(R-2021-220)

RESOLUTION NUMBER R- 313294

DATE OF FINAL PASSAGE NOV 17 2020

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO REAPPROVING THE CITY OF SAN DIEGO'S APPLICATION FOR A GRANT FROM THE STATE OF CALIFORNIA'S PERMANENT LOCAL HOUSING ALLOCATION PROGRAM IN AN AMOUNT NOT TO EXCEED \$34,741,098

WHEREAS, the Permanent Local Housing Allocation (PLHA) Program, established by Senate Bill 2 (SB2) Chapter 364 Statutes of 2017, provides a permanent, on-going source of funding to local governments for housing related projects and programs that address unmet housing and homelessness needs of local communities; and

WHEREAS, the State of California and the California Department of Housing and Community Development (Department) issued a Notice of Funding Availability (NOFA) under the PLHA Program on February 26, 2020, with an application deadline of July 27, 2020; and

WHEREAS, the Department is authorized to provide up to \$195 million under the SB2 PLHA 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.; and

WHEREAS, the City is an eligible local government applying for the PLHA Program grant to administer one or more eligible activities; and

WHEREAS, the Department may approve funding allocations subject to the terms and conditions of the PLHA Program Guidelines (Guidelines), NOFA, PLHA Program requirements,

State of California Standard Agreement (Standard Agreement) and other contracts between the Department and PLHA Program grant recipients; and

WHEREAS, the City is an entitlement jurisdiction eligible for a formula grant of up to \$34,741,098 over a five-year period; and

WHEREAS, the PLHA funds shall not be used for operating and capital costs for navigation centers and emergency shelters; and

WHEREAS, the City Council approved the City's application for the PLHA funds on July 20, 2020 with the adoption of Resolution R-313146; and

WHEREAS, the Department requires the City to include additional language in its Resolution approving the PLHA grant application; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego (Council), as follows:

- 1. The Mayor, or designee, is authorized and directed to apply to the Department for the PLHA Program funds and sign and submit the PLHA Program Application, the Standard Agreement, any subsequent amendments or modifications, and any and all documents necessary or appropriate to secure the PLHA funds from the Department.
- 2. If the City receives a grant of PLHA funds from the Department pursuant to the NOFA, the Mayor, or designee, represents and certifies that it will use all such funds in a manner consistent with and in compliance with all applicable State and federal statues, rules, regulations and laws, including without limitation all rules and laws regarding the PLHA Program and any and all contracts City may have with the Department.
- 3. The Chief Financial Officer is authorized to accept, appropriate and expend the PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocation

of \$34,741,098, as stated in Appendix C of the NOFA, in accordance with all applicable rules and law.

- 4. The Mayor, or designee, agrees to use the PLHA funds for eligible activities as approved by the Department in accordance with all PLHA Program requirements, Guidelines, other applicable rules and laws, as well as in compliance with the Standard Agreement and other contracts between the City and Department.
- 5. The Mayor, or designee, certifies that, if PLHA funds are used for the acquisition, construction or rehabilitation of for-sale housing projects or units within for-sale housing projects, a deed restriction shall be recorded against the property that will ensure compliance with one of the requirements stated in Guidelines Section 302(c)(6)(A), (B), and (C).
- 6. The Mayor, or designee, 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.
- 7. The Mayor, or designee, certifies that the PLHA funds will be expended only for eligible activities and consistent with all program requirements.
- 8. The Mayor, or designee, agrees that the City shall be subject to the terms and conditions as specified in the Standard Agreement, Guidelines, and any other applicable SB2 Guidelines published by the Department.

- 9. The Mayor, or designee, certifies that it may 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.
- 10. The Mayor, or designee, certifies that its selection process of subgrantees will be accessible to the public and shall avoid any conflicts of interest.

APPROVED: MARA W. ELLIOTT, City Attorney

Ву	/s/ Marguerite E. Middaugh	
	Marguerite E. Middaugh	
	Deputy City Attorney	

meeting of ///10/2020 .

MEM:jdf 10/27/2020

Or.Dept: Economic Development

Doc. No.: 2513229

	ELIZABETH S. MALAND City Clerk
Approved:	By /s/ Stacy D. Ready Deputy Gity Clerk KEVIN L. FAULCONER, Mayor
Vetoed:(date)	KEVIN L. FAULCONER, Mayor

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this