



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL  
From the CITY MANAGER

DATE: July 14, 2020

SUBJECT: Resolution of the City Council of the City of La Mesa Authorizing Submittal of a Grant Application to the Permanent Local Housing Allocation Program for Funding to Provide Homeless Services in the City of La Mesa, Accepting said Grant if Awarded and Appropriating Funds for the Project.

ISSUING DEPARTMENT: City Manager

SUMMARY:

Issue:

Should City Council adopt a resolution authorizing submittal of a grant application to the Permanent Local Housing Allocation Program for funding to provide homeless services in the City of La Mesa, accepting said Grant if awarded and appropriating funds for the project?

Recommendation:

Staff recommends that the City Council adopt a resolution authorizing submittal of a grant application to the Permanent Local Housing Allocation Program for funding to provide homeless services in the City of La Mesa, accepting said grant if awarded and appropriating funds for the project.

Fiscal Impact:

As a designated Entitlement Local Government Agency pursuant to California Department of Housing and Community Development guidelines, the City of La Mesa's estimated total five-year funding amount is \$1,132,854. Estimated funding available for year one of the program is \$188,809. No matching City funding is required to submit for the PLHA Program.

Strategic Goals:

Ensure safe and affordable homes for all current and future residents

## BACKGROUND:

The California Department of Housing and Community Development ("HCD") have announced a Notice of Funding Availability ("NOFA") of approximately \$195 million in funding for the Permanent Local Housing Allocation Program ("PLHA Program"). Funding for the PLHA Program is available for entitlement and non-entitlement local governments to provide homeless related services and affordable housing in their communities. Activities that are eligible for funding include assisting those experiencing homelessness with rapid rehousing, rental assistance, supportive/case management, operating and capital costs for emergency shelters, and for the construction, rehabilitation, and preservation of permanent and transitional housing. Grant funding can also be used for the predevelopment, development, acquisition, rehabilitation and preservation of multifamily, residential live work, and rental housing that is affordable to extremely low, very low, low, or moderate-income households. The deadline to submit applications for the PLHA Program is July 27, 2020.

## DISCUSSION:

In order to receive PLHA funds, jurisdictions are required to submit a PLHA Plan ("Plan") stating the manner in which allocated funds will be used to provide homeless services, a description of how the program is consistent with the programs set forth in the City's Housing Element of its General Plan, evidence that the Plan was authorized and adopted by resolution by the La Mesa City Council, and that the public had an opportunity to review and comment on its content.

In July of 2019, the City Council directed staff to create a Citizen's Task Force on Homelessness ("CTFH") with the goal of providing recommendations to the City Council on how the City should assist those experiencing homelessness in La Mesa. Currently, the CTFH is working on its recommendations and will present these to the City Council at an upcoming meeting. Staff mentioned this grant opportunity to the CTFH at its last meeting and more recently discussed it with the Chair. Considering the July 27<sup>th</sup> deadline, staff recommends submitting the application in advance of the CTFH's recommendations. The funding source is broad and could apply to various recommendations proposed by the CTFH. Therefore, staff believes the recommended action is prudent at this time to ensure the City receives funding that could provide a broad array of potential services for the homeless.

The proposed Plan for outreach efforts and services to address homelessness in La Mesa will include allocating PLHA funding for:

- Contracted service provider(s) to provide rapid re-housing, rental assistance, supportive/case management, and general homeless and mental health outreach services
- Permanent supportive housing
- Operating and capital costs for emergency shelters
- Construction, rehabilitation, and preservation of transitional housing
- Predevelopment, development, acquisition, rehabilitation, preservation of multifamily, residential live-work, and rental housing that is affordable to extremely low-, very low-,

low-, or moderate-income households, including necessary operating subsidies

PLHA funding is generally consistent with the recently approved Community Development Block Grant-Coronavirus Funds ("CDBG-CV") funding recently approved by the City Council. The PLHA funding is an ongoing funding source that could be used to supplement homeless outreach services offered through CDBG-CV.

PLHA application guidelines require the City's Plan to cover the full five-year grant timeline. However, the program allows for plan amendments to be submitted for subsequent years if the City desires to add or modify eligible activities or make modifications to the amount of funding allocated to an activity within the scope of work. The grant also provides an option for 5% of any award of funding to be spent on administrative costs should the City desire to hire a consultant to assist with planning for subsequent years, amending the Plan if necessary, and meeting annual grant reporting requirements.

The PLHA Program is a five-year grant program with the City qualifying for a maximum estimated funding amount of \$1,132,854. The City's estimated funding amount for year one is \$188,809. Funding for each grant year is distributed annually. HCD anticipate issuing award letters between August and October of 2020. After the award letter is received, the City will be required to execute a Standard Agreement with HCD within ninety (90) days. Once the executed agreement is received, HCD will administer the funding.

CONCLUSION:

Staff recommends that the City Council adopt a resolution authorizing submittal of a grant application to the Permanent Local Housing Allocation Program for funding to provide homeless services in the City of La Mesa, accepting said grant if awarded and appropriating funds for the project.

Reviewed by:

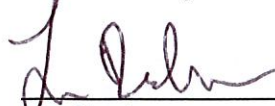


Greg Humora  
City Manager

Respectfully submitted by:



Carlo Tortaino  
Assistant City Manager



Lyn Dedmon  
Senior Management Analyst

Attachments: A. Resolution Authorizing Submittal of a Grant Application to the PLHA Program

RESOLUTION NO. 2020 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA  
AUTHORIZING SUBMITTAL OF A GRANT APPLICATION TO THE  
PERMANENT LOCAL HOUSING ALLOCATION PROGRAM FOR FUNDING TO  
PROVIDE HOMELESS SERVICES IN THE CITY OF LA MESA, ACCEPTING  
SAID GRANT IF AWARDED AND APPROPRIATING FUNDS FOR THE  
PROJECT

---

WHEREAS, the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 02/26/2020 under the Permanent Local Housing Allocation (PLHA) Program;

WHEREAS, the Department is authorized to provide up to \$195 million under the SB 2 Permanent Local Housing Allocation 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. (Chapter 364, Statutes of 2017 (SB 2)));

WHEREAS, the City of La Mesa ("Applicant") is an eligible Local government applying for the program to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation;

WHEREAS, the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement and other contracts between the Department and PLHA grant recipients; and

WHEREAS, Applicant desires to submit an application to the PLHA Program for funding to provide homeless services in the City of La Mesa.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, California, that the City of La Mesa is authorized to submit a grant application to the PLHA Program for funding to provide homeless services in the City of La Mesa, accepting said grant if awarded and appropriating funds for the project.

BE IT FURTHER RESOLVED,

1. If Applicant receives a grant of PLHA funds from the Department pursuant to the above referenced PLHA NOFA, it represents and certifies that it will use all such funds in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding the PLHA Program, as well as any and all contracts Applicant may have with the Department.
2. Applicant is hereby authorized and directed to receive a PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the current NOFA [**\$1,132,854**] in accordance with all applicable rules and laws.
3. Applicant hereby agrees to use the PLHA funds for eligible activities as approved by the Department and in accordance with all Program requirements, Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the Applicant and the Department.

ATTACHMENT A

4. Applicant certifies that it has or will 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.
5. Applicant certifies that its selection process of these subgrantees was or will be accessible to the public and avoided or shall avoid any conflicts of interest.
6. Pursuant to Applicant's certification in this resolution, the PLHA funds will be expended only for eligible Activities and consistent with all program requirements.
7. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.
8. Greg Humora, City Manager, is authorized to execute the PLHA Program Application, the PLHA Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the PLHA grant awarded to Applicant, as the Department may deem appropriate.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 14th day of July 2020, by the following vote, to wit:

AYES:

NOES:

ABSENT:

#### CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2020-\_\_, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)