



City of San Leandro

City Hall
835 East 14th Street
San Leandro, California

Staff Report

File #: 26-152

Adopt a Resolution to Approve: 1. Continued Participation in the Alameda County HOME Consortium; 2. Authorization for the City Manager to Execute the Three-Year HOME Agreement (FY 2027, FY 2028, and FY 2029) and All Necessary Documents to Maintain Eligibility for HOME Program Funding; 3. Appropriation of HOME Program Funds, in Amounts Not to Exceed the Award Amount, for FY 2024 Through FY 2029; and 4. Authorization for the City Manager to Execute All Necessary Agreements with Eden Housing for an Amount Not to Exceed \$783,667.36 in HOME Program Funds from FY 2024 Through FY 2027 for a Multi-Family Rehabilitation Project at The Surf (15320 Tropic Court)

COUNCIL PRIORITY

- Housing and Homelessness

SUMMARY

Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 (Act) created the HOME Investment Partnerships Program (HOME Program), which provides funding from the U.S. Department of Housing and Urban Development (HUD) to support affordable housing for low-income households. Since 1992, the City of San Leandro (City) has participated in the Alameda County HOME Consortium (Consortium) because the City does not qualify for a direct HUD allocation due to its size. Federal regulations require a new Cooperative Agreement between the City and the County of Alameda for each three-year qualification period.

This action authorizes the City's continued participation in the Consortium for Fiscal Year (FY) 2027 through FY 2029 and appropriates HOME Program funds for FY 2024 through FY 2029, totaling approximately \$783,667.36 across current and prior year allocations. This action also authorizes the City Manager to execute a funding agreement with Eden Housing in an amount not to exceed \$783,667.36 in HOME Program funds for a multi-family rehabilitation project at The Surf, a 46-unit affordable rental development at 15320 Tropic Court.

RECOMMENDATIONS

Staff recommend that the City Council adopt a resolution approving:

1. The City's continued participation in the Alameda County HOME Consortium; and
2. Authorization for the City Manager to execute all necessary agreements and documents to maintain the City's participation in the Alameda County HOME Consortium and eligibility for HOME Program funding (FY 2027, FY 2028, and FY 2029); and
3. Appropriation of HOME Program funds, in amounts not to exceed the award amount, for FY 2024 through FY 2029; and
4. Authorization for the City Manager to execute all necessary agreements with Eden Housing for an amount not to exceed \$783,667.36 in HOME Program Funds from FY 2024 through FY 2027 to support a multi-family rehabilitation project at The Surf (15320 Tropic Court).

BACKGROUND

Alameda County HOME Consortium

The Consortium was formed in 1992 and includes the cities of Alameda, Fremont, Hayward, Livermore, Pleasanton, San Leandro, and Union City, as well as the Alameda County Urban County, which includes the cities of Albany, Dublin, Emeryville, Newark, Piedmont, and the unincorporated County.

The Alameda County Housing and Community Development Department (HCD) administers the Consortium's HOME Program funds in accordance with federal regulations and allocates funds to member jurisdictions.

Federal regulations require a Cooperative Agreement between the City and Alameda County for participation in the Consortium and receipt of HOME funds. The Cooperative Agreement (Attachment B) will continue the City's participation in the Consortium for FY 2027, FY 2028, and FY 2029.

ANALYSIS

Alameda County HOME Consortium

The City's use of HOME Program funds is governed by the Alameda County 2025-2029 Consolidated Plan and the City's 2025-2029 Consolidated Plan and Annual Action Plans, as approved by the City Council and HUD. The City's 2025-2029 Consolidated Plan was adopted by City Council on June 16, 2025.

HOME funds may be used for the acquisition, rehabilitation, and new construction of affordable housing, as well as homebuyer and tenant-based rental assistance. The City has primarily used HOME funds to support the development and rehabilitation of affordable housing citywide. Examples of HOME-funded projects include Estabrook Place, which provides 51 affordable apartments for seniors, and Marea Alta, a 115-unit affordable development for low-income families.

