

# CA Department of Housing & Community Development Permanent Local Housing Allocation



**COMMUNITY DEVELOPMENT DEPARTMENT  
HOUSING SERVICES DIVISION  
JULY 20<sup>TH</sup>, 2020**

# CITY COUNCIL GOALS

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- Maintain and enhance the City's infrastructure
  - Housing affordable low-income households
- Support and implement programs...that enhance the quality of life and wellness, celebrates the arts and diversity and promotes civic pride

# FUNDING FOR AFFORDABLE HOUSING

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## **Existing**

- City Affordable Housing Trust Funds
- Former Redevelopment Housing Set-Aside Funds/Successor Agency
- Federal HOME/CDBG Funds
- Alameda County Measure A-1

## **New – for consideration tonight**

- CA Department of Housing and Community Development – Permanent Location Housing Allocation

# 2017 SENATE BILL 2: BUILDING HOMES and JOBS ACT

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- Adopted by CA Legislature in September 2017
- Established a \$75 recording fee on real estate documents where use of funds is dedicated to increase the supply of affordable housing
- Year-1 Funds “SB2 Planning Grants” \$310,000
  - City hired Miller Planning Associates with support of Urban Field Studio and Lexington Planning that are developing Multi-Family Development Standards presented at July 6, 2020 City Council meeting
- Year-2 Funds and beyond “Permanent Local Housing Allocation”

# PERMANENT LOCAL HOUSING ALLOCATION

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- Administered by CA Department of Housing and Community Development
- Permanent Annual Allocation Cities and Counties to increase affordable housing supply
- Annual Grants calculated using the CDBG entitlement jurisdiction formula
- City of San Leandro's allocation is estimated to be \$350,000/year with \$2.1 million expected over a 5-year period

# PERMANENT LOCAL HOUSING ALLOCATION

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- Program Requirement: PLHA Five-Year Plan
  - Otherwise known as “302(c)(4) Plan” based on statute in law
  - Requires Public Hearing and Public Notice/Review Period
  - Detail of City’s planned use of funds

# PERMANENT LOCAL HOUSING ALLOCATION: FIVE-YEAR PLAN

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- Funds to be used for Multi-Family Affordable Housing Development Activities:
  - Pre-development
  - Development
  - Acquisition & Rehabilitation of Existing (un-regulated) Apartments
  - Preservation of Existing (regulated) Apartments
- Housing must be Affordable to following households:
  - Extremely Low-Income (ELI <30% AMI)
  - Very Low-Income (30-50% AMI)
  - Low-Income (50-80% AMI)

# PERMANENT LOCAL HOUSING ALLOCATION: FIVE-YEAR PLAN (Con't)

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- Staff to issue a RFQ in late 2020 for Non-profit Developers to find affordable housing sites and to be awarded City affordable housing funds
- RFQ will use Alameda County A-1 Rental Housing Development Fund Criteria for developer:
  - Maximize leverage of funds to produce largest number of housing units
  - Select feasible projects that can compete well for State/Federal funding
  - Fund projects at a level to ensure viability of the life of the regulatory period
  - Project must use A-1 and PLHA funds to fill a gap and not supplant other affordable housing development funding available



# ALAMEDA COUNTY

## MEASURE A-1 FUNDING UPDATE

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- Original Base City Allocation from A-1 to City: \$11,907,775
- Eligible A-1 Affordable Rental Housing Activities (includes supportive/special needs housing):
  - new construction,
  - acquisition,
  - acquisition/rehabilitation
  - Emergency/transitional housing, but A-1 may not be used related supportive services.
- Target populations:
  - lower income households
  - seniors
  - families
  - homeless person
  - persons with disabilities

# ALAMEDA COUNTY

## MEASURE A-1 FUNDING UPDATE

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- Base City Allocation: \$11,907,775
  
- Projects Funded to Date:
  - La Vereda (Base City \$1,700,000)
    - Phase 2 of BART TOD Project
    - 85 Senior Housing Units
  - Parrot Street Apartments (Base City \$4,000,000)
    - BART TOD Project
    - 62 Multi-family Housing Units
  
- Base City Allocation Remaining: \$5,016,998
  - Note that there is \$1,190,778 held by Alameda County for the Bond Issuance administrative costs
  
- Encumbrance Deadline for remaining City Allocation:
  - December 31, 2021

Questions  
&  
Comments