

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA (1) AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR AN ALLOCATION OF FUNDING UNDER THE PERMANENT LOCAL HOUSING ALLOCATION (PLHA) PLHA PROGRAM, AND (2) IF SELECTED FOR SUCH FUNDING, AUTHORIZING THE EXECUTION OF A STANDARD AGREEMENT, ANY AMENDMENTS THERETO AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE PLHA PROGRAM.

WHEREAS, the State of California Department of Housing and Community Development ("Department") is authorized to provide up to \$195 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in California Health and Safety Code Section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2); herein referred to as the "PLHA Program Statutes");

WHEREAS, the Department has issued a Notice of Funding Availability dated February 26, 2020 under the Permanent Local Housing Allocation Program (the "PLHA Program");

WHEREAS, the City of Pasadena, a California municipal corporation and charter city ("City"), is an eligible "local government" applying for funding under the PLHA Program to administer one or more eligible activities;

WHEREAS, the Department is authorized to approve funding allocations utilizing monies made available by the State Legislature to the PLHA Program, subject to the terms and conditions of the NOFA, the PLHA Program Statutes, the PLHA Program Guidelines, the Standard Agreement and other contracts between the Department and PLHA grant recipients; and

WHEREAS, the City desires to submit an application to the Department for PLHA Program Funding in an amount not to exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the current NOFA, in the amount of \$5,616,456 (the "Application") for eligible activities as approved by the Department and in accordance with the PLHA Program Statutes, the PLHA Program Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the City and the Department.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Incorporation of Recitals by Reference. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

2. Authority to Prepare, Execute and Submit Application. The City Manager and the Assistant City Manager, or either of them, are authorized and directed, as agents of the City, to prepare, execute and submit the Application to the Department.

3. Authority to Execute Documents and Take Further Actions. The City Manager and the Assistant City Manager, or either of them, are hereby further authorized and directed, if the City is selected by the Department to receive PLHA Program Funding, to take such other actions as are consistent with the Application, including the execution of a Standard Agreement and any subsequent amendments or modifications thereto, as well as any and all documents required by the Department for participation in the PLHA Program and deemed necessary and appropriate by the City Manager and the Assistant City Manager, or either of them (as the case may be), to consummate the transaction contemplated by the adoption of this Resolution and to administer the City's obligations, responsibilities and duties to be performed hereunder and under any agreement entered into with the Department in connection with the PLHA Program.

4. Agreement to Utilize PLHA Program Funding in a Manner Consistent with the Application, the PLHA Program Statutes and the PLHA Program Guidelines. The City Manager and the Assistant City Manager, or either of them, are hereby authorized and directed, if the City is selected by the Department to receive PLHA Program Funding pursuant to the above-referenced NOFA, to use such funding for eligible activities in the manner presented in the Application as approved by the Department and in accordance with the NOFA, the PLHA Program Statutes and the PLHA Program Guidelines.

5. Certifications. If the City is selected by the Department to receive PLHA Program Funding pursuant to the above-referenced NOFA, the City hereby certifies as follows:

- (a) that it has or will subgrant some or all of its PLHA funds to another entity or entities. Pursuant to PLHA Program Guidelines Section 302(c)(3), "entity" means a housing developer or PLHA Program operator, but does not mean an administering local government to whom a local government may delegate its PLHA allocation;
- (b) that its selection process of these subgrantees was or will be accessible to the public and avoided or shall avoid any conflicts of interest;

- (c) that, if funds are used for the acquisition, construction or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the requirements stated in PLHA Program Guidelines Section 302(c)(6)(A),(B) and (C);
- (d) that, if funds are used for the development of an Affordable Rental Housing Development, the City shall make PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project, and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement, which shall restrict occupancy and rents in accordance with a local government-approved underwriting of the Project for a term of at least 55 years; and
- (e) that the City shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 PLHA Program Guidelines published by the Department.

Adopted at a special meeting of the City Council on the ____ day of _____, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARK JOMSKY, City Clerk

APPROVED AS TO FORM:

MICHELE BEAL BAGNERIS
City Attorney

By:  For MBB

[Assistant][Deputy] City Attorney

CERTIFICATE OF THE ATTESTING OFFICER

The undersigned, the City Clerk of the City of Pasadena, does hereby attest and certify that the attached Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of the City Council of the City of Pasadena, which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

Dated: July ___, 2020.

Mark Jomsky
City Clerk