

AGENDA



HOUSING AND COMMUNITY DEVELOPMENT COMMISSION (HCDC) REGULAR MEETING CITY COUNCIL CHAMBERS 555 SANTA CLARA STREET

S. Bre Jackson, Chair
Christina Long, Vice-Chair
Tara Beasley-Stansberry
Jared Bunde
Ylonda Calloway
Cassandra James
Amelia Shoulders

**THURSDAY, DECEMBER 1, 2022
7:00 P.M.**

**Members of the public will be able to participate in person or remotely via Zoom.
City Hall and the Council Chambers will be open to members of the public
30 minutes prior to the start of the meeting.**

IMPORTANT NOTICE REGARDING THE DECEMBER 1, 2022 HCDC MEETING

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the Housing and Community Development Commission without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Pursuant to Government Code Section 54954.3 (The Brown Act), members of the public shall be afforded the opportunity to speak on any AGENDA item of interest to them provided they are first recognized by the Presiding Officer. Members of the public wishing to be so recognized are requested to submit a completed speaker card to the Secretary of the Commission prior to the consideration of the item.

Members of the public have the right to speak on any item on this AGENDA. Those wishing to address the Housing and Community Development Commission on an Action Calendar item are limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420.

PUBLIC COMMENT: Members of the Public may provide public comments during the Housing and Community Development Commission meeting. Hybrid options are available for members of the public to participate.

- In person.
- Via Zoom (<https://ZoomRegular.Cityofvallejo.net>).
- Via phone, by dialing (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to raise your hand digitally from the phone.

In-person speakers will be recognized first. For additional instructions on how to speak remotely during public comment, please visit www.cityofvallejo.net/publiccomment.

VIEW THE MEETING. There are four different ways you can view this public meeting:

- In person.
- Watch Vallejo local channel 28.
- Stream from the City website: www.cityofvallejo.net/Streaming.
- Join the Zoom webinar: <https://ZoomRegular.Cityofvallejo.net>.

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the Housing and Community Development Commission, will be available for public inspection at the Housing and Community Development Division, 200 Georgia Street, Vallejo, CA 94590, at the same time that the public records are distributed or made available to the Housing and Community Development Commission. Such documents may also be available on the City of Vallejo website, subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4507, or TDD (800) 735-2929.

ADDITIONAL CITY INFORMATION

Members of the public can:

Like us on Facebook and Instagram ([@cityofvallejo](https://www.facebook.com/cityofvallejo)).

LinkedIn: <https://www.linkedin.com/company/city-of-vallejo>.

Sign up to receive City Communications via e-mail (www.cityofvallejo.net/subscribe).

Sign up for emergency alerts at: <https://solanocounty.com/alertsolano>.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at Dawn.Abrahamson@cityofvallejo.net. Notification at least 48 hours prior to a meeting will enable the City to make reasonable arrangements to ensure accessibility to that meeting. [28 CFR.35.102.35.104 ADA Title II]. The City of Vallejo Housing and Community Development Division may be contacted as follows: Tel: (707) 648-4507, Fax: (707) 648-5249, or e-mail: Jason.Goltiao@cityofvallejo.net. The hearing impaired may call the California Relay Service at (800) 735-2922 without a TTY/TDD, or (800) 735-2929 with a TTY/TDD.

AGENDA

City of Vallejo Housing and Community Development Commission

December 1, 2022

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PRESENTATIONS**
5. **APPROVAL OF MINUTES**
6. **WRITTEN COMMUNICATIONS**
7. **REPORT OF THE SECRETARY**
8. **REPORT OF THE CHAIR AND MEMBERS OF THE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION, AND LIAISON REPORT**

A. Report of the Chair and Members of the Housing and Community Development Commission

B. Report of City Council Liaison to the Housing and Community Development Commission

9. **COMMUNITY FORUM**

The Community Forum is an opportunity for residents to discuss items not on the agenda that are within the purview of the Commission. The Commission may not discuss or act on these items but may require they be placed on a future agenda. If an item is not within the purview of the Commission, the person may be referred to the appropriate party. Members of the public wishing to address the Commission on Action Calendar items may do so by submitting a completed speaker's card to the Secretary or via teleconference. Each speaker participating under the Community Forum shall be limited to a maximum of three minutes pursuant to Vallejo Municipal Code Section 2.02.300.

Any interested members of the public desiring to communicate with the Commission as part of the Community Forum may do so via:

- *In person*
- *Zoom: (<https://ZoomRegular.Cityofvallejo.net>),*
- *Phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to raise your hand digitally from the phone.*

In-person speakers will be recognized first. For additional instructions on how to speak during public comment, please visit www.cityofvallejo.net/publiccomment.

10. **PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS**

Members of the public wishing to address the Commission on Consent Calendar items may do so by submitting a completed speaker's card to the Secretary or via teleconference. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.02.310. Request for removal of Consent Items received from the public are

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City of Vallejo Housing and Community Development Commission

December 1, 2022

subject to approval by a majority vote of the commission. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and the Agenda.

Any interested members of the public desiring to communicate with the Commission as part of this item may do so via:

- In person
- Zoom: (<https://ZoomRegular.Cityofvallejo.net>),
- Phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to raise your hand digitally from the phone.

In-person speakers will be recognized first. For additional instructions on how to speak during public comment, please visit www.cityofvallejo.net/publiccomment.

11. CONSENT CALENDAR AND APPROVAL OF THE AGENDA

A. Fiscal Year (FY) 2021-22 Low and Moderate-Income Housing Asset Fund (LMIHAF) Annual Report

By December 31st of each year, the Vallejo Housing Authority (VHA), acting as the Housing Successor Agency, must submit a report to the State of California Department of Housing and Community Development (State HCD) on its LMIHAF.

For more information, a Staff Report is enclosed with the agenda packet.

Recommendation: Recommend: (1) acceptance by the Vallejo Housing Authority (VHA) Board of Commissioners of the Housing Successor Agency Annual Report ("Report") on the Low and Moderate-Income Housing Asset Fund ("LMIHAF") for Fiscal Year (FY) 2021-22; and (2) that the VHA Board of Commissioners direct staff, by not later than December 31, 2022, to: (i) forward the Report to the State of California Department of Housing and Community Development ("State HCD"), and (ii) post the Report to the City Vallejo's website.

12. ACTION CALENDAR

Members of the public wishing to address the Commission on Action Calendar items may do so by submitting a completed speaker's card to the Secretary or via teleconference. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420.

Any interested members of the public desiring to communicate with the Commission as part of this item may do so via:

- In person
- Zoom: (<https://ZoomRegular.Cityofvallejo.net>),
- Phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to raise your hand digitally from the phone.

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A. Public Hearing: Housing and Community Development Needs

AGENDA

City of Vallejo Housing and Community Development Commission

December 1, 2022

In accordance with its Citizen Participation Plan, the City holds at least one public hearing each year on housing and community development needs in Vallejo. The purpose of this public hearing is to determine whether and how these needs may have changed significantly from those documented in the Consolidated Plan and if so what, if any, revisions to proposed activities may be appropriate. This hearing is also intended to provide an opportunity for residents and other interested parties to comment on how the City's federal Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program funds may be used in Fiscal Year (FY) 2023-24, (beginning July 1, 2023).

For more information, a Staff Report is enclosed with the agenda packet.

Recommendation: Conduct a public hearing to receive comments on housing and community development needs. No other action will be taken.

- B. Fiscal Year (FY) 2023-24 Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program Funding Process and Criteria

For more information, a Staff Report is enclosed with the agenda packet.

Recommendation: Adopt the enclosed Resolution recommending approval by the Vallejo City Council of a Fiscal Year (FY) 2023-24 (July 1, 2023 through June 30, 2024) Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program funding process and criteria.

