

City of San Leandro

Civic Center 835 East 14th Street San Leandro, California

Legislation Details (With Text)

File #: 17-466 Version: 1 Name: HUD HOME Consortium Agreement Revised (SR)

Type: Staff Report Status: Filed

In control: City Council

On agenda: 9/5/2017 **Final action:** 9/5/2017

Enactment date: Enactment #:

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

Sponsors: Cynthia Battenberg

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
9/5/2017	1	City Council	Received and Filed	Pass

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:

 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: <u>New Housing Opportunities</u> - 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

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