

CITY COUNCIL AGENDA REPORT

August 4, 2020

City Manager

TITLE: ADOPT A RESOLUTION AUTHORIZING CONTINUED PARTICIPATION IN THE ALAMEDA COUNTY HOME CONSORTIUM FOR HOME FUNDS AND AUTHORIZING EXECUTION DOCUMENTS TO MAINTAIN ELIGIBILITY OF THE CONSORTIUM FOR HOME PROGRAM FUNDS IN ACCORDANCE WITH THE NATIONAL AFFORDABLE HOUSING ACT OF 1990

SUMMARY

This report summarizes the renewal of a cooperative agreement with Alameda County to continue Pleasanton's participation in the Alameda County HOME Consortium for the next three fiscal years (2021, 2022, and 2023). The proposed action is necessary for the City to continue to receive an annual grant of federal HOME funds for affordable housing projects and activities.

RECOMMENDATION

Adopt the attached resolution authorizing the renewal of a cooperative agreement with Alameda County to participate in the Alameda County HOME Consortium for the purpose of receiving federal HOME funds for affordable housing development for Fiscal Years 2021, 2022, and 2023.

FINANCIAL STATEMENT

Approval of the attached agreement with the County will enable the City to maintain its eligibility to receive an annual grant of HOME funds estimated at approximately \$100,000 per year for the next three years. As per the current agreement, five percent of the City's annual HOME grant (approximately \$5,000) would go to the County as the City's contribution towards the County's central administration of the HOME program.

BACKGROUND

The Home Investment Partnership Program (HOME) was established through the federal Cranston-Gonzalez National Affordable Housing Act of 1990 to provide funding to state and local governments for the new construction or substantial rehabilitation of affordable housing. The program is separate from other federal programs such as the Community Development Block Grant (CDBG) program.

When the HOME program was first established, the only cities in Alameda County which met the Department of Housing and Urban Development (HUD) criteria for an independent HOME funding allocation were Oakland and Berkeley. In order to attain eligibility to receive a HOME funds allocation, the remaining smaller jurisdictions in Alameda County entered into an agreement in 1993 to form the Alameda County HOME Consortium. The Consortium provides the necessary mass to qualify as a "jurisdiction" for the purpose of receiving an allocation of HOME funds.

Pleasanton has participated as part of the Alameda County HOME Consortium since 1993. Through this participation, the City has been eligible to receive approximately \$75,000 to \$170,000 each year. The use of HOME funds over the past 15 years is included in the table on Attachment 3.

DISCUSSION

The City has participated in the HOME program since 1993 through an existing cooperative agreement with Alameda County which was approved by the City Council in 1993 and subsequently renewed, most recently in 2017. The agreement delegates to the City Manager the authority to perform the necessary administrative functions relative to the program during the three-year term of the past three agreements.

With the start of a new three-year term in FY 2020-21 (beginning July 1, 2020), the County has requested that each participating jurisdiction renew its participation in the Consortium through the renewal of the cooperative agreement. HUD regulations require the agreements to be in place one year in advance of the start of the fiscal year.

A copy of the updated agreement is attached. The agreement is essentially the same as the current agreement and would confirm Pleasanton's continued participation as a member of the Alameda County HOME Consortium for the next three fiscal years (2021, 2022, and 2023; the current agreement will apply through 6/30/2020).

Pleasanton would continue to receive a formula allocation of HOME funds which is expected to be approximately \$100,000 each year based on recent allocations (but will vary according to federal funding trends).

The cooperative agreement designates Alameda County as the lead agency and representative member of the Consortium, as required by HUD. The City Manager would continue to serve as the City designee to whom all communication regarding the HOME program would be directed. The City's Housing Manager would continue to attend bi-monthly meetings of the HOME Technical Advisory Committee (TAC), a

committee comprised of representatives of all jurisdictions in the Consortium which reviews funding proposals and provides recommendations on policies and spending priorities.

The term of the agreement would be three years (2021, 2022, and 2023, or through 6/30/2023), the minimum period allowed by HUD. As with the prior agreement, the renewed agreement would authorize the City Manager to take all necessary administrative actions to carry out the City's participation in the HOME Consortium during the next three years. Specific decisions regarding the use of HOME funds would still be subject to review and approval by the Housing Commission and City Council.