- C. Establishment of a Housing and Community Development Commission (HCDC) Ad Hoc Committee on the Fiscal Year (FY) 2023-24 Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program Funding Process, Criteria, and Funding Allocations

For more information, a Staff Report is enclosed with the agenda packet.

Recommendation: Adopt the enclosed Resolution establishing an HCDC Ad Hoc Committee of no more than three Commissioners on the Fiscal Year (FY) 2023-24 Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program Funding Process, Criteria, and Funding Allocations.

13. ADJOURNMENT

AFFIDAVIT OF POSTING

I, Jason Goltiao, Housing and Community Development Commission Secretary, do hereby certify that I have caused a true copy of the above Notice and Agenda to be delivered to each of the members of the Housing and Community Development Commission, at the time and in the manner prescribed by law, and that this Agenda was posted at City Hall, 555 Santa Clara Street, CA at 5:00 p.m. on November 23, 2022.

23 NOVEMBER 2022
Date


Jason Goltiao, Secretary



DATE: December 1, 2022

TO: Chair and Commissioners
Housing and Community Development Commission

FROM: Gillian Hayes, Assistant City Manager
Chari Barrera, Administrative Manager

SUBJECT: FISCAL YEAR (FY) 2021-22 LOW AND MODERATE-INCOME HOUSING ASSET FUND
(LMIHAF) ANNUAL REPORT

RECOMMENDATION

Recommend: (1) acceptance by the Vallejo Housing Authority (VHA) Board of Commissioners of the Housing Successor Agency Annual Report ("Report") on the Low and Moderate-Income Housing Asset Fund ("LMIHAF") for Fiscal Year (FY) 2021-22; and (2) that the VHA Board of Commissioners direct staff, by not later than December 31, 2022, to: (i) forward the Report to the California Department of Housing and Community Development ("State HCD"), and (ii) post the Report to the City of Vallejo's website.

REASONS FOR RECOMMENDATION

Housing Successor Agencies are required to provide an Annual Report to their governing bodies and to the California Department of Housing and Community Development within six months after the end of the fiscal year. This independent audit of the LMIHAF may be included in the jurisdiction's Comprehensive Annual Financial Report.

BACKGROUND AND DISCUSSION

In December, 2022 the Vallejo City Council is scheduled to approve the City of Vallejo's Comprehensive Annual Financial Report (CAFR) for FY 2021-22. The Independent Audit of the LMIHAF will be contained within the CAFR. The City must adhere to expenditure limits and annual reporting related to housing assets of the former Vallejo Redevelopment Agency that are now held by the Housing Successor, the VHA. A copy of the Housing Successor Annual Report for FY 2021-22 is attached. The Report requires review by the VHA Board, and then submission to the California Department of Housing and Community Development by not later than December 31, 2022.

From January 1, 2004 to January 1, 2014, 64.8 percent of all deed-restricted housing created with assistance from the former Redevelopment Agency were senior residential units. Pursuant to California law, the VHA may not expend any additional funds from the LMIHAF to assist seniors until the total number of all assisted rental housing units reaches 50 percent. The purpose of this State regulation is to ensure equitable housing affordability among all populations.

The Report highlights activities and assets for FY 2020-21, based on the Independent Audit. The Report outlines that the VHA's responsibilities, acting as Successor Agency, are primarily loan administration and repayment. In addition, there are no outstanding replacement or inclusionary housing obligations as defined by the Five-Year

Implementation Plan (FY 2009-10 through FY 2013-14) for the Vallejo Redevelopment Agency, approved in July, 2010 per Resolution No. 10-011.

As part of the annual reporting, the City must complete a surplus test to compute the amount of excess/surplus by deducting encumbrance projects from the ending fund balance and then adding the unencumbered balance from the past fiscal years.

In June, 2018 a total of \$1.6 million in LMIHAF funds were earmarked for the construction of permanent supportive housing units for homeless Vallejo residents, pursuant to a Loan Agreement between the Housing Authority and Eden Housing, Inc. for the development of properties located at 2118 and 2134-36 Sacramento Street. The Sacramento Street site was acquired by the City of Vallejo in December, 2017.

Finally, the Report indicates that the Successor Agency has accumulated a total fund balance from the prior year deposits of **\$1,786,271** in the LMIHAF as of June 30, 2022.

FISCAL IMPACT

This action does not require funding, and will therefore have no fiscal impact on the City of Vallejo's General Fund.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1. Vallejo Housing Successor Agency FY 2021-22 Annual Report on LMIHAF

CONTACT

Chari Barrera, Administrative Manager, (707) 553-7204, Chari.Barrera@cityofvallejo.net

**HOUSING AUTHORITY OF THE CITY OF VALLEJO HOUSING SUCCESSOR
ANNUAL REPORT ON THE LOW- AND MODERATE-INCOME
HOUSING ASSET FUND FOR FISCAL YEAR 2021-22
PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34176.1 (F)**

This Housing Successor Annual Report (Report) regarding the Low- and Moderate-Income Housing Asset Fund (LMIHAF) has been prepared pursuant to California Health and Safety Code Section 34176.1 (f) and is dated December 20, 2022.

This Report sets forth certain details of the activities of the Housing Authority of the City of Vallejo (Authority) acting as Housing Successor during Fiscal Year (FY) 2021-22.

The purpose of this Report is to provide the governing body of the Authority an annual report on the LMIHAF housing assets and activities of the Authority under Part 1.85, Division 24 of the California Health and Safety Code, in particular section 34176 and 34176.1 (Dissolution Law).

The following Report is based upon the information prepared by the City of Vallejo's Finance Department, Housing and Community Development Division, and information contained within the independent audit of the Low- and Moderate-Income Housing Asset Fund included in the City of Vallejo Comprehensive Annual Financial Report for Fiscal Year 2021-22 (Audit). Further, this Report conforms with and is organized into sections I. through XI. Pursuant to Section 34176.1 (f) of the Dissolution Law:

- I. **Amount Deposited into LMIHAF:** This section provides the total amount of funds deposited in the LMIHAF during the Fiscal Year. Any amounts deposited for the items listed on the Recognized Obligation Payment Schedule (ROPS) must be distinguished from the other amounts deposited.

A total of \$219,232 was deposited into LMIHAF during the Fiscal Year. Of the total funds deposited into the LMIHAF, \$0 was held for items listed on the ROPS.

- II. **Ending Balance of LMIHAF:** This section provides a statement of balance in the LMIHAF as of the close of the Fiscal Year. Any amounts deposited for the items listed on the ROPS must be distinguished from the other amounts deposited.

At the close of the Fiscal Year, the ending balance in the LMIHAF was \$1,786,271 of which \$0 is held for items listed on the ROPS.

- III. **Description of Expenditures from LMIHAF:** This section provides a description of the expenditures made from the LMIHAF during the Fiscal Year. There were no expenditures made from the LMIHAF during the Fiscal Year.

Monitoring and Administration Expenditures	\$638
Homeless Prevention and Rapid Rehousing Services Expenditures	\$0
Loan Repayment to CalHFA – RDLP Loan (loan funds received and invested in project prior to 1-10-2012)	\$0
Housing Development Expenditures	
- For Low Income Units	\$0
- For Very Low-Income Units	\$0
- For Extremely Low-Income Units	\$239,517
Total LMIHAF Expenditures in Fiscal Year	\$240,155

- IV. Statutory Value of LMIHAF Assets Owned by the Authority:** This section provides the statutory value of LMIHAF real property owned by the Authority, the value of loans and grants receivables, and the sum of these two amounts.

Statutory Value of LMIHAF Real Property Owned by the Housing Authority	\$0
Value of the LMIHAF Loans and Grants Receivables	\$14,224,045
Total Value of Authority LMIHAF Assets	\$14,224,045

- V. Description of Transfer:** This section describes transfer, if any, to another Housing Successor Agency made in previous Fiscal Year(s), including whether the funds are unencumbered and the status of the projects, if any for which the transferred LMIHAF will be used. The sole purpose of the transfer must be for the development of transit priority projects, permanent supportive housing, housing for agricultural employees, or special needs housing.

