

CITY OF ALAMEDA

Memorandum

To: Honorable Mayor and
Members of the City Council

From: Debra Kurita
City Manager

Date: May 6, 2008

Re: Adopt a Resolution Approving Continued Participation in the Alameda
County HOME Consortium and Authorizing the City Manager to Execute
the HOME Consortium Cooperative Agreement with Alameda County

BACKGROUND

Title II of the Cranston-Gonzales National Affordable Housing Act (NAHA) of 1990 created the HOME Program, which provides financing for a wide range of affordable housing programs and activities that benefit low- and moderate-income households and special populations, such as the elderly and persons with disabilities.

Based on current population levels, Alameda is not eligible to receive HOME funds directly. Therefore, for the past 16 years, Alameda has received funding from this program through its participation in the Alameda County HOME Consortium (Consortium). The City's continued participation in the Consortium must be approved by the Council at three-year intervals and the Consortium Cooperative Agreement executed to allow receipt of future funds. The City also executes a Contract Designating the City of Alameda as a Sub-Recipient of HOME Funds on an annual basis for each year in the approved three-year term of the Consortium Agreement.

DISCUSSION

The Consortium members include Alameda County and seven cities in the County. (Oakland and Berkeley are large enough to receive HOME funds directly and are not included in the Consortium.) Alameda County Housing and Community Development (ACHCD) is the lead agency for the Consortium. In this capacity, ACHCD will submit applications and reports, coordinate preparation of the Consolidated Plan, maintain financial and program records, monitor compliance with HOME Program regulations, and staff the Technical Advisory Committee.

To date, the City has received approximately \$6 million in HOME funds. These funds have been or are being used to assist:

- Public and private entities in acquiring, renovating or constructing units with affordability restrictions for 59 years;

**City Council
Report Re:
Agenda Item #4-M
05-06-08**

- First-time homebuyers through the City's Downpayment Assistance programs; and
- Tenant-based rental assistance.

The proposed Consortium Cooperative Agreement, which is on file in the City Clerk's office, extends the City's participation in the Consortium and sets ground rules for its administration and operation in federal fiscal years 2009, 2010 and 2011. Following City Council approval, the City Manager will negotiate and execute this Agreement and separate Sub-Recipient Agreements for FYs 2009, 2010 and 2011, conforming agreements with public and private entities, and related documents, as necessary, to implement HOME-funded programs and activities. All agreements and other documents are substantially similar to those previously approved by the City Council and City Attorney.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The City has received approximately \$6 million in HOME funds through the Consortium, with an additional \$700,000 generated through program income. Both the City and HCD receive five percent of the allocation for administration. HOME funds are required to be matched by a minimum of 25% in non-federal dollars; however, City HOME funds have actually leveraged many millions of dollars in private and other public funds through private investment and grants. Match funds from past projects have included Tax Increment Low and Moderate Income Housing Funds, Housing Authority Development Funds, Developer In-Lieu Fee Payments, Affordable Housing Fees, and various grants. There is no impact on the General Fund.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

Participation in the Alameda County HOME Consortium is consistent with the Housing Element of the General Plan.

ENVIRONMENTAL REVIEW

Participation in the Alameda County HOME Consortium is not considered a project pursuant to CEQA Section 15378.b.4, which states that the definition of "project" does not include the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

RECOMMENDATION

Adopt a Resolution approving continued participation in the Alameda County HOME Consortium and authorizing the City Manager to execute the HOME Consortium Cooperative Agreement with Alameda County and take all other necessary actions to carry out the City of Alameda's participation in the Alameda County HOME Consortium.

Honorable Mayor and
Members of the City Council

May 6, 2008
Page 3 of 3

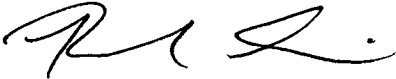
Respectfully submitted,



Leslie A. Little
Development Services Director



for By: Dorene E. Soto
Manager, Business Development Division



By: Rachel Silver
Development Manager, Housing

DK/LAL/DES/RS:sb

Approved as to Form


City Attorney

CITY OF ALAMEDA RESOLUTION NO. _____

APPROVING CONTINUED PARTICIPATION IN THE ALAMEDA COUNTY HOME CONSORTIUM AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE HOME CONSORTIUM COOPERATIVE AGREEMENT WITH ALAMEDA COUNTY

BE IT RESOLVED that the Council of the City of Alameda hereby approves continued participation in the Alameda County HOME Consortium for a three-year period (fiscal years 2009, 2010 and 2011) for the purposes of securing federal HOME funds and developing the Consolidated Plan and related documents, and authorizes the City Manager to execute the HOME Consortium Cooperative Agreement and take all other necessary actions to carry out the City of Alameda's participation in the Alameda County HOME Consortium.

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon its passage and adoption.

* * * * *

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 6th day of May, 2008, by the following vote to wit:

AYES

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the seal of said City this ____ day of _____, 2008.

Lara Weisiger, City Clerk
City of Alameda