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Staff Report for the HOME Consortium Agreement Between the City of San Leandro and the County of Alameda for Federal Fiscal Years 2015-2017

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 is made up of Alameda County cities and the Urban County area. The HOME Consortium Agreement for Federal Fiscal Years 2015 - 2017 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 2015-2017.

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 received \$5.7 million in federal HOME funds from 1992 to 2013 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.

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. Thus, up to five percent (5%) of the City's HOME allocation is retained by HCD. For example, in FY 2013-14, the City contributed \$8,594 of its total HOME allocation, or \$144,275, to assist with HCD oversight and administration costs. In FY 2013-14, the City will use \$135,681 to fund projects and \$8,594 towards administration costs.

The agreement under City Council consideration at the April 7, 2014 meeting 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 2015, 2016, and 2017.

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 2012-2014 Agreement between the City of San Leandro and County of Alameda for administration of HOME Consortium funds on September 19, 2011.

Applicable General Plan Policies

Chapter 3, 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. Alameda County, as lead agency for the HOME Consortium, receives half of each participating cities' share of HOME administration grant funding each year. The County's administration share cannot exceed 5% of each cities' annual HOME grant allocation. For FY 2013-14, the City contributed \$8,594 of its total HOME administration allocation of \$16,771 as its pro-rated share of Alameda County HCD administration costs.

Budget Authority

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

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