The Authority transferred \$500,000 in LMIHAF excess surplus to non-federal HOME Program match under Section 34176.1 (c) (2) in FY 2015-16. In a prior fiscal year, a portion of these funds have been expended on for the rehabilitation of foreclosed properties, and temporary tenant based rental assistance, leaving an encumbered balance as of June 30, 2022 of \$225,672..

- VI. Project Descriptions:** This section describes any project for which the Authority receives or holds property tax revenue pursuant to the ROPS and the status of that project.

The Authority did not receive or hold property tax revenue pursuant to the ROPS during the Fiscal Year.

However, this Report presents an information only status update as of the date of the report on LMIHAF housing projects that were not yet complete on or after February 1, 2012, whose completion activities were facilitated with ROPS funds paid by the Successor Agency of the City of Vallejo.

The Authority did not initiate or conclude any housing projects during the Fiscal Year.

VII. Status of Compliance with the California Health & Safety Code Section 33334.16: This section provides a status on compliance with Section 33334.16 for interest in LMIHAF real property acquired by the former redevelopment agency *prior* to February 1, 2012, and for LMIHAF real property acquired on or *after* February 1, 2012.

With respect to interests in real property acquired by the former redevelopment agency prior to February 1, 2012, the time periods described in Section 33334.16 shall be deemed to have commenced on the date that the Department of Finance (DOF) approved the property as a housing asset in the LMIHAF; thus, as the real property acquired by the former redevelopment agency now held by the Authority in the LMIHAF, the Authority must initiate activities consistent with the development of the real property for the purpose for which it was acquired within five years of the date of the DOF approved such property as a housing asset.

Section 34176.1 provides that Section 33334.16 does not apply to interests in the LMIHAF real property acquired by the Authority on or after February 1, 2012; however, this Report presents an information only status update on the LMIHAF projects related to such real property.

No property or properties have been acquired by the Authority using LMIHAF on or after February 1, 2012. There are currently four properties in the Long-Range Property Management Plan being used for affordable housing.

VIII. Description of Outstanding Obligations under Section 33413: This section describes the outstanding inclusionary and replacement housing obligations, if any, under Section 33413 that remained outstanding prior to dissolution of the former redevelopment agency as of February 1, 2012, along with the Authority's progress in meeting those prior obligations of the former redevelopment agency.

Replacement Housing Obligation: According to the Five-Year Implementation Plan for Fiscal Year 2009-10 through 2013-14 for the former redevelopment agency, there were no replacement housing obligations that were outstanding that were transferred to the Authority. However, as the result of the Buchongo Settlement Agreement executed in July 1999, the former redevelopment agency agreed to provide 425 affordable housing units to low- and moderate-income residents. The Implementation Plan reflected that although the obligation had been substantially met, the former redevelopment agency was required to produce an additional eight units. The final eight units were completed through the rehabilitation of the Temple Art Lofts prior to the

transfer of housing obligations to the Authority. As such, the Authority met the obligations for the production of affordable housing.

As noted in the Plan, these replacement housing obligations were met (in terms of the number of bedrooms and by affordability levels) either through onsite replacement of units or through relying on the excess affordable residential units constructed within the required time frame.

There were no additional projects that incurred replacement obligations between the date the Plan was written, on July 27, 2010 - Resolution 10-011 and the dissolution of the Redevelopment Agency of the City of Vallejo (i.e., January 10, 2012 - Resolution 12-001) on February 1, 2012.

Inclusionary/Production Housing Obligation: According to the 2010-14 Implementation Plan for the former redevelopment agency, no Section 33413 (b) inclusionary/production housing obligations were transferred to the Authority.

As noted, the Authority met the obligations for the production of affordable housing that had resulted from construction of new residential units listed in the Plan.

Production housing obligations were met (in terms of the number of units and by affordability levels) either through onsite replacement of units or through relying on the excess affordable residential units of appropriate affordability levels that were constructed within the required time frames.

There were no additional projects that incurred housing production obligations between the date that report was written and the dissolution of the former Redevelopment Agency of the City of Vallejo on February 1, 2012

The former redevelopment agency's Implementation Plans are posted on the City's website at www.cityofvallejo.net.

- IX. Extremely Low-Income Test:** This section provides the information required by Section 34176.1 (a) (3) (B) that the Authority must require at least 30 percent of the LMIHAF to be expended for development of rental housing affordable to and occupied by households earning 30 percent or less of the area median income (AMI). If the Authority fails to comply with the Extremely-Low Income requirement in any five-year report, then the Authority must ensure that at least 50 percent of the funds remaining in the LMIHAF be expended in each fiscal year following the latest fiscal year following the report on households earning 30 percent or less of the AMI until the Authority demonstrates compliance with the Extremely-Low Income requirement. This information is required to be reported in 2021-22 for the 2014–22 period, or ending June 30, 2022. LMIHAF funds of \$240,155 were expended.

- X. Senior Housing Test:** This section provides the percentage of units of deed restricted rental housing restricted to seniors and assisted individuals or jointly by the Authority, its former redevelopment agency, and its host jurisdiction within the previous ten years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the Authority, its former redevelopment agency, and its host jurisdiction within the same period.

For this Report the ten-year period is January 1, 2004 to January 1, 2014. The Authority is to calculate the percentage of units of deed-restricted rental housing restricted to seniors and assisted by the Authority, the former redevelopment agency or the City within the previous ten years in relation to the aggregate number of units of deed-restricted rental housing assisted by the Authority, the former redevelopment agency, or City within the same time period. If this percentage exceeds 50 percent, then the Authority cannot expend future funds in the LMIHAF to assist additional senior housing units until the Authority or City assists and construction has commenced on a number of restricted rental units that is equal to 50 percent of the total amount of deed-restricted rental units.

Vallejo Senior Housing Test	January 1, 2004 through January 1, 2014
Number of Assisted Senior Rental	443
Number of Total Assisted Rental Units	683
Senior Housing Percentage	64.8

- XI. Surplus Test:** This section provides the amount of excess surplus in the LMIHAF, if any, and the length of time that the Authority has had surplus, and the Authority's plan for eliminating the surplus.

Excess Surplus is defined in Section 34176.1(d) as an unencumbered amount in the account that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited into the account during the Authority's preceding four Fiscal Years, whichever is greater.

Surplus Test for FY 2021-22:

Beginning Fund Balance as of 6-30-2021	\$1,807,194
Deposits: Principal Payments	\$12,729
Interest Payments	\$83,086
Investment Income	\$(16,583)
20% Set-Aside from Annual City/Agency Loan Repayments	\$140,000

Total Deposits	\$219,232
Less: Expenditures	\$240,155
Ending Fund Balance as of 6-30-2022	\$1,786,271
Less: Encumbrance (Sacramento Street Permanent Supportive Housing Project)	0
Unencumbered Fund Balance as of 6-30-2022	\$1,786,271 <u>A</u>
Limitation (Greater of \$1,000,000 or four years of deposit)	
FY 2017-18	\$429,478
FY 2018-19	\$405,588
FY 2019-20	\$415,723
FY 2020-21	\$327,594
FY 2021-22	\$219,232
Total Prior Year Deposits	\$1,797,615
Base Limitation	\$1,000,000
Greater of \$1,000,000 or Total Deposits	\$1,797,615 <u>B</u>
Computed Excess/Surplus (A – B)	None

The LMIHAF does not have an Excess Surplus. For the past four fiscal years, the unencumbered amount in the LMIHAF has not exceeded the aggregated amount deposited in the fund. The Housing Successor has been in existence for nine years. Based upon the deposits received during the preceding four years, the LMIHAF has no Surplus.

