



City of Arts & Innovation

# Housing Authority Memorandum

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**TO: HOUSING AUTHORITY COMMISSIONERS                      DATE: AUGUST 14, 2018**

**FROM: OFFICE OF HOMELESS SOLUTIONS                      WARDS: ALL**

**SUBJECT: HOUSING FIRST – RESOLUTION AUTHORIZING AN APPLICATION FOR A 2018 NATIONAL HOUSING TRUST FUND GRANT ALLOCATION ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT IN THE AMOUNT OF \$715,000 FOR FUNDING OF THE MULBERRY VILLAGE PERMANENT SUPPORTIVE HOUSING PROJECT**

**ISSUE:**

Approval of a Resolution that authorizes the Executive Director to sign an application for an approximately \$715,000 National Housing Trust Fund grant allocation, administered by the California Department of Housing and Community Development, to fund development of the Mulberry Village Permanent Supportive Housing Project.

**RECOMMENDATIONS:**

That the Housing Authority approve the attached Resolution authorizing the Executive Director to sign a California Department of Housing and Community Development application, and associated program documents, for an approximately \$715,000 National Housing Trust Fund grant allocation to fund the Mulberry Village Permanent Supportive Housing Project.

**BACKGROUND:**

The National Housing Trust Fund (NHTF) is an affordable housing production program that complements existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families. NHTF funds may be used for the production or preservation of affordable housing through the acquisition, new construction, reconstruction, and/or rehabilitation of non-luxury housing with suitable amenities. Every state receives an NHTF allocation from HUD. California has \$36 million in NHTF funds to allocate in Fiscal Year 2018, and can fund any single project up to \$10 million. NHTF allocations are implemented by the State as a deferred payment loan or forgivable loan in exchange for long-term affordability. The regulatory agreement for any potential project will be for 55 years.

On March 13, 2018, the City of Riverside adopted the housing first model for delivery of homeless services with the objective of producing enough permanent supportive housing units to end unsheltered homelessness in Riverside over a ten-year period. The Office of Homeless Solutions has implemented this initiative and has successfully identified available units on the open market with local community and stakeholder partnerships, and its recently launched landlord incentive

program. In addition, the Office of Homeless Solutions is actively working alongside the Mayor's Office, development partners, and service providers for the construction of over 250 permanent supportive housing units throughout the City. The permanent supportive housing project proposed within the application to the National Housing Trust Fund will further the City's housing first objective by seeking to end unsheltered homelessness in Riverside.

**DISCUSSION:**

The Housing Authority is currently undertaking public outreach for the proposed development of 10 tiny cottages on Housing Authority-owned property located at 2825-2841 Mulberry Street in the Downtown Neighborhood; this project would provide housing for chronically homeless individuals coupled with case management. The proposed project would be a partnership between the Housing Authority, Habitat for Humanity Riverside (developer), and the Riverside Housing Development Corporation (RHDC, property manager). The goal of the proposed project would be to: provide access to stable and affordable housing; provide case management and supportive services based on client needs; and to assist clients with graduating into permanent housing. The Housing Authority would own the site for the term of the NHTF affordability period. The project site (2825-2841 Mulberry Street) will need to be rezoned to accommodate the project as currently envisioned.

The proposed project was presented to, and approved by, the Downtown Area Neighborhood Alliance in June 2018. The project will be presented to the Northside Improvement Association in mid-August, and at a special neighborhood meeting in early September.

Although adoption of the attached Resolution is necessary to request an NHTF grant allocation, City staff will return to the Housing Authority and City Council at a later date, for consideration of land use and funding agreement approvals.

**FISCAL IMPACT:**

There is no impact to the General Fund resulting from this application. Approval of the NHTF grant allocation would provide \$715,000 for the development of a permanent supportive housing project in furtherance of the City's Housing First Plan.

Prepared by: Emilio Ramirez, Office of Homeless Solutions Director  
Certified as to availability of funds: Adam Raymond, Chief Finance Officer/City Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney  
  
Attachment: Resolution