



STATE OF CALIFORNIA - PERMANENT LOCAL HOUSING ALLOCATION

Office of Homeless Solutions
Housing Authority

City Council
July 7, 2020

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SENATE BILL 2

Senate Bill (SB) 2 (Chapter 364, Statutes of 2017) allocates a portion of land transfer taxes to Local governments for eligible housing and homelessness activities. The intent of the bill is to provide a permanent, on-going source of funding to Local governments for housing-related projects and programs that assist in addressing the unmet housing needs of their local communities.



City previously received SB2 for housing planning activities.



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ELIGIBLE USES

1. Housing Development Activities:
 - a) Predevelopment, development, acquisition, rehabilitation, preservation of multifamily, residential live-work, and rental housing.
2. Assisting persons who are experiencing or at risk of homelessness:
 - a) Rental assistance/case management services, operating and capital costs for navigation centers and emergency shelters, and new construction, rehabilitation, and preservation of permanent and transitional housing.



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STATE SB2 NOTICE OF FUNDING AVAILABILITY

1. Approximately \$195 million available
2. 50% to State CDBG entitlement communities allocated proportionately to said governments based on most severe housing needs
3. Riverside FY 20/21 Allocation: \$1,622,125
4. Five-Year Estimate: \$9,732,750



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FIVE YEAR ALLOCATION PLAN

1. Proposed projects or uses
2. Median income of proposed clients
3. 10-Day Notice and Public Hearing



Riverside:

- Year 1: 100% to housing development
- Years 2-5: 50% to bridge housing and 50% to development



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FIVE YEAR ALLOCATION PLAN

PROJECT	DEVELOPER	NO. OF UNITS	PROPOSED PLHA PROGRAM FUNDING
Pierce Street and Golden Avenue Affordable Housing Project (Ward 7)	National Community Renaissance	80 units of very low income affordable housing	\$1,000,000
The Aspire (Third Street and Fairmount Boulevard - Ward 1)	Innovative Housing Opportunities	32 units of permanent supportive housing for youth	\$541,019
Administration (5% of grant)	City of Riverside		\$81,106
TOTAL			\$1,622,125



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RECOMMENDATIONS

That the City Council:

1. Adopt a five-year funding strategy for use of SB 2 PLHA Program funds;
2. Approve the attached Resolution authorizing the City Manager, or designee, to submit a SB 2 PLHA Program application to the California HCD for an amount not to exceed \$1,622,125, and authorizing the City Manager, or designee, to accept and receive such funds and execute any documents necessary to secure such award and administer the grant; and
3. Upon award of the grant funds, authorize an increase in revenue in the amount of \$1,622,125 to Development Grants Fund account and appropriate \$1,000,000 to the Golden and Pierce Project account, \$541,019 to The Aspire project account, and \$81,106 to the Permanent Local Housing Allocation Program Administration account.



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