- XII. Inventory of Homeownership Units:** This section provides an inventory of homeownership units assisted by the former redevelopment agency or the Housing Successor that is subject to covenants or restrictions, or to an adopted program that protects the former redevelopment agency's investment of monies from the LMIHAF pursuant to subdivision (f) of Section 33334.3.

Number of Units	3
Number of Units Lost to the LMIHAF after February 1, 2012	0
Funds Returned to LMIHAF	\$0
Contracts with Outside Entities for Management of Units	0



DATE: December 1, 2022

TO: Chair and Commissioners
Housing and Community Development Commission

FROM: Guy L. Ricca, Temporary Senior Community Development Analyst

SUBJECT: Public Hearing: Housing and Community Development Needs

RECOMMENDATION

Conduct a public hearing to receive comments on housing and community development needs. No other action will be taken.

REASONS FOR RECOMMENDATION

This public hearing is a requirement of the City's Citizen Participation Plan.

BACKGROUND AND DISCUSSION

The City has adopted a Five-Year "Consolidated Plan". The Consolidated Plan addresses housing and community development needs. The current Plan includes the period beginning July 1, 2020 and ending June 30, 2025. The Consolidated Plan includes a needs assessment and analysis of affordable housing and community development needs in the City of Vallejo. The 2020-24 (Fiscal Years 2020-21 through 2020-25) Consolidated Plan is available on the City's Web Page under City Hall, Departments & Divisions, Housing & Community Development, Housing and Community Development Document Library, Plans & Reports, FY 2020-24 Five Year Consolidated Plan.

In accordance with its Citizen Participation Plan, the City holds at least one public hearing each year on housing and community development needs in Vallejo. The specific purpose of this public hearing is to determine whether and how these needs may have changed significantly from those documented in the Consolidated Plan and if so what, if any, revisions to proposed activities may be appropriate. This hearing will also provide an opportunity for residents and other interested parties to comment on how the City's Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program funds may be used in Fiscal Year (FY) 2023-24, (beginning July 1, 2023).

The Consolidated Plan has established the following groups as the most in need of assistance, in this order of priority: (1) very low and low-income renters; (2) homeless persons; (3) first time homebuyers; and (4) persons who are not homeless, but have special needs, including persons with HIV/AIDS, severe mental illness, and substance abuse addictions.. The Plan has also established community development (non-housing) needs and priorities. They are: (1) public infrastructure and facility improvements in target area neighborhoods; (2) social services to meet basic human needs, and (3) the installation of curb ramps, City-wide. In the Consolidated Plan, quantifiable five-year and annual goals are established to address identified needs.

A copy of the public notices for this hearing are provided at Attachment 1. Written comments on this subject have also been invited through December 1, 2022.

FISCAL IMPACT

None at this time.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1. Public Notices dated November 16, 2022

CONTACT

Guy L. Ricca, Temporary Senior Community Development Analyst, (707) 648-4359, Guy.Ricca@cityofvallejo.net

Vallejo Times-Herald

c/o Legals 57 Commerce Place, Suite A
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legals@thereporter.com

3559929

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200 GEORGIA STREET
VALLEJO, CA 94590

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

NO. PUBLIC HEARING NOTICE NEEDS 20221201 ENG

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Vallejo Times-Herald, a newspaper published in the English language in the City of Vallejo, County of Solano, State of California.

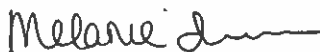
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I declare that this notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

11/16/2022

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
16th day of November 2022



(Signature) Melanie Irmer

Legal No. 0006712184

NOTICE OF PUBLIC HEARING: HOUSING AND COM- MUNITY DEVELOP- MENT NEEDS IN THE CITY OF VALLEJO

DATE OF NOTICE:
November 16, 2022

FOR MORE INFOR-
MATION: Jason
Goltiao, Administra-
tive Analyst I
Jason.Goltiao@cityo
fvallejo.net

On Thursday, De-
cember 1, 2022 after
7:00 p.m., the Hous-
ing and Community
Development Com-
mission (HCDC) of
the City of Vallejo
will hold a public
hearing, during its
regular meeting, on
housing and com-
munity development
needs in Vallejo. As
a condition of re-
ceiving certain fed-
eral housing and
community develop-
ment funding, the
City of Vallejo is re-
quired to adopt a
"Consolidated Plan".
The City's current
Consolidated Plan
was adopted by the
Vallejo City Council
on July 21, 2020, and
includes the period
beginning July 1,
2020 and ending
June 30, 2025. The
Consolidated Plan
contains an analysis
and identification of:
(1) priority afford-
able housing needs,
(2) priority needs of
the homeless, (3)
priority needs of
persons with special
needs, and (4) com-
munity development
(non-housing)
needs, which may
include the need for
neighborhood and
public improve-
ments, public facili-
ties, social services,
and economic devel-
opment. It also in-
cludes one-year
"Action Plans",
which detail the
City's allocation of
federal Community
Development Block
Grant (CDBG) Pro-

gram and HOME Investment Partnerships Program funds, received annually from the Department of Housing and Urban Development (HUD).

In accordance with the City's Citizen Participation Plan, the City will hold at least one public meeting each year to receive comments on housing and community development needs in the community. The specific purposes of this public hearing are to: (1) determine whether and how housing and community development needs may have changed, significantly, from those identified in the Consolidated Plan and if so what, if any, revisions to proposed activities may be appropriate; and (2) provide an opportunity for residents and other interested parties to comment on how the City's CDBG Program and HOME Program funds may be used in FY 2023-24, (beginning July 1, 2023). It is important to note that the Commission will not be recommending the allocation of funding to projects and activities at the December 1, 2022 meeting.

Anyone interested in commenting on these topics is invited to participate in this public hearing. Written comments may also be submitted in the City of Vallejo's Housing and Community Development Division drop box located at 200 Georgia Street, Vallejo, or by email until 5:00 p.m. on Thursday, December 1, 2022 to: Jason.Goltiao@cityofvallejo.net.

The City of Vallejo provides its programs and services in a non-discriminatory manner, and is an Equal Opportunity Employer. The City of Vallejo also encourages women and minority-owned businesses to submit bids and proposals.

...als for Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program contracts. For further information, contact the City of Vallejo Housing and Community Development Division at (707) 648-4507. For further information on this public notice, the hearing-impaired may call the California Relay Service at 1-800-735-2922 without a TTY/TDD, or 1-800-735-2929 with a TTY/TTD.

Vallejo Times-Herald

c/o Legals 57 Commerce Place, Suite A
Vacaville, CA 95687
530-406-6223
legals@thereporter.com

3559929

VALLEJO CITY HOUSING
200 GEORGIA STREET
VALLEJO, CA 94590

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

NO. PUBLIC HEARING NOTICE-NEEDS 20221201 SPA

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Vallejo Times-Herald, a newspaper published in the English language in the City of Vallejo, County of Solano, State of California.

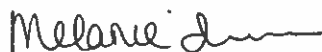
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I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
16th day of November 2022



(Signature) Melanie Irmer

Legal No. 0006712186

AVISO DE
AUDIENCIA
PÚBLICA:
NECESIDADES DE
VIVIENDA Y
DESARROLLO
COMUNITARIO EN
LA CIUDAD DE VAL-
LEJO

FECHA DE AVISO: 16
de noviembre de
2022

PARA MÁS
INFORMACIÓN: Ja-
son Goltiao, Analista
Administrativo
Jason.Goltiao@cityo
fvallejo.net

El jueves, 1 de
diciembre de 2022 a
partir de las 7:00
p.m., la Comisión de
Vivienda y
Desarrollo
Comunitario (HCDC)
de la Ciudad de Val-
lejo llevará a cabo
una audiencia
pública, durante su
reunión ordinaria,
sobre las
necesidades de
vivienda y desarrollo
comunitario en Val-
lejo. Como
condición para
recibir ciertos
fondos federales
para vivienda y
desarrollo
comunitario, la Ciu-
dad de Vallejo debe
adoptar un "Plan
Consolidado". El
Plan Consolidado
actual de la Ciudad
fue adoptado por el
Concejo Municipal
de Vallejo el 21 de
julio de 2020 e
incluye el período
que comienza el 1
de julio de 2020 y
termina el 30 de
junio de 2025. El
Plan Consolidado
contiene un análisis
e identificación de:
(1) necesidades
prioritarias de
vivienda asequible,
(2) necesidades
prioritarias de las
personas sin hogar,
(3) necesidades
prioritarias de las
personas con
necesidades
especiales y (4)
necesidades de
desarrollo

comunitario (no relacionadas con la vivienda), que pueden incluir la necesidad de mejorar los vecindarios y públicas, instalaciones públicas, servicios sociales y desarrollo económico. También incluye "Planes de Acción: de un año, que detallan la asignación de la Ciudad de los fondos federales del Programa de Subsidios en Bloque para el Desarrollo Comunitario (CDBG) y del Programa de Asociaciones de Inversión HOME, recibidos anualmente del Departamento de Vivienda y Desarrollo Urbano (HUD).

De acuerdo con el Plan de Participación Ciudadana del Ciudadano, la Ciudad llevará a cabo al menos una reunión pública cada año para recibir comentarios de la comunidad sobre las necesidades de vivienda y desarrollo comunitario en la comunidad. Los propósitos específicos de esta audiencia pública son: (1) determinar si y cómo las necesidades de vivienda y desarrollo comunitario pueden haber cambiado, significativamente, de aquellos identificados en el Plan Consolidado y, de ser así, qué revisiones a las actividades propuestas, si las hay, pueden ser apropiadas; y (2) proponer una oportunidad para que los residentes y otras partes interesadas comenten cómo se pueden usar los fondos del Programa CDBG y del Programa HOME de la Ciudad en el año fiscal 2023-2024 (a partir del 1 de julio de 2023). Es importante tener en cuenta que la Comisión no recomendará la asignación de fondos a proyectos y actividades en la reunión del 1 de

Revisión del A. G.
diciembre de 2022.

Cualquier persona interesada en comentar sobre estos temas está invitada a participar en esta audiencia pública. Los comentarios por escrito también se pueden enviar en el buzón de la División de Vivienda y Desarrollo Comunitario de la Ciudad de Vallejo ubicado en 200 Georgia Street, Vallejo, o por correo electrónico hasta las 5:00 p.m. el jueves, 1 de diciembre de 2022 a: Jason.Goltiao@cityofvallejo.net.

Vallejo Times-Herald

c/o Legals 57 Commerce Place, Suite A
Vacaville, CA 95687
530-406-6223
legals@thereporter.com

3559929

VALLEJO CITY HOUSING
200 GEORGIA STREET
VALLEJO, CA 94590

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

FILE NO. PHN NEEDS-TAGALOG

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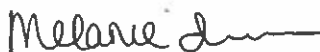
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11/16/2022

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
16th day of November 2022



(Signature) Melanie Irmer

Legal No. 0006712189

PAUNAWA NG
PAMPUBLIKONG
PAGDINIG:
PANGANGAILANGAN
SA PABAHAY AT
PAGPAPAUNLAD NG
KOMUNIDAD SA
LUNGSOD NG
VALLEJO

PETSA NG
P A U N A W A :
Nobyembre 16, 2022

PARA SA
KARAGDAGANG
IMPORMASYON: Ja-
son Goltian, Admin-
istrative Analyst I
Jason.Goltian@ci-
tyofvallejo.net

Sa Huwebes,
Disyembre 1, 2022
pagkatapos ng 7:00
p.m., ang Housing
and Community De-
velopment Commis-
sion (HCDC) ng
Lungsod ng Vallejo
ay magsasagawa ng
p a m p u b l i k o n g
pagdinig, sa
panahon ng regular
na pagpupulong
nito, sa mga
pangangailangan sa
pabahay at
pagpapaunlad ng
komunidad sa Valle-
jo. Bilang isang
kondisyon ng
pagtanggap ng ilang
partikular na
pederal na pabahay
at pagpopondo sa
pagpapaunlad ng
komunidad, ang
Lungsod ng Vallejo
ay kinakailangang
magpatibay ng
isang "Consolidated
Plan". Ang
kasalukuyang Con-
solidated Plan ng
Lungsod ay
pinagtibay ng
Konseho ng Lungsod
ng Vallejo noong
Hulyo 21, 2020, at
sakop nito mula
Hulyo 1, 2020
hanggang m Hunyo
30, 2025. Ang Con-
solidated Plan ay
naglalaman ng
pagsusuri at
pagkakakilanlan ng:
(1) priyoridad na
a b o t - k a y a n g
p a b a h a y
pangangailangan,
(2) priyoridad na
pangangailangan ng

mga walang tirahan, (3) priyoridad na pangangailangan ng mga taong may espesyal na pangangailangan, at (4) pag-unlad ng komunidad (hindi pabahay) na mga pangangailangan, na maaaring kabilang ang pangangailangan para sa kapitbahayan at pampublikong pagpapabuti, pampublikong pasilidad, panlipunang serbisyo, at pag-unlad ng ekonomiya. Kasama rin dito ang isang taong "Action Plans", na nagdedetalye sa paglalaan ng Lungsod ng pederal na Community Development Block Grant (CDBG) na Programa at mga pondo ng HOME Investment Partnerships Program, na natatanggap taun-taon mula sa Department of Housing and Urban Development (HUD).

Alinsunod sa lungsod na Citizen Participation Plan, ang Lungsod ay magsasagawa ng hindi bababa sa isang pampublikong pagpupulong bawat taon upang makatanggap ng mga komento sa mga pangangailangan sa pabahay at pagpapaulad ng komunidad sa komunidad. Ang mga partikular na layunin ng pampublikong pagdinig na ito ay upang: (1) matukoy kung at paano maaaring nagbago ang mga pangangailangan sa pabahay at pagpapaulad ng komunidad, nang malaki, mula sa mga tinukoy sa Consolidated Plan at kung gayon ano, kung mayroon man, ang mga pagbabago sa mga iminungkahing aktibidad ay maaaring naaangkop; at (2) magbigay ng pagkakataon para sa mga residente at iba pang interesado ng partido na magkomento sa kung naano

magagamit ang mga pondo ng CDBG Program at HOME Program ng Lungsod sa FY 2023-24, (simula Hulyo 1, 2023). Mahalagang tandaan na hindi irerekomenda ng Komisyon ang paglalaan ng pondo sa mga proyekto at aktibidad sa Disyembre 1, 2022 na pagpupulong. Ang sinumang interesado ng magkomento sa mga paksang ito ay iniimbitahan na lumahok sa pampublikong pagdinig na ito. Ang mga nakasulat na komento ay maaari ding isumite sa drop box ng Housing and Community Development Division ng Lungsod ng Vallejo na matatagpuan sa 200 Georgia Street, Vallejo, o sa pamamagitan ng email hanggang 5:00 p.m. sa Huwebes, Disyembre 1, 2022 sa: Jason.Gollao@cityofvallejo.net

Ang Lungsod ng Vallejo ay nagbibigay ng mga programa at serbisyo nito sa paraang walang diskriminasyon, at isang Equal Opportunity Employer. Hinihikayat din ng Lungsod ng Vallejo ang mga kababaihan at mga negosyong pag-aari ng minorya na magsumite ng mga bid at panukala para sa mga kontrata ng Community Development Block Grant (CDBG) at HOME Investment Partnerships Program. Para sa karagdagang impormasyon, makipag-ugnayan sa City of Vallejo Housing and Community Development Division sa (707) 648-4507. Para sa karagdagang impormasyon sa pampublikong abiso na ito, ang may kapansanan sa pandinig ay maaaring tumawag sa California Relay Service sa 1-800-735-2922 nang walang TTY/TDD, o 1-800-735-2929 na may TTY/TDD.