FY 2027 HOME Program Funding Allocations

On April 6, 2026, the City received notification from HUD and the Consortium regarding its FY 2027 HOME allocation. The City anticipates receiving \$201,134.47 in FY 2027 HOME Program funds for eligible activities, of which \$190,548.31 is available for Program activities and \$10,586.16 is allocated for Administration. The FY 2027 HOME funding allocations are based on HUD's final allocation formula and are subject to City Council approval. A detailed funding breakdown is provided in the table below.

FY 2027 HOME Program Funding Allocations			
HUD FY	Program Funds	Administration	Expenditure Deadline
FY 2027	\$190,548.31	\$10,586.16	6/30/2030
Total	\$190,548.31	\$10,586.16	

In FY 2027 (July 1, 2026 – June 30, 2027), the City intends to provide HOME funding to support one affordable housing project selected through the City's Multifamily Affordable Housing Rehabilitation and Preservation Project selection process. Additional details are provided in the HOME Program Funding Proposed for The Surf Project section below.

Prior Year HOME Program Funding (FY 2024, FY 2025, and FY 2026)

The City has an additional \$593,119.05 in prior year HOME funding available for projects, with a requirement to expend the earliest funding first prior to applicable deadlines. These funds remain available due to changes in project funding sources and the absence of currently eligible HOME projects in the City's current development pipeline. A detailed funding breakdown is provided in the table below.

Prior Year HOME Program Funds		
FY	Program Funds	Expenditure Deadline
FY 2024	\$225,238.40	6/30/2027
FY 2025	\$179,013.13	6/30/2028
FY 2026	\$188,867.52	6/30/2029
Total	\$593,119.05	

HOME Program Funding Proposed for The Surf Project

The City conducted a competitive Request for Interest (RFI) process in February 2026, soliciting applications from the City's Affordable Rental Housing List for federal capital rehabilitation funding. The City received four applications and selected Eden Housing for an award up to \$783,667.36 in HOME funds to support the rehabilitation of The Surf, a 46-unit affordable rental development located at 15320 Tropic Court. Through a separate action, the City intends to provide additional CDBG funding for the project.

This action authorizes the use of available HOME Program funds, including current and prior year allocations, for The Surf in an amount not to exceed \$783,667.36, subject to HOME Program eligibility requirements. A detailed funding breakdown is provided in the table below.

HOME Program Funds		
FY	Program Funds	Expenditure Deadline
FY 2024	\$225,238.40	6/30/2027
FY 2025	\$179,013.13	6/30/2028
FY 2026	\$188,867.52	6/30/2029
FY 2027	\$190,548.31	6/30/2030
Total	\$783,667.36	

Funding will be provided in the form of a forgivable loan, with terms substantially consistent with those outlined in the table below.

HOME Loan Terms	
Term	15 years
Interest Rate	3% simple interest per annum
Repayment	Deferred and loan forgiven at maturity if no uncured default
Residual Receipts Requirement	None
Project Timeline	FY 2027 – FY 2028 (July 1, 2026 – June 30, 2028)

If any portion of the funding is determined to be ineligible or infeasible for the project, the City Manager is authorized to reallocate those funds to other eligible HOME activities in accordance with federal requirements.

Previous Actions

On June 16, 2025, City Council adopted Resolution No. 2025-072, which approved the City's 2025-2029 Consolidated Plan. On April 17, 2023, City Council adopted Resolution No. 2023-038, which authorized the City's continued participation in the Alameda County HOME Consortium for FY 2024, FY 2025, and FY 2026.

Financial Impacts

This action authorizes appropriation of HOME Program funds, in amounts not to exceed the award amount, for FY 2024 through FY 2029. HOME programs and projects are funded through annual federal HUD allocations.

ATTACHMENT

A: Draft Resolution

B: Three-year HOME Cooperative Agreement (FY 2027, FY 2028, and FY 2029) between the City of San Leandro and the County of Alameda

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