



Legislation Text

File #: 24-0873, **Version:** 1

Planning and Building Department, Planning Division, Long Range Planning, Housing Unit, recommending the Board:

- 1) Adopt and authorize the Chair to sign Resolution **084-2024** for the submittal of a 2024 Permanent Local Housing Allocation Program Competitive Component application to the State of California Department of Housing and Community Development to provide up to \$5,000,000 as funding for Multi-family Rental Projects;
- 2) Delegate authority to the Director of the Planning and Building Department, contingent upon approval by County Counsel and Risk Management, to execute the grant agreement and subsequent amendments thereto that do not affect the dollar amount and to sign other grant-related documents; and
- 3) Direct Staff to create a new Special Revenue Fund for depositing \$250,000 for administrative costs related to monitoring grant compliance.

FUNDING: State Senate Bill 2 (Chapter 364, Statutes of 2017) Permanent Local Housing Allocation Program Competitive Component from the Building Homes and Jobs Trust Fund.

DISCUSSION / BACKGROUND

The State of California Department of Housing and Community Development (the "Department") issued a Notice of Funding Availability ("NOFA") dated March 6, 2024, for the Permanent Local Housing Allocation (cPLHA) Program Competitive Component.

Funding for this NOFA is provided pursuant to Senate Bill 2 (SB 2) (Chapter 364, Statutes of 2017). SB 2 established the Fund and authorizes 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 up to \$12,500,000. 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 local communities. The Non-Entitlement competitive grant program component prioritizes assistance to persons experiencing or at risk of homelessness and investments that increase the supply of housing to households with incomes of 60 percent or less of Area Median Income (AMI).

In response to the 2024 NOFA, the County of El Dorado ("Applicant") desires to submit a project application for an allocation of up to \$5,000,000 of the cPLHA Program funds for an acquisition loan to the development partnership of the El Dorado Senior Village Apartments I (Assessor Parcel Number 331-221-035-000), a 72-Unit multi-family affordable rental project, located in Unincorporated El Dorado County. The grant allows for up to \$250,000 to be used to offset County staff administrative expenses incurred to implement the project or program activity.

On August 27, 2020, the Planning Commission (File No. 20-1033, Item No. 3) approved the Design Review permit (DR20-0001) for the construction and operation of the El Dorado Senior Village I & II, an affordable, age-restricted community housing development consisting of 12 multi-unit residential buildings with a total of 149 rental units, 50% or more which will be affordable for households earning

at or below 80% of the Area Median Income (AMI), a 7,500 square-foot commercial building and restaurant, a 2,500 square foot bed and breakfast country inn, a 3,500 square foot community clubhouse, a 500 square foot leasing office, 220 parking spaces, two freestanding signs and two wall signs and approximately 2.3 acres of landscape/active recreation areas.

The cPLHA application will support the County's Housing Element Policy HO-1.18, which states that the County shall develop incentive programs and partnerships to encourage private development of affordable housing; and Measure HO-19 Support County application for funds from a variety of sources in support of public improvements and/or community development on behalf of development for, and services that assist, affordable housing. Prioritize investment in public improvements and infrastructure in low resource areas to encourage place-based revitalization in these areas.

Affordable housing projects, particularly 100% affordable projects, typically seek funding from a variety of local, state, and federal loan and grant programs to help offset costs of traditional funding sources. These funds are necessary due to the decreased rate of return from the rental income that will be received over the life of the project.

ALTERNATIVES

The Board may deny the request to submit an application for cPLHA grant funding.

PRIOR BOARD ACTION:

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management.

CAO RECOMMENDATION

Approve as recommended.

FINANCIAL IMPACT

\$4,750,000 will be a pass-through to the project developer. There is no County match required for the grant. Up to \$250,000 of the grant amount may be used for County staff administrative expenses incurred to implement the project or program activity.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Clerk of the Board will secure the Chair's signature on the original copy of the Resolution; and
- 2) The Clerk of the Board will provide two (2) certified Resolution copies to Planning and Building Department, attention of Bret Sampson, Long Range Planning, Housing Unit.

STRATEGIC PLAN COMPONENT

Safe and Healthy Communities - Develop a continuum of support and housing opportunities for unhoused individuals.

CONTACT

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Planning and Building Director