DATE: December 1, 2022

TO: Chair and Commissioners
Housing and Community Development Commission

FROM: Guy L. Ricca, Temporary Senior Community Development Analyst

SUBJECT: FISCAL YEAR (FY) 2023-24 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM FUNDING PROCESS AND CRITERIA

RECOMMENDATION

Adopt the enclosed Resolution recommending approval by the Vallejo City Council of a Fiscal Year (FY) 2023-24 (July 1, 2023 through June 30, 2024) Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program funding process and criteria.

REASONS FOR RECOMMENDATION

The City has received annual allocations of CDBG Program and HOME Program funding from the U. S. Department of Housing and Urban Development (HUD) since 1974 and 1990, respectively. These funds have helped the City to address its affordable housing and community development needs. In recent years, the Commission has recommended and the City Council has approved a funding process and criteria for determining CDBG Program and HOME Program projects and activities on an annual basis.

BACKGROUND AND DISCUSSION

This agenda item represents the beginning of the process to determine the allocation of FY 2023-24 CDBG Program and HOME Program funds for projects and activities, as part of implementing the City's 2023-2024 fiscal year, which begins on July 1, 2023. To this end, staff proposes that the Commission consider, and then recommend, a funding process and criteria.

CDBG Program funds may be used for projects such as affordable housing, housing and neighborhood preservation and revitalization, completing public improvements in target area neighborhoods, establishing and improving public facilities that will primarily benefit very low and low-income persons, the installation of curb ramps City-wide, social services, and economic development.

HOME Program funds may be used only to support permanent affordable housing. Eligible HOME Program activities include such things as the acquisition, construction, and preservation of affordable housing; mortgage assistance; housing rehabilitation; and tenant-based rental assistance. The HOME Program encourages public-private partnerships in the delivery of affordable housing.

Availability of Funds

In FY 2022-23, the current fiscal year, the City has allocated \$1,049,156 in CDBG Program funds. Of this amount, \$15,000 is revenue (program income) that the City anticipates it will receive in FY 2022-23, primarily from principal and interest housing loan repayments. The balance of \$1,034,156 is new grant funds (also known as “Entitlement” funds), the City has been awarded directly from HUD.

The City also received \$630,390 in new HOME Program funds from HUD in FY 2022-23, and the City estimates that it will additionally receive \$100,000 in HOME program income, also from housing loan repayments, for a total of \$730,390. At least fifteen percent of the City’s annual HOME Program grant received directly from HUD must be allocated to a qualified Community Housing Development Organization, (or “CHDO”). A CHDO is a non-profit affordable housing developer whose primary purpose is the development and management of housing. In recent years, the City has determined that Community Housing Development Corporation (CHDC), and Eden Housing, Inc. are qualified CHDOs. The continued eligibility of CHDOs must be documented and certified by the City on an annual basis.

The exact CDBG Program and HOME Program funding amounts for FY 2023-24 are unknown at this time. However, in order to adhere to the City’s typical timeline and complete a funding process by HUD’s annual deadline for the City of May 15th, staff recommends the City proceed on the assumption that it may receive approximately the same amount in CDBG Program and HOME Program funds in FY 2023-24 as it did in FY 2022-23.

High Priority Needs

The Consolidated Plan is a five-year planning document required by HUD in order for the City to receive certain federal affordable housing and community development funds. It documents, in detail, affordable housing and community development (non-housing) needs in Vallejo. The Plan contains data on the characteristics of the housing market and the existing housing stock, an assessment of affordable housing needs, and the resources expected to be available to address those needs. The City’s current Consolidated Plan was approved by the City Council on July 21, 2020. The Plan includes the period beginning July 1, 2020 and ending June 30, 2025.

The current Consolidated Plan has established the following groups as most in need of assistance, in this order of priority:

1. very low and low-income renters;
2. homeless persons;
3. very low and low-income first-time homebuyers; and
4. persons who are not homeless, but have special needs, including persons living with HIV/AIDS, severe mental illness, and substance abuse addictions.

On-going community development needs documented in the Consolidated Plan include:

1. comprehensive, health and safety public improvements in the five CDBG Program neighborhood target areas. The City’s CDBG Program target areas are: Central City, Country Club Crest, Eastern City, South Vallejo, and Vallejo Heights;
2. the installation of curb ramps, City-wide; and
3. providing social (public) services to very low and low-income persons to meet their basic human needs.

The Plan also contains quantifiable goals and objectives in the areas of housing, and targeted expenditures for the installation of public improvements, establishing and improving public facilities, and providing social services.

Economic development is an eligible CDBG Program activity; however, it is not identified as a priority need in the current Consolidated Plan.

Housing Activities (CDBG and HOME) – The Consolidated Plan documents a need for the development of affordable rental and ownership housing; supportive housing for persons with special needs; tenant-based rental assistance; first time homebuyer assistance; and services appropriate to address the needs of the unsheltered and chronically unhoused population in the community. Staff recommends that the City accept proposals from non-profit affordable housing developers to receive CDBG Program and HOME Program funds in FY 2023-24, in order to develop rental and owner-occupied affordable housing.

CHDO (HOME) – Due to the ongoing unmet affordable housing needs in the community, staff recommends that the City accept proposals from qualified CHDOs to receive HOME Program funds in FY 2023-24, in order to develop rental and owner-occupied affordable housing. This action will also ensure that the City meets the HOME Program requirement to set aside funding for a qualified CHDO that will develop affordable housing.

Public (Social) Services (CDBG)- According to HUD guidelines, the City may allocate a maximum of fifteen percent of its CDBG Program funds each year to public service activities, represented by fifteen percent of its FY 2023-24 CDBG Program Entitlement and the amount received in prior year (FY 2022-23) CDBG program income, combined. In FY 2022-23, the City has allocated \$140,000 in CDBG Program funds to four eligible social service agencies, which is approximately thirteen percent of the funding amount allowed.

The social service agencies receiving FY 2022-23 CDBG Program funds serve very low and low-income residents of the community, including but not limited to homeless persons, and persons in recovery from substance abuse. These organizations are: Community Housing Development Corporation, Fair Housing Advocates of Northern California, Global Center for Success, and The House of Acts. Receiving these funds enables these organizations to leverage other funding sources. Staff recommends that the City accept FY 2023-24 public service applications.

Staff estimates that there will be up to approximately \$150,000 available to allocate to social service programs in FY 2023-24. Staff further recommends that the minimum funding allocation to each social service activity be \$20,000, and that there be no maximum allocation. Staff believes that with limited funding, and numerous regulations mandated by HUD, it is not cost effective for the City to allocate less than \$20,000 per social service program, and still meet the administrative requirements of the program successfully. In some cases, the Commission and the City Council may wish to allocate more than \$20,000 to a program.

HOME Program funds may not be allocated to provide public service activities.

Public and Facility Improvements (CDBG) – The City has allocated CDBG Program funds in recent years for the establishment and rehabilitation of public facilities, e. g., the proposed Homeless Navigation Center. Staff recommends that the City accept FY 2023-24 public facility proposals from non-profit, social service organizations.

Program Administration (CDBG and HOME) – HUD regulations allow the City to allocate up to twenty percent of CDBG Program funds and ten percent of HOME Program funds, respectively, (Entitlement and current year program income), each year to program administration costs. These funds are used for general management, oversight, and coordination of these programs by staff; and for providing public information.

Staff anticipates the City will need to allocate the full amount allowed in this category in FY 2023-24 in order to administer these programs effectively, and to ensure that program requirements are met.

Proposed Process for Requesting CDBG Program and HOME Program Funds by Non-Profit Housing and Social Service Agencies:

Housing Agencies (CDBG and HOME)

If approved, the City would accept proposals from non-profit affordable housing organizations, including qualified HOME Program CHDOs, that will address one or more of the top priority housing needs in the City's Five-Year Consolidated Plan.

