

City of Santee Permanent Local Housing Allocation (PHLA) Funding Allocation Plan

For Public Review

In September 2017, the California Legislature approved Senate Bill 2 (SB 2), known as the Building Homes and Jobs Act (Act), which established a \$75 recording fee on real estate documents to increase the supply of affordable housing. The Act establishes the Permanent Local Housing Allocation (PLHA) program administered by the California Department of Housing and Community Development (HCD). The PLHA provides a permanent source of funding to cities and counties to help meet the unmet need for affordable housing and increase the supply of affordable housing units. HCