



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: MAY 21, 2024**

FROM: HOUSING AND HUMAN SERVICES **WARDS: ALL**

SUBJECT: ACCEPT AWARD FROM U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT IN THE AMOUNT OF \$4,335,583 IN THE HOME INVESTMENT PARTNERSHIP PROGRAM FUND, HOME INVESTMENT PARTNERSHIP PROGRAM FOR THE USE OF HOME INVESTMENT PARTNERSHIPS PROGRAM-AMERICAN RESCUE PLAN GRANT FUNDS FOR THE MULBERRY GARDENS AND SUNRISE AT BOGART AFFORDABLE HOUSING PROJECTS, TENANT BASED RENTAL ASSISTANCE PROGRAM, AND ADMINISTRATIVE COSTS

ISSUE:

Authorize an increase in revenue and appropriation of expenditure in the amount of \$4,335,583 in the HOME Investment Partnerships Program Fund, HOME Investment Partnerships Program for the use of HOME Investment Partnerships Program-American Rescue Plan grant funds for the Mulberry Gardens and Sunrise at Bogart affordable housing projects, Tenant Based Rental Assistance Program, and administrative costs.

RECOMMENDATIONS:

That the City Council:

1. Authorize the acceptance of funding from the U.S. Department of Housing and Urban Development HOME Investment Partnership Program – American Rescue Plan Grant Funds in the amount of \$4,335,583; and
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an increase in revenue and appropriate an equal amount of \$4,335,583 in the HOME Investment Partnerships Program Fund, Program revenue and expenditure accounts, for the use of the HOME Investment Partnerships Program-American Rescue Plan grant funds for the Mulberry Gardens affordable housing project, Tenant Based Rental Assistance Program, and administrative costs.

BACKGROUND:

On June 28, 2022, staff requested City Council to approve the following recommendations:

Recommendations	City Council Actions
Conduct a public hearing as required by the United States of Housing and Urban Development HOME Investment Partnerships Program-American Rescue Plan (HOME-ARP) regulations.	Conducted a public hearing.
Recommendations	City Council Actions
Review and provide input to the Five-Year Plan to Reduce Homelessness, including the Homeless Housing, Assistance and Prevention Round 3 and HOME-ARP regional outcome goals as required by the State of California Interagency Council on Homelessness.	Directed the Office of Homeless Solutions work with the Communications Department for readability and flow of the draft Five-Year Plan to Reduce Homelessness incorporating feedback from the public and Councilmembers for review by the Homelessness Task Force particularly looking at experts in evaluation and final draft to be presented to the Housing and Homelessness Committee in September 2022, and to the full City Council in October 2022.
Approve a Substantial Amendment to the City of Riverside 2021-2022 United States Department of Housing and Urban Development Annual Action Plan for the allocation of \$4,335,583 of HOME-ARP grant funds.	Approved
Adopt the HOME-ARP allocation plan required by the United States of Housing and Urban Development HOME-ARP regulations.	Adopted
With at least five affirmative votes, authorize an increase in revenue and appropriation expenditures in the amount of \$4,335,583 in the HOME Investment Partnership Program Fund, HOME Investment Partnership Program.	Not Approved

DISCUSSION:

As identified in the HOME-ARP allocation plan, City Council approved the following HOME-ARP funding allocations:

Activity	Funding Amount
Tenant-Based Rental Assistance Program	\$ 300,000.00
Affordable Housing Rental Housing (Mulberry Gardens and Sunrise at Bogart)	\$3,818,803.85
Administration	\$ 216,779.15

TOTAL	\$4,335,583.00
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Staff is requesting City Council to authorize an increase in revenue and appropriation expenditures in the amount of \$4,335,583 in the HOME Investment Partnerships Program Fund, HOME Investment Partnership Program for the use of the HOME Investment Partnerships Program-American Rescue Plan grant funds for the Mulberry Gardens affordable housing project, Tenant Based Rental Assistance Program, and administrative related costs.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 2 – Community Well-Being, Goal No. 2.1**, facilitate the development of a quality and diverse housing supply that is available and affordable to a wide range of income levels, and **Goal No. 2.2**, collaborate with partner agencies to improve household resiliency and reduce the incidence of homelessness.

This item aligns with Each of the five Cross-Cutting Threads as follows:

1. **Community Trust** –Activities and actions by the City serve the public interest, benefit the City's diverse population and result in greater public good.
2. **Equity** –All individuals served in the City's rental assistance programs and affordable housing will be treated with dignity, respect, and compassion regardless of the circumstances, ability, or identity.
3. **Fiscal Responsibility** – There is no fiscal impact to the City General Fund associated with this item.
4. **Innovation** – Riverside is inventive and timely in meeting the community's changing needs and prepares for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City's capacity to preserve, adapt, and grow during good and difficult times alike.

FISCAL IMPACT:

The total fiscal impact of this action is \$4,335,583. Upon City Council approval, an increase in revenue in the amount of \$4,335,583 and an equal amount appropriated in expenditures will be recorded in the HOME Investment Partnership Program Fund, HOME Projects Program revenue account number 2520300-331100 and expenditure account number 2520300-453001.

Prepared by: Michelle Davis, Housing and Human Services Director
 Certified as to
 availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Approved by: Mike Futrell, City Manager
 Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Grant Agreement
2. HOME-ARP Allocation Plan