In addition to making the City eligible to receive HOME funds, one of the continued benefits of the City's participation in the HOME Consortium is the partial fulfillment of the City's obligation under HUD's Consolidated Plan strategy. Since the 1990s, the City has participated jointly with the Consortium to submit the five-year Consolidated Plan and annual Action Plan to HUD. These detailed documents are required for both the HOME and CDBG programs. Participation in the Consortium promotes coordination of housing and community development efforts throughout the county and also reduces the administrative burden on individual jurisdictions by allowing the submittal of consolidated planning and reporting documents to HUD.

Staff recommends that the Council approve the renewal of the attached cooperative agreement with Alameda County by taking the action listed in the summary.

Submitted by:



Brian Dolan
Assistant City Manager

Reviewed by:



Tina Olson
Finance Director

Approved by:



Nelson Fialho
City Manager

Attachments:

1. Draft Resolution
2. City-County Agreement
3. Use of HOME funds since 2000

RESOLUTION NO. 20-_____

RESOLUTION AUTHORIZING THE CONTINUED PARTICIPATION OF THE CITY OF PLEASANTON IN THE ALAMEDA COUNTY HOME CONSORTIUM FOR HOME FUNDS AND AUTHORIZING EXECUTION OF THE NECESSARY DOCUMENTS TO MAINTAIN THE ELIGIBILITY OF THE CONSORTIUM FOR HOME PROGRAM FUNDS IN ACCORDANCE WITH THE NATIONAL AFFORDABLE HOUSING ACT OF 1990

WHEREAS, the Congress of the United States enacted the Cranston-Gonzalez National Affordable Housing Act of 1990 and Federal regulations have been adopted pursuant thereto, hereinafter called the "Act"; and

WHEREAS, Title II of the Act creates the Home Investment in Affordable Housing Program hereinafter called "HOME", that provides funds to states and local governments for acquisition, rehabilitation, new construction of affordable housing and tenant-based rental assistance; and

WHEREAS, the Act allows local governments to form consortia for the purpose of receiving and administering HOME funds and carrying out the purposes of the Act; and

WHEREAS, the cities of Alameda, Fremont, Hayward, Livermore, Pleasanton, San Leandro, and Union City have expressed their interest in joining with the Alameda County Urban County (consisting of the cities of Albany, Dublin, Emeryville, Newark, Piedmont, and the unincorporated County) to continue in the Alameda County HOME Consortium for federal fiscal years 2021, 2022, and 2023.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON RESOLVES AS FOLLOWS:

Section 1. Council authorizes the continued participation of the City of Pleasanton as part of the Alameda County Urban County in the Alameda County HOME Consortium.

Section 2. Council authorizes the City Manager to execute the necessary documents to maintain eligibility of the Consortium for HOME program funds in accordance with the National Affordable Housing Act of 1990.

Section 3. This resolution shall become effective immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on July 21, 2020.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the July 21, 2020, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

Karen Diaz, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

CITY-COUNTY AGREEMENT

This AGREEMENT is made and entered into this _____ day of _____ 2020, by and between the CITY of PLEASANTON, hereinafter called "City," and the COUNTY OF ALAMEDA, hereinafter called "County."

WHEREAS, the Congress of the United States has enacted the Cranston Gonzalez National Affordable Housing Act of 1990 and Federal regulations have been adopted pursuant thereto, hereinafter called the "Act"; and

WHEREAS, Title II of the Act creates the Home Investment in Affordable Housing Program, hereinafter called "HOME," that provides funds to states and local governments for acquisition, rehabilitation, new construction of affordable housing and tenant-based rental assistance; and

WHEREAS, the Act requires local governments to formulate a Consolidated Plan as part of the eligibility requirements for HOME funds; and

WHEREAS, funds from Title II are distributed to metropolitan cities, urban counties States, and consortia of local governments;

WHEREAS, the Act allows local governments to form consortia for the purpose of receiving and administering HOME funds and carrying out purposes of the Act;

WHEREAS, the Act requires that a local government member of an urban county may participate in a consortium only through the urban county, and the County of Alameda is the lead agency of the Alameda County Urban County; and

WHEREAS, the Act requires that a consortium shall have one member unit of general local government authorized to act in a representative capacity for all members for purposes of the Act and to assume overall responsibility for the Act, including requirements concerning the Consolidated Plan;

THEREFORE, it is agreed that:

1. CITY and COUNTY will cooperate in the operation of the Alameda County HOME Consortium, hereinafter called the "CONSORTIUM", for the purpose of undertaking or assisting in undertaking HOME-eligible housing assistance activities pursuant to Title II of the Act including but not limited to, acquiring, rehabilitating, and constructing affordable housing and providing homebuyer and tenant-based rental assistance.
2. COUNTY shall act as the representative member of the CONSORTIUM for the purposes of the Act.
3. CITY shall have thirty (30) calendar days to approve the portions of the Consolidated Plan which pertain to CITY before COUNTY submits final Consolidated Plan to the U.S. Department of Housing and Urban Development. COUNTY shall incorporate

CITY changes in Consolidated Plan, if any, provided that they meet HOME requirements.

4. CITY shall approve each project funded with HOME funds within CITY before COUNTY approves funding project with HOME funds, provided that CITY approval or disapproval does not obstruct the implementation of the approved Consolidated Plan.
5. There shall be a Technical Advisory Committee for the Consortium to recommend spending priorities, policies, and review projects and proposed expenditures. CITY shall designate a staff member to participate on the Technical Advisory Committee.
6. CITY shall designate a representative to whom all notices and communications from COUNTY shall be directed. COUNTY'S duty to notify CITY shall be complete when the communication is sent to the designated representative. It is the exclusive duty of the designated representative to notify the appropriate individuals or departments within CITY.
7. To carry out activities under this Agreement, COUNTY shall allocate to CITY a portion of HOME funds received under the Act. Initial allocations shall be approved by the Technical Advisory Committee for the CONSORTIUM. If necessary to meet HOME requirements, funds will be reallocated by COUNTY in accordance with such needs, objectives, or strategies as COUNTY shall decide. In preparing such needs, objectives, or strategies, COUNTY shall consult with CITY and Technical Advisory Committee before making its determinations.
8. Each party to this agreement shall affirmatively further fair housing.
9. CITY shall pay COUNTY an annual fee to help defray COUNTY'S costs to administer the Consortium and perform monitoring, record-keeping, and reporting required by the Act. Such fee shall be based upon COUNTY'S expected actual costs and shall in no case exceed five percent (5%) of the CITY'S annual allocation of HOME funds.
10. CITY shall provide COUNTY with all of the following information concerning CITY and the activities CITY carries out under this agreement which COUNTY requires to be prepared: 1) documents required to be submitted to HUD, 2) annual HOME performance report, 3) such other documents as COUNTY may require to carry out eligible housing activities or meet Federal requirements. All information shall be submitted on forms prescribed by COUNTY. In addition, CITY agrees to make available upon request all records concerning the activities carried out under this agreement for inspection by COUNTY or Federal officials during regular business hours.
11. Pursuant to Government Code Section 895.4, CITY shall defend, indemnify, and hold harmless COUNTY, its officers, employees, and agents from all claims, suits, actions or losses of any type, and from liability for any fines, penalties or damages of any type, resulting from CITY'S performance of this Agreement and caused by any act or omission of CITY, including failure to comply with any requirement of the Act or the Program described herein, except to the extent that any such claim, suits, actions, losses, or liabilities arise from any act or omission of COUNTY.

- 12. Pursuant to Government Code Section 895.4, COUNTY shall defend, indemnify, and hold harmless CITY, its officers, employees, and agents from all claims, suits, actions or losses of any type, and from liability for any fines, penalties or damages of any type, resulting from COUNTY'S performance of this Agreement and caused by any act or omission of COUNTY, including failure to comply with any requirement of the Act or the Program described herein, except to the extent that any such claims, suits, actions, losses, or liability arise from any act or omission of CITY.
- 13. CITY agrees to defend, indemnify, and hold harmless all other cities participating in the Alameda County HOME CONSORTIUM for CITY'S negligent acts or omissions arising from this Agreement.
- 14. This Agreement shall go into effect immediately upon the signature of both parties and shall continue in full force and effect until all activities funded from Federal fiscal years during which CITY was a participating jurisdiction in the CONSORTIUM are completed. CITY will be included in the Consortium for a minimum of three (3) Federal fiscal years, federal years 2021, 2022 and 2023.
- 15. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the day first mentioned above.

CITY OF PLEASANTON

COUNTY OF ALAMEDA

City Manager

President,
Alameda County Board of Supervisors

APPROVED AS TO FORM:

APPROVED AS TO FORM:
Donna R. Ziegler, County Counsel

By: _____
City Attorney

By: _____
Heather M. Littlejohn,
Deputy County Counsel

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement.

Use of HOME FUNDS

Fiscal Year	Amount	Project
2000	\$154,754	Assistance to Deaf Senior Retirement Corporation to construct a regional housing complex for deaf seniors in Fremont; funding of monthly rent subsidies for TVHSP
2001	\$168,947	Acquisition by HOUSE, Inc., of fourth residence in Pleasanton for adults with developmental disabilities; funding of monthly rent subsidies for TVHSP
2002	\$175,828	Assistance to Allied Housing, Inc., to construct a regional housing complex for dually-diagnosed formerly homeless persons in Castro Valley; funding of monthly rent subsidies for TVHSP
2003	\$187,391	Assistance to Allied Housing, Inc., to construct a regional housing complex for dually-diagnosed formerly homeless persons in Castro Valley; funding of monthly rent subsidies for TVHSP
2004	\$177,328	Assistance to Allied Housing, Inc., to construct a regional supportive housing complex for disabled and victims of domestic violence in Livermore (Carmen Ave.); funding of individual loans through the City's Housing Rehabilitation Program; funding of monthly rent subsidies for TVHSP
2005	\$178,307	Acquisition by REACH (formerly HOUSE, Inc.) of fourth residence in Pleasanton for adults with developmental disabilities; funding of monthly rent subsidies for TVHSP
2006	\$160,943	Acquisition by REACH (formerly HOUSE, Inc.) of fifth residence in Pleasanton for adults with developmental disabilities; funding of individual loans through the City's Housing Rehabilitation Program; funding of monthly rent subsidies for TVHSP
2007	\$158,436	Acquisition by REACH (formerly HOUSE, Inc.) of fifth residence in Pleasanton for adults with developmental disabilities; funding of monthly rent subsidies for TVHSP
2008	\$151,342	Acquisition by REACH (formerly HOUSE, Inc.) of fifth residence in Pleasanton for adults with developmental disabilities; funding of individual loans through the City's Housing Rehabilitation Program; funding of monthly rent subsidies for TVHSP
2009	\$174,576	Funding of monthly rent subsidies for TVHSP and individual loans through the City's Housing Rehabilitation Program
2010	\$87,520	Funding of monthly rent subsidies for TVHSP and individual loans through the City's Housing Rehabilitation Program
2011	\$153,185	Assistance to MidPen Housing to redevelop Kottinger Gardens, a senior housing community; funding of individual loans through the City's Housing Rehabilitation Program; funding of monthly rent subsidies for TVHSP
2012	\$74,678	
2013	\$75,969	
2014	\$81,270	
2015	\$74,756	Funding of monthly rent subsidies for TVHSP and individual loans through the City's Housing Rehabilitation Program
2016	\$82,956	Funding of monthly rent subsidies for TVHSP and individual loans through the City's Housing Rehabilitation Program
2017	\$85,838	Funding of monthly rent subsidies for Rapid Re-Housing (formerly TVHSP) and individual loans/grants through the City's Housing Rehabilitation Program
2018	\$129,198	Funding of individual loans/grants through the City's Housing Rehabilitation Program
2019	\$117,171	Funding of monthly rent subsidies for Rapid Re-Housing (formerly TVHSP) and individual loans/grants through the City's Housing Rehabilitation Program