

# PERMANENT LOCAL HOUSING ALLOCATION FIVE-YEAR PLAN AND FUNDING APPLICATION

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City Council  
December 20, 2021



# PERMANENT LOCAL HOUSING ALLOCATION

## SB 2

- 2017 – Building and Homes Job Act
- Provide financial assistance to local governments for eligible housing activities

## HCD NOFA

- \$304 million available – 50%/50% Entitlement & Non-Entitlement
- Merced is Entitlement – Formula for Allocation

## Plan & Application

- PLHA Plan – Five Years starting with 2019 through 2023
- Application due by 12/31/21

# PLHA ADMINISTRATION AND REQUIREMENTS

Administration is capped at 5% of the award

City may Delegate or Implement Activities


Must have a valid Housing Element & Annual Report

Funding is provided to project through a low interest loan – security and covenants required – 55 years

Annual Report – July 31<sup>st</sup> each year

Plan may be modified – City Council Action

# PLHA ELIGIBLE ACTIVITIES



Predevelopment, development, acquisition, rehabilitation, and preservation of MF Residential - Rental Housing and Single-Family including ADU  
Matching Funds – LMI Housing, Local or Regional Trust, Capitalized Reserves  
Homelessness, Navigation Centers, Shelters  
Accessibility Modifications – owner occupied

# MERCED 2019-23 PLHA PLAN

- Merced is eligible for approximately \$3,112,314 over the five-year period
- 2019 is \$518,719 and 2020 is \$806,250
- All units to meet 60% AMI or less – Low Income Level

Activity Allocation	2019	2020	2021	2022	2023
Multi Family Rental Housing	95%	95%	95%	95%	95%
Program Administration	5%	5%	5%	5%	5%

# PLHA APPLICATION

Due by December 31<sup>st</sup> or 2019 and 2020 funds lost  
Plan must specify how funds will be used for eligible  
activities – projected households and RHNA

Consistency with the Housing Element

Must include a Plan for 2019-2023

Period and Level of Affordability at least 55-year term

Program Income Reuse Plan

# PROJECT FUNDING APPLICATION

- Multi Family Rental Housing
- Proposed project to include multifamily apartments and permanent supportive units
- Prior Council action – Conditional Support to UPholdings Inc. - partner with Self Help Enterprises
- Conditional Commitment includes 2019 and 2020 Amounts - \$1,324,969
- City will retain 5% for Administration
- Project will include other financing sources – meet all income and security requirements
- Promissory Note secured by Deed of Trust and Regulatory Agreement – 55 years
- Other years – 2021 – 2023 are not committed

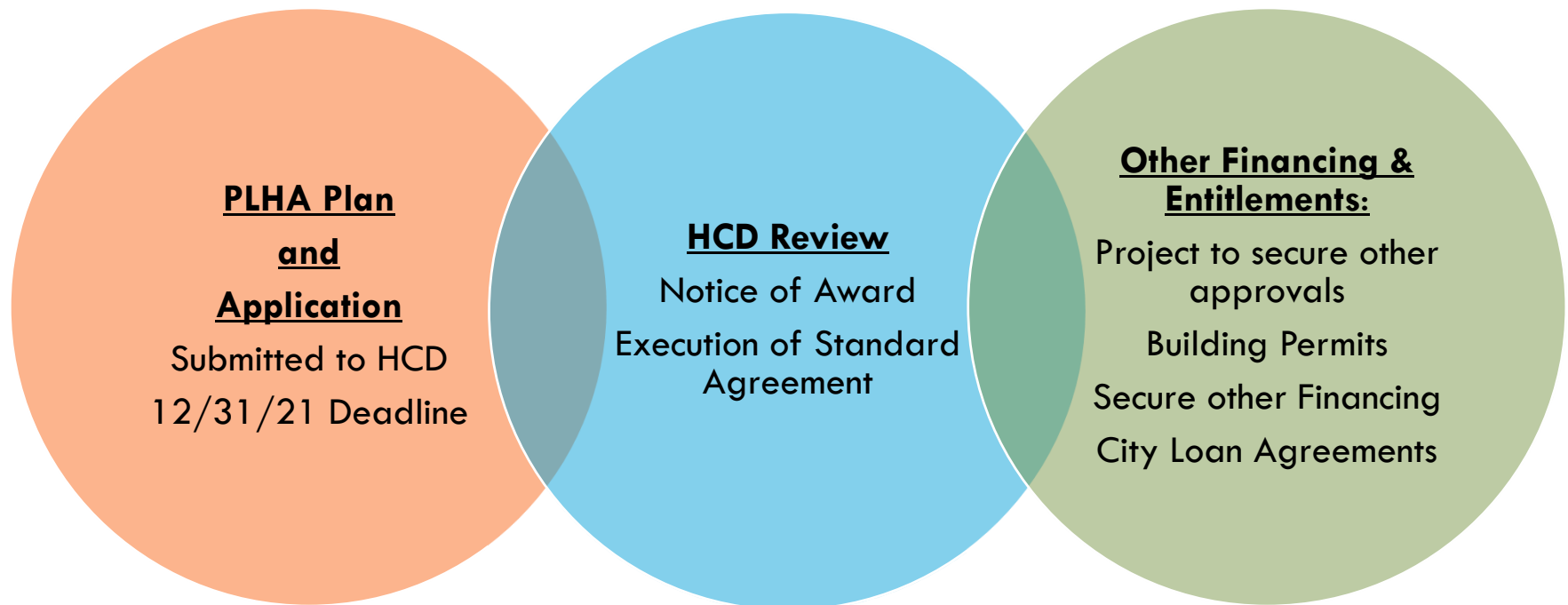
# RECOMMENDATION – BY MOTION

Adopt Resolution approving the PLHA Plan for 2019-2023, certifying public opportunity for comments, authorizing submittal to HCD

Adopt Resolution authorizing the submittal of a PLHA application for funding to HCD and authorizing execution of the Standard Agreement

Authorizing the Finance Officer to make any Budget Amendments Necessary for the implementation of the PLHA Program

# WHAT HAPPENS NEXT?



**NOTES** |