



REPORT TO THE CITY COUNCIL

March 13, 2007

FROM: KEITH BERGTHOLD, Acting Director
Planning and Development Department

BY: MICHAEL SIGALA, Manager
Housing and Community Development Division

SUBJECT: ADOPT RESOLUTION FOR THE APPLICATION AND ACCEPTANCE OF CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT WORKFORCE HOUSING REWARD GRANT FUNDS IN THE AMOUNT OF \$19,000

AGENDA ITEM NO.:
COUNCIL MEETING: March 13, 2007
APPROVED BY
DEPARTMENT DIRECTOR
CITY MANAGER

KEY RESULT AREA

One Fresno

RECOMMENDATION

Staff recommends City Council adopt a resolution for the application and acceptance of California State Department of Housing and Community Development Workforce Housing Reward Grant Funds (Prop. 46) in the amount of \$19,000, and authorize the execution of program documents by the Planning and Development Director, subject to approval by the City Attorney.

EXECUTIVE SUMMARY

The 2006 Workforce Housing Reward Program (WFH), funded by Proposition 46 (Housing and Emergency Shelter Trust Fund Act of 2002), provides grant funding to cities and counties that have provided new affordable housing for low- and very-low income households. This funding amount is related to the number of affordable housing building permits issued in calendar year 2006 that meet the criteria of the program. During this timeframe, 4 eligible housing units were identified in Fresno resulting in a \$19,000 grant application. This funding opportunity is non-competitive; however, the amount of the grant may be reduced by the State at its discretion.

KEY OBJECTIVE BALANCE

The application to the State WFH Program presents an opportunity to positively influence Customer Satisfaction, Employee Satisfaction, and Financial Management Key Objectives. Submittal of the application affects the Customer Service aspect by demonstrating the City's commitment to increased affordable housing. The action also contributes to Employee Satisfaction by commending efforts by staff to expand program funding. In addition, submittal of the application demonstrates resourceful Financial Management by encouraging the practice of leveraging state and federal funds to complement the City's housing programs.

BACKGROUND

The WFH program utilizes Proposition 46 (Housing and Emergency Shelter Trust Fund Act of 2002) funds to encourage cities to develop affordable housing available to low- and very low-income households.

Applicants are required to identify affordable housing units that received final land use approval in 2005 or 2006 and issuance of building permits in the 2006 calendar year. Of those units identified, only those rental units with a 55-year affordability period, and only those single-family home units with a 20-year affordability period, are eligible for calculation of the grant request. Although there were eighteen (18) permitted affordable homes in 2006, only four (4) single-family homes were identified as eligible housing units based on the Work Force Housing Grant criteria, resulting in a \$19,000 maximum grant award.

Applicants may use the WFH Program monies to fund the construction or acquisition of capital assets that serve to benefit the community. Staff recommends that the grant be utilized for public improvements for the numerous city-sponsored projects located on the northwest corner of Willow and Jensen Avenues in southeast Fresno or another project to be determined by staff, subject to City Council approval.

Last year, the City of Fresno was awarded a total of \$715,000 in Workforce Housing Rewards 2005 Program Grant Funds. The awards were based on the issuance of building permits on two hundred and eighteen (218) multi-family units and thirteen (13) eligible new single-family homes sold to low-income families.

The Housing and Community Development Division is anticipating an award of \$805,500 for the 2007 Workforce Housing Rewards Program Grant Funds based upon an estimated one hundred and seventy two (172) multi-family homes and forty-one (41) single family homes.

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

The Housing and Community Development Commission considered and recommended approval of this item on February 27, 2007.

FISCAL IMPACT

There is no fiscal impact to the Planning and Development Department's FY 2007 Budget. If the City is awarded the grant funds, a separate item requesting a budget amendment will be submitted for Council approval. The program does not require match financing.

APPENDICES

- Exhibit A - Resolution
- Exhibit B - WFH Program Application
- Exhibit C – Historical Work Force Housing Awards

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, APPROVING THE APPLICATION FOR AND ACCEPTANCE OF CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT WORKFORCE HOUSING REWARD GRANT FUNDS AND AUTHORIZING EXECUTION OF PROGRAM DOCUMENTS

(Project: Public improvements for the numerous city-sponsored projects located on the Northwest corner of Willow and Jensen Avenues in South East Fresno or another project to be determined by staff, subject to City Council approval.)

WHEREAS, consistent with the California Department of Housing and Community Development (hereinafter referred to as "HCD") issued Notice of Funding Availability ("NOFA") for the Workforce Housing Reward (WFH) Program, HCD is authorized to approve funding allocations for the WFH Program, subject to the terms and conditions of the NOFA and WFH Program Guidelines, Application Package and Standard Agreement; and

WHEREAS, funding for the WFH Program has been made available pursuant to the Housing and Emergency Shelter Trust Fund of 2002 (Proposition 46); and

WHEREAS, said procedures established by HCD require the applicant's governing body to certify, by resolution, the approval of the application to HCD and the authorization for execution of the Program standard agreement, amendments thereto and related Program documents; and

WHEREAS, the City of Fresno, a California municipal corporation, desires to apply for a WFH grant and submit the Application Package released December 2006 by the State of California for the WFH Program and receive an allocation of up to \$19,000 in WFH Program funds; and

WHEREAS, the City of Fresno will enter into a standard agreement with HCD for the grant funded Program.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF FRESNO HEREBY:

1. Approves the application for and acceptance of grant funding from the WFH Program for the Project and participation therein, consistent with constitutional and local law requirements and this resolution; and
2. Proposes to utilize the WFH Program funds for eligible Project expenses as more specifically described in the Program Application and related documents/agreements.
3. Appoints and authorizes the City of Fresno Planning and Development Director and his/her designee(s), and each of them as agent(s) of the City of Fresno, to conduct all negotiations, execute and submit documents including, but not limited to, the standard agreement, applications, amendments, memoranda of understanding, payment requests and so on, which may be necessary for participation in and completion of the aforementioned Project, including any extensions or amendments thereof, subject to prior approval as to form by the City Attorney's Office.

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**BASE AWARD - BEDROOM AND UNIT SUBTOTAL CALCULATION
SECTION 4**

Applicant: CITY OF FRESNO

Tables 2 and 3 should be used by all jurisdictions to determine the WFH Base Award subtotal for new housing units (both rental and ownership) affordable to very low- and low-income households.

TABLE 2 WFH Base Award for VERY LOW-INCOME				
Column A	Column B	Column C*	Column D	Column E
Very Low-Income Unit Type	Number of Bedrooms	Number of Units	Total # of Bedrooms (B x C)	WFH Grant Award (D x \$1500)
Studio	1			
One Bedroom	1			
Two Bedroom	2			
Three Bedroom	3	1	3	\$4,500
Four Bedroom	4			
Five Bedroom	5	1	5	\$7,500
	Subtotal:	2	8	\$12,000

- Enter totals from all Project Documentation Cover Sheets – Page 20, Table 1 Column A

TABLE 3 WFH Base Award for LOW-INCOME				
A	B	C	D	E
Low-Income Unit Type	Number of Bedrooms	Number of Units*	Total # of Bedrooms (B x C)	WFH Grant Award (D x \$1000)
Studio	1			
One Bedroom	1			
Two Bedroom	2			
Three Bedroom	3	1	3	\$3,000
Four Bedroom	4	1	4	\$4,000
Five Bedroom	5			
	Subtotal:	2	7	\$7,000
WFH Base Award: (total of subtotals of Table 2 and Table 3)				\$19,000

- * Enter totals from all Project Documentation Cover Sheets – Page 20, Table 1, Column D

**APPLICANT INFORMATION
SECTION 2**

Jurisdiction: City of Fresno
Address: 2600 Fresno Street Room 3076
City: Fresno
State: CA Zip Code: 93721
County: Fresno
Website: http://www.fresno.gov/housing/

Authorized Representative Name: Keith Bergthold

Authorized Representative Title: Acting Director, Planning and Development Department

Phone: (559) 621-8001 Fax: (559) 498-1012

Email: keith.bergthold@fresno.gov

Contact Person Name: Stephen F. Sotomayor

Contact Person Title: Project Manager

Phone: (559) 621-8511 Fax: (559) 457-1413

Email: stephen.sotomayor@fresno.gov

APPLICANT CERTIFICATION

As the official designated by the governing body, I hereby certify that if approved by HCD for funding through the WFH Program, the City of Fresno assumes the responsibilities specified in the WFH Notice of Funding Availability and Program Guidelines and certifies that the information, statements, and attachments contained in this application are, to the best of my knowledge and belief, true and correct.

Signature: _____ Date: _____

Name: Keith Bergthold

Title: Acting Director, Planning and Development Department

LEGISLATIVE REPRESENTATIVE INFORMATION

Please list all legislative Representatives for the City/County.

Attach additional sheets if necessary

Legislative information is available at www.leginfo.ca.gov

Applicant: _____

	District #	First Name	Last Name
Assembly	31	Juan	Arambula
Senate	16	Dean	Florez
Congress	19	George	Radanovich

	District #	First Name	Last Name
Assembly	29	Michael	Villines
Senate	14	Dave	Cogdill
Congress	20	Jim	Costa

	District #	First Name	Last Name
Assembly			
Senate			
Congress	21	Devin	Nunes

**CITY OF FRESNO
HISTORICAL WORK FORCE HOUSING
GRANT AWARD AMOUNTS**