Staff proposes that the following criteria be used in screening and evaluating CDBG Program and HOME Program proposals from housing agencies:

Agencies must document that they are chartered as a 501(c)(3) organization, submit other eligibility documents, provide evidence that they are fiscally sound, and comply with the City's insurance requirements. All proposers will submit a proposed CDBG Program or HOME Program Budget, an overall organizational budget, and a financial audit or financial statements as applicable. All proposers must also submit written fiscal and personnel policies and procedures.

Pursuant to HUD regulations, the City must commit and expend its CDBG Program and HOME Program funds by set deadlines. Therefore, staff recommends that the City only consider funding housing projects and activities that can be completed in a timely manner.

Social Service Agencies (CDBG)

If approved, the City would accept CDBG Program proposals from social service organizations that will address the top priority needs in the Consolidated Plan.

Staff proposes the following criteria be used in screening and evaluating proposals from social service agencies:

A CDBG Program-funded social service agency would propose to address the needs of one of the following populations: (1) homeless single men in need of emergency shelter, (2) unsheltered homeless persons in need of appropriate supportive services, (3) homeless individuals in need of permanent housing, (4) very low and low-income families with children, (5) homeless families with children in need of permanent housing, (6) supportive services for persons with HIV/AIDS, (7) supportive permanent housing for the severely mentally ill, (8) treatment and prevention programs for persons with substance abuse addictions, (9) programs meeting the needs of the elderly and disabled, and (10) victims of domestic violence. If awarded funding, these agencies must maintain household income and related documentation to verify benefit and services to one of these populations.

Social service agencies must document that they are chartered as a 501(c)(3) organization, submit other eligibility documents, provide evidence that they are fiscally sound, and meet the City's insurance requirements. All agencies will submit: (1) a proposed CDBG Program budget (simple line item) for **direct costs only** (limited to tasks related to assisting program clients directly. CDBG Program funds will not pay for administrative overhead, administering the CDBG Program, supervision of staff, costs associated with City or HUD monitoring visits, general administrative expenses, e. g., education and outreach, etc.); (2) an overall organizational budget (sources and uses for the entire agency); and (3) a financial audit or financial statements, as applicable. All agencies must also submit written fiscal policies and procedures, and written personnel policies and procedures.

Social service agencies requesting CDBG Program funds for facility costs must meet additional requirements, such as submitting a five-year business or operations plan; and evidence of property ownership or a long-term lease of at least ten years in duration, as applicable.

According to HUD guidelines, the City must expend CDBG Program funds promptly. Therefore, staff recommends that the City only consider funding public service activities that have the best chance to be delivered in a timely manner.

Proposed Availability of Proposals and Proposal Deadline

Staff recommends that it prepare proposals for non-profit agencies to complete, as applicable, and to make them available not later than **Monday, January 9, 2023**, with a deadline for organizations to return completed proposals **not later than 5:00 p. m. (PST) on Monday, February 6, 2023**.

In fairness to those agencies that participate in the funding process from the beginning, and to ensure an orderly process, staff recommends that the Commission and the City Council not consider any proposal that is submitted after the **February 6, 2023** deadline, or that is substantially incomplete, **with no exceptions**. After **January 9, 2023** but prior to **February 6, 2023**, staff will hold a mandatory Notice of Funding Availability (“NOFA”) Workshop for prospective social service and housing agencies that wish to submit proposals, in order for staff to provide an overview of program and City requirements, and to provide technical assistance if needed. **The City will not accept a proposal from any organization that does not attend the NOFA Workshop.**

FY 2023-24 Funding Agreements

After the City Council allocates CDBG Program and HOME Program funds in the Spring of 2023, agencies awarded funding will execute an Agreement with the City in a timely manner. Agreements will take effect on **July 1, 2023**. Some of the elements in the Agreement will be: (1) quarterly reports on number and characteristics of beneficiaries must be submitted; and (2) City staff will conduct quarterly reviews or meetings with the agencies, as well as virtual and on-site monitoring visits at the social service and housing agency locations, in order to review client and agency files and records, and program progress. HUD officials may also conduct virtual or on-site monitoring visits of non-profit agencies receiving CDBG Program or HOME Program funding from the City in FY 2023-24.

FISCAL IMPACT

If approved, the Commission and City Council's action will establish a funding process for the allocation of CDBG Program and HOME Program funds in FY 2023-24, in an estimated total amount of approximately \$1.8 million. The City's application for FY 2023-24 CDBG Program and HOME Program funds, also known as an “Annual Action Plan”, must be received by HUD by not later than **May 15th** of each year, unless otherwise directed by HUD. There is no fiscal impact to the General Fund associated with this item.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1. Resolution

CONTACT

Guy L. Ricca, Temporary Senior Community Development Analyst, (707) 648-4359
Guy.Ricca@cityofvallejo.net.

RESOLUTION

WHEREAS, the City of Vallejo has received annual allocations from the U. S. Department of Housing and Urban Development (HUD) of Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program funds since 1974 and 1990, respectively; and

WHEREAS, these funds have helped the City to address its affordable housing and community development needs; and

WHEREAS, the City has adopted a Five-Year Consolidated Plan (2020-24), which documents affordable housing and community development needs in the City of Vallejo, and has established priority needs and goals; and

WHEREAS, in recent years, the City of Vallejo Housing and Community Development (HCD) Commission has recommended and the Vallejo City Council has approved a funding process and criteria for determining CDBG Program and HOME Program projects and activities on an annual basis; and

WHEREAS, in Fiscal Year (FY) 2022-23, the City received \$1,049,156 in CDBG Program Entitlement funds and projected program income, and \$730,390 in HOME Program Entitlement funds and projected program income; and

WHEREAS, the exact CDBG Program and HOME Program funding amounts for FY 2023-24 are unknown at this time; and

WHEREAS, in order to adhere to the City's typical timeline and complete a funding process by HUD's deadline for the City of May 15th, staff recommends that the City proceed on the assumption that it may receive approximately the same amount in CDBG Program and HOME Program funds in FY 2023-24 as it did in FY 2022-23.

NOW, THEREFORE, THE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF VALLEJO DOES HEREBY RECOMMEND AS FOLLOWS:

That the Council of the City of Vallejo approve the funding process and criteria for determining the allocation of FY 2023-24 CDBG Program and HOME Program funds to project and activities as proposed by staff in the Staff Report dated December 1, 2022 and enclosed with the HCD Commission December 1, 2022 regular meeting agenda packet.



DATE: December 1, 2022

TO: Chair and Commissioners
Housing and Community Development Commission

FROM: Guy L. Ricca, Temporary Senior Community Development Analyst

SUBJECT: ESTABLISHMENT OF A HOUSING AND COMMUNITY DEVELOPMENT COMMISSION (HCDC) AD HOC COMMITTEE ON THE FISCAL YEAR (FY) 2023-24 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM FUNDING PROCESS, CRITERIA, AND FUNDING ALLOCATIONS

RECOMMENDATION

Adopt the enclosed Resolution establishing an HCDC Ad Hoc Committee of no more than three Commissioners on the Fiscal Year (FY) 2023-24 Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program Funding Process, Criteria, and Funding Allocations.

REASONS FOR RECOMMENDATION

In December 2022, the City intends to begin its process for the allocation of FY 2023-24 CDBG Program and HOME Program funds to projects and activities. As in previous funding cycles, and in order to promote an efficient process, the Commission may wish to create an Ad Hoc Committee to review proposed projects and activities, and then make funding recommendations to the full Commission on the FY 2023-24 CDBG Program and HOME Program.

BACKGROUND AND DISCUSSION

Pursuant to Chapter 2.46 of the Vallejo Municipal Code, one of the duties of the HCD Commission is to review and make recommendations on applications for CDBG Program, HOME Program, and other program funding. To this end, for the last several years the Commission has established an Ad Hoc Committee, typically of no more than three Commissioners, on the annual CDBG Program and HOME Program funding process, criteria, and allocations. The Ad Hoc Committee would review funding applications, receive presentations from non-profit agencies and staff, and then develop funding recommendations for projects and activities for consideration and adoption by the full Commission. In the past, the Commission and staff have found this approach to be effective and efficient. Staff recommends that the Commission again seek up to three volunteers from its members and establish an Ad Hoc Committee for the FY 2023-24 (July 1, 2023 through June 30, 2024) funding cycle. Staff anticipates that the Committee would meet at least twice, and complete its work by or before April 6, 2023.

The City must submit its Annual Action Plan to the U. S. Development of Housing and Urban Development (HUD) by May 15th of each year. The Plan includes proposed CDBG Program and HOME Program funding allocations for projects and activities.

FISCAL IMPACT

None at this time.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1. Resolution
2. Chapter 2,46 – VALLEJO HOUSING AND COMMUNITY DEVELOPMNT, Vallejo Municipal Code

CONTACT

Guy L. Ricca, Temporary Senior Community Development Analyst, (707) 648-4359
Guy.Ricca@cityofvallejo.net.

RESOLUTION

WHEREAS, the City of Vallejo receives annual allocations from the U. S. Department of Housing and Urban Development (HUD) of Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program funds; and

WHEREAS, these funds help the City to address its affordable housing and community development needs; and

WHEREAS, pursuant to Chapter 2.46.040.C. of the Vallejo Municipal Code, Duties and functions of the commission, the Commission shall “Review and make recommendations on applications to the federal and state governments for funds for housing, community development, and other programs”; and

WHEREAS, the City of Vallejo intends to initiate its Fiscal Year (FY) 2023-24 (July 1, 2023 through June 30, 2024) Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program Funding Process for determining projects and activities; and

WHEREAS, for several years, the Commission has established a Commission Ad Hoc Committee on the CDBG Program and HOME Program Funding Process, Criteria, and Funding Allocations, which has been shown to be effective and efficient; and

WHEREAS, the City must submit its “Annual Action Plan”, which includes its proposed CDBG Program and HOME Program funding allocations to HUD by May 15th of each year; and

WHEREAS, staff has recommended that the Commission create an Ad Hoc Committee, of no more than three Commissioners, to review and make recommendations on FY 2023-24 CDBG Program and HOME Program projects, activities, and funding allocations, to the full Commission, by or before April 6, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF VALLEJO AS FOLLOWS:

The following HCD Commissioners have volunteered and are appointed to serve on the HCD Commission Ad Hoc Committee on the FY 2023-24 CDBG Program and HOME Program Funding Process, Criteria, and Funding Allocations:

1. _____
Commissioner
2. _____
Commissioner
3. _____
Commissioner

Chapter 2.46 - VALLEJO HOUSING AND COMMUNITY DEVELOPMENT

2.46.010 - Creation of commission.

There is created a housing and community development commission.

(Ord. No. 1732 N.C.(2d), § 1, 5-24-2016)

2.46.020 - Reserved.

2.46.030 - Definitions.

As used in this chapter the following definitions apply:

- A. "Authority" or "housing authority" means the housing authority of the city, a public entity;
- B. "City council" means the city council of the city;
- C. "Commission" means the Vallejo housing and community development commission;
- D. "Commissioner" means a member of the Vallejo housing and community development commission;
- E. "Community" means the city of Vallejo, county of Solano, state of California.

(Ord. No. 1732 N.C.(2d), § 1, 5-24-2016)

2.46.040 - Duties and functions of the commission.

The commission serves to provide various functions in two separate areas: housing and community development. Any item involving one or more of these areas, as described below, may be considered at any regular or special meeting of the commission, as described in this chapter. In connection with each of these areas, the commission shall:

- A. Record deliberations and decisions adequately to reveal considerations significant to such decisions;
- B. Review and recommend action on annual administrative and operating budgets;
- C. Review and make recommendations on applications to the federal and state governments for funds for housing, community development, and other programs;
- D. Perform such other advisory and appellate functions as may be delegated from time to time to the commission by the city council.
- E. Consider and rule on hearings pursuant to Chapter 5.64 of the Vallejo Municipal Code (Mobile Home Parks Rent Control).

(Ord. No. 1732 N.C.(2d), § 1, 5-24-2016; Ord. No. 1775 N.C. (2d), § 1, 10-24-2017)

2.46.050 - Reserved.

2.46.060 - Housing duties and functions of the commission.

The commission shall review and make recommendations on all matters to come before the authority prior to authority action, except emergency matters and matters which the commission by resolution, excludes from its review.

The commission shall review and make recommendations to the city council or to the authority regarding agreements regarding to provide affordable housing as proposed by the authority's staff.

(Ord. No. 1732 N.C.(2d), § 1, 5-24-2016)

2.46.070 - Community development functions of the commission.

The commission shall:

- A. Hold hearings to provide for the submission of views and proposals on the development of applications for the community development block grant and HOME programs, and amendments thereto. The commission shall provide timely responses to all proposals submitted to the commission including written responses to written proposals. Whenever practical, responses shall be provided within fifteen days of commission action on the proposals;
- B. Recommend to the city council the adoption of a three or five-year community development plan, an annual housing and community development program, and amendments thereto;
- C. Hold hearings to assess program progress and performance;
- D. Meet periodically to serve in an advisory capacity regarding the implementation of various projects. The commission will assess individual project performance as well as the overall housing and community development program relative to the community development block grant and HOME programs. In particular, the commission shall hear progress reports from neighborhood planning committees, other interested individuals and organizations, and staff. The commission will review and comment on what it learns. The commission shall periodically report to the city council on the progress and performance of neighborhood development planning and other housing and community development projects;
- E. Hold hearings to determine the needs of the community by encouraging comments from persons representing neighborhood groups; nonprofit organizations; governmental agencies; agencies representing low income, disabled, elderly, and others;
- F. Coordinate the planning and funding of housing and community development activities with agencies that address similar issues.

(Ord. No. 1732 N.C.(2d), § 1, 5-24-2016)

2.46.080 - Appointment of commissioners.

The commission shall consist of seven members, who shall be resident electors of the community appointed by the city council, subject to the following provisions:

- A. The term of office for each commissioner shall be four years, except that three of the commissioners first appointed shall be designated to serve for a term of two years, two commissioners first appointed shall be designated to serve for a term of three years, and two of the commissioners first appointed shall be designated to serve a term of four years, so as to provide for continuity of membership on the commission.
- B. Vacancies occurring during a term shall be filled for the unexpired term. A commissioner shall hold office until his or her successor has been appointed and qualified.
- C. A commissioner may not be an elective officer or an employee of the city but, notwithstanding any other law, may be a member, commissioner, or employee of any other agency or authority of, or created for, the community.
- D. For inefficiency, neglect of duty, or misconduct in office, a commissioner may be removed upon the affirmative vote of five members of the city council, but only after the affected commissioner has been given a copy of the charges constituting grounds for removal, and the opportunity to appear before the city council in executive session, unless he or she requests a public hearing, in person or by counsel if such a request to so appear is made in writing within ten days after receipt of the copy of the charges.

(Ord. No. 1732 N.C.(2d), § 1, 5-24-2016)

2.46.090 - Chairperson and organization of the commission.

The mayor and city council shall appoint the first chairperson from among the commissioners. The term of office of the chairperson shall be for the calendar year, or for that portion remaining after he is appointed or elected. Where there is a vacancy in the office of the chairperson, the commission shall elect a chairperson from among its members. Upon appointment of the first chairperson, he or she shall forthwith call an organizational meeting of the commission at which the commissioners shall elect a vice-chair, determine the time, place, and frequency of meetings, and adopt rules of procedure for the conduct of commission business. The commission may do any other things necessary or proper to carry out its duties and functions.

(Ord. No. 1732 N.C.(2d), § 1, 5-24-2016)