

CITY OF SANTA ROSA,
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: JULIE GAREN, PROGRAM SPECIALIST
HOUSING AND COMMUNITY SERVICES DEPARTMENT
SUBJECT: ACCEPTANCE OF THE \$2,737,433 HOME INVESTMENT
PARTNERSHIPS - AMERICAN RESUCE PLAN GRANT AWARD
AND BUDGET APPROPRIATION

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution: 1) accept the Home Investment Partnerships - American Rescue Plan ("HOME-ARP") grant award; 2) approve an appropriation of funds to the Housing Authority's budget in an amount up to \$2,737,433 for affordable housing activities; and 3) authorize the City Manager to execute the necessary program documents.

EXECUTIVE SUMMARY

The City of Santa Rosa (City) has been awarded grant funds by the U.S. Department of Housing and Urban Development (HUD) from the HOME Investment Partnerships – American Rescue Plan (HOME-ARP) Program for affordable housing activities in Santa Rosa. To administer these funds, the Housing Authority must accept the grant award and appropriate funds to the Housing Authority Fiscal Year (FY) 2021-2022 budget.

BACKGROUND

The HOME ARP Program was created under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2), which appropriated \$5 billion to provide housing, services, and shelter to individuals experiencing homeless and other vulnerable populations across the country. On March 11, 2021, President Biden signed the act into law, which authorized HUD to allocate HOME-ARP funds to states, units of general local government, insular areas, and consortia of units of general local government that qualified for an allocation of HOME funds in FY 2021-2022.

As an entitlement jurisdiction, the City was identified to receive up to \$2,737,433 in HOME-ARP funds. A Standard Agreement for the HOME-ARP Program was executed between the City and HUD on October 4, 2021.

HOME-ARP Program funds must be used to primarily benefit the qualifying populations through the four eligible activities: (1) Tenant Based Rental Assistance (TBRA), (2) development and support of affordable housing, (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter (NCS) units.

HOME-ARP funds must be used to primarily benefit individuals or families from the following qualifying populations:

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11302\(a\)](#));
- At-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11360\(1\)](#));
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary;
- In other populations where providing supportive services or assistance under section 212(a) of the Act ([42 U.S.C. 12742\(a\)](#)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability;
- Veterans and families that include a veteran family member that meet one of the preceding criteria.

The City will undergo a HOME-ARP Allocation Planning process to solicit public input to develop the HOME-ARP Allocation Plan which will be submitted to HUD for final approval. To administer these funds action is needed by the Housing Authority to accept the grant award and appropriate the funds into the Housing Authority's FY 2021-2022 budget.

ANALYSIS

The HOME-ARP Program is administered by HUD and provides grant funding for TBRA, development and support of affordable housing, provision of supportive services and acquisition and development of non-congregate shelter (NCS) units. As a HUD entitlement jurisdiction for HOME Investment Partnership Program funds, the City is eligible to receive a HOME-ARP Program grant award. The HOME-ARP Program Standard Agreement commits up to \$2,737,433 to the City for FY 2021; funds must be expended by September 30, 2030. In accordance with the HOME-ARP Standard Agreement the City may use up to five percent (5%) of its total award for administrative and planning costs upon execution of the grant agreement. Once the City's HOME-ARP Allocation Plan is approved by HUD, the remaining award, including an additional ten percent administrative allocation will be made available.

The HOME-ARP Standard Agreement was executed between the City and HUD on October 4, 2021. To utilize the program administration funding necessary to develop the HOME-ARP Action Plan, solicit proposals to utilize funds in accordance with the HOME-ARP Action Plan, and to administer the program once approved by HUD, action is needed by the Housing Authority to accept the grant award, appropriate up to \$2,737,433 of HOME-ARP Program funding into the FY 2021/22 budget, authorize the Chief Financial Officer to increase appropriations to the Housing Authority’s budget as follows:

Fund	Expenditure Key	Revenue Object Code	Amount
2269	42140 “HOME-ARP Programs”		\$2,326,819
	42140 “HOME-ARP Admin”		\$410,614
2269		4411 “Federal Grants”	\$2,737,433

An increase of appropriation to the Housing Authority Budget for \$2,737,433 into Revenue Fund 2269/Object 4411 “Federal Grants” is requested to allow for revenue from affordable housing loans, one of the eligible uses of HOME-ARP funds.

FISCAL IMPACT

Acceptance of the grant award and appropriation of program funds to the Housing Authority budget would increase the Housing Authority’s budget by \$2,737,433 in FY 2021/2022. These funds would carry-over into subsequent fiscal years until fully expended or until September 30, 2030, whichever occurs first.

ENVIRONMENTAL IMPACT

This item 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 Guidelines Section 15378.

COUNCIL/BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

CONTACT

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