RESOLUTION - ACTION REQUESTED 2020-484

MEETING: August 4, 2020

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: 2019-2020 Permanant Local Housing Allocation Grant Application

RECOMMENDATION AND JUSTIFICATION:
Adopt a Resolution Authorizing the Submittal of the 2019-2020 Permanent Local Housing Allocation Grant Application; and Authorize the Board of Supervisors Chair to Sign the PLHA Standard Agreement and Any Subsequent Amendments or Modifications Thereto, as well as Any Other Documents Which Are Related to the Program or the PLHA Grant Awarded to Applicant, as Deemed Appropriate (All Documents Subject to Approval as to Legal Form by County Counsel).

Mariposa County is a non-entitlement local government and eligible to receive $770,732 over the next five years for the establishment of affordable housing. Upon approval of PLHA five year plan, and per findings from 2019-2024 Housing Element to the general plan and Mariposa County Strategic Plan, staff recommends submitting an application for these funds.

The California Department of Housing and Community Development (Department) released a Notice of Funding Availability (NOFA) for approximately $195 million for the Permanent Local Housing Allocation (PLHA) program for entitlement and non-entitlement local governments. The NOFA is funded from moneys deposited in the Building Homes and Jobs Trust Fund (Fund) in calendar year 2019.

Funding for this NOFA is provided pursuant to Senate Bill (SB) 2 (Chapter 364, Statutes of 2017). SB 2 established the Fund and authorized the Department to allocate 70 percent of moneys collected and deposited in the Fund, beginning in calendar year 2019, to local governments for eligible housing and homelessness activities. The intent of the bill is to provide a permanent, on-going source of funding to local governments for housing-related projects and programs that assist in addressing the unmet housing needs of their communities.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

RES-2018-62 December 18th 2018. Board Approves No Place Like Home round 1 to begin funding of Creekside Terrace (Mariposa Village)

RES-2019-49 August 20th 2019. General Plan Housing Element Adoption and State
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Certification

RES-2019-70 December 10th 2019 Infill Infrastructure Grant applied for and awarded for onsite and offsite improvements for Creekside Terrace (Mariposa Village)

February 19th 2019 Discussion and Direction given to pursue approved ADU plans


ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve. Mariposa County will not receive funding through PLHA funds.

Amend the application. Staff will need direction about how to amend the application.

Authorize another signer. The designated signer will be the primary contact person for the duration of this grant.

FINANCIAL IMPACT:
PLHA formula awards do not require matching funds from local jurisdiction.
PLHA allows for 5% in administrative cost associated with eligible activities.
$2,500 will be paid to Self-Help Enterprises for grant preparation assistance

ATTACHMENTS:
ResolutionPLHA-CLEAN (DOCX)

RESULT: ADOPTED [UNANIMOUS]
MOVER: Marshall Long, District III Supervisor
SECONDER: Merlin Jones, District II Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
Resolution No. 2020-484

ADOPT A RESOLUTION OF THE MARIPOSA COUNTY BOARD OF SUPERVISORS
APPROVING THE 2019-2020 PERMANENT LOCAL HOUSING ALLOCATION
GRANT APPLICATION. (As approved to form by County Counsel)

WHEREAS, the Department is authorized to provide up to $195 million under the
SB 2 Permanent Local Housing Allocation Program Formula Component from the Building
Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and
Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)), and

WHEREAS the State of California (the “State”), Department of Housing and Community
Development (“Department”) issued a Notice of Funding Availability (“NOFA”) dated
02/26/2020 under the Permanent Local Housing Allocation (PLHA) Program, and

WHEREAS, Applicant is an eligible Local government applying for the program to
administer one or more eligible activities, and

WHEREAS, the Department may approve funding allocations for PLHA Program, subject
to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard
Agreement and other contracts between the Department and PLHA grant recipients.

NOW THEREFORE BE IT RESOLVED THAT:

1. If Applicant receives a grant of PLHA funds from the Department pursuant to the above
   referenced PLHA NOFA, it represents and certifies that it will use all such funds in a manner
   consistent and in compliance with all applicable state and federal statutes, rules, regulations,
   and laws, including without limitation all rules and laws regarding the PLHA Program, as well
   as any and all contracts Applicant may have with the Department.

2. Applicant is hereby authorized and directed to receive a PLHA grant, in an amount not to
   exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the
   current NOFA $770,732 in accordance with all applicable rules and laws.

3. Applicant hereby agrees to use the PLHA funds for eligible activities as approved by the
   Department and in accordance with all Program requirements, Guidelines, other rules and
   laws, as well as in a manner consistent and in compliance with the Standard Agreement and
   other contracts between the Applicant and the Department. Applicant certifies that it has or
   will subgrant some or all of its PLHA funds to another entity or entities. Pursuant to
   Guidelines Section 302(c)(3), “entity” means a housing developer or program operator, but
   does not mean an administering Local government to whom a Local government may delegate
   its PLHA allocation

4. Applicant certifies that its selection process of these subgrantees was or will be accessible to
   the public and avoided or shall avoid any conflicts of interest.

5. Pursuant to Applicant’s certification in this resolution, the PLHA funds will be expended only
   for eligible Activities and consistent with all program requirements.

6. Applicant certifies that, if funds are used for the acquisition, construction or rehabilitation of
   for-sale housing projects or units within for-sale housing projects, the grantee shall record a
   deed restriction against the property that will ensure compliance with one of the requirements
stated in Guidelines Section 302(c)(6)(A),(B) and (C).

7. Applicant certifies that, if funds are used for the development of an Affordable Rental Housing Development, the Local government shall make PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project, and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict occupancy and rents in accordance with a Local government-approved underwriting of the Project for a term of at least 55 years.

8. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.

1. Mariposa County Board of Supervisors Chair is authorized to sign the PLHA Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the PLHA grant awarded to Applicant, (All documents subject to approval as to legal form by County Counsel).

PASSED AND ADOPTED by the County of Mariposa Board of Supervisors by Motion of Supervisor Long, and Seconded by Supervisor Jones, at a regular meeting on August 4th, 2020 by the following VOTE:

AYES: SMALLCOMBE, JONES, LONG, CANN, MENETREY
NAYS: NONE
ABSTAIN: NONE
ABSENT: NONE

[Signature]
Board of Supervisors Chair
Kevin Cann

ATTEST:

[Signature]
Clerk of the Board
County of Mariposa
Rene LaRoche

[Signature]
County Counsel
Steven W. Dahlem
Eligible Applicant Type: Nonentitlement
Local Government Recipient of PHIA Formula Allocation: Mariposa County
Approximate PHIA Formula Allocation Amount: $126,455 Allowable Local Admin (5%): $6,222

Instructions: If the Local Government Recipient of the PHIA Formula Allocation delegated its PHIA formula allocation to a Local Housing Trust Fund or to another Local Government, the Applicant (for which information is required below) is the Local Housing Trust Fund or administering Local Government. The PHIA award will be made to the Applicant (upon meeting threshold requirements) and the Applicant is responsible for meeting all program requirements throughout the term of the Standard Agreement.

The 302(c)(4) Plan template worksheet requires first choosing one or more of the Eligible Activities listed below. If "Yes" is clicked, the 302(c)(4) Plan worksheet opens a series of questions about what precise activities are planned. Some specific activities, such as providing downpayment assistance to lower-income households for acquisition of an affordable home, could be included under either Activity 2 or 5. Please only choose one of those Activities: don't list the downpayment assistance under both Activities.

If the PHIA funds are used for the same Activity but for different Area Median Income (AMI) level, select the same Activity twice (or more times) and the different AMI level the Activity will serve. Please enter the percentage of funds allocated to the Activity in only the first Activity listing to avoid double counting the funding allocation.

Eligible Applicants $300

§300(a) and (b) Eligible Applicants for the entitlement and Non-entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and urban counties allocated a grant for the federal fiscal year 2017 pursuant to the federal CDBG formula specified in 42 USC. Section §5006 and Non-entitlement local governments.

Applicant: County of Mariposa
Address: 5066 Bullion
City: Mariposa
State: CA
Zip: 95338
County: Mariposa

§300(d) If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300(c) and (d)?

File Name: Agreement Taxpayer Identification Number Document Attached and on USB?: Yes

Eligible Activities, §301

§301(a) Eligible activities are limited to the following:

- §301(a)(1) The predetermination, development, acquisition, rehabilitation, and preservation of multifamily, residential life-work, rental housing that is affordable to Extremely Low, Very Low, Low, or Moderate-Income households, including: 1. low-cost operating subsidies, Yes
- §301(a)(2) The predetermination, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days, Yes
- §301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds, Yes
- §301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34178b, Yes
- §301(a)(5) Capitalized Reserves in the preservation and creation of new permanent supportive housing, Yes
- §301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing, Yes
- §301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing, Yes
- §301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments, Yes
- §301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance, Yes
- §301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in the city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project, Yes

Threshold Requirements, §302

§302(a) Housing Element compliance: Applicant or Delegating Local Government’s Housing Element was adopted by the Local Government’s governing body by the application deadline and subsequently determined to be in substantial compliance with state Housing Element Law pursuant to Government Code Section 65585.

§302(b) Applicant or Delegating Local Government has submitted the current or prior year’s Annual Progress Report to the Department of Housing and Community Development pursuant to Government Code Section 65400.

§302(c)(2) Applicant certifies that submission of the application was authorized by the governing board of the Applicant.

§302(d)(3) Applicant certifies that, if the Local Government proposes allocation of funds for any activity to another entity, the Local Government’s selection process had no conflicts of interest and was accessible to the public.

§302(c)(4) Does the application include a Plan in accordance with §302(c)(4)?

§302(c)(5) Applicant certifies that the Plan was adopted and authorized by resolution by the Local Government and that the public had an adequate opportunity to review and comment on its content.

§302(c)(6) Applicant certifies that the Plan submitted is for a term of five years. Local Governments agree to inform the Department of changes made to the Plan in each succeeding year of the term of the Plan.

§302(c)(6) Applicant certifies that it will ensure compliance with §302(c)(6) if funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects.

§302(c)(7) Applicant certifies that it will ensure that the PHIA assistance is in the form of a low-interest, deferred loan to the Sponsor of the Project, if funds are used for the development of an Affordable Rental Housing Development. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust.

§302(c)(8) Has Applicant attached a program income reuse plan describing how repay terms will be reused for eligible activities specified in Section 301?

Administration

Applicant agrees to adhere to §500. Accounting Records.
Applicant agrees to adhere to §501. Audits/Monitoring of PHIA Files.
Applicant agrees to adhere to §502. Cancellation/termination.
Applicant agrees to adhere to §503. Reporting.

Certifications

On behalf of the entity identified below, I certify that: The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct and I possess the legal authority to submit this application on behalf of the entity identified in the signature block.

Kevin Cann
Authorized Representative Printed Name
Board of Supervisors Chairman

Entity name: County of Mariposa
Entity Address: 5066 Bullion
Phone Number: (209)666-3222
City/Mariposa
State/CA
Zip: 95338

Formula Allocation Application