16. The beginning of the CONSORTIUM's program year is July 1 and the end of the CONSORTIUM's program year is June 30. All CONSORTIUM members, including CITY, must be on the same program year for CDBG, HOME, Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) programs.

17. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the day first mentioned above.

CITY OF SAN LEANDRO

COUNTY OF ALAMEDA

City Manager

President, Board of Supervisors

APPROVED AS TO FORM:

APPROVED AS TO FORM:
Donna R. Ziegler, County Counsel

By: _____
City Attorney

By: _____
Heather M. Littlejohn,
Deputy County Counsel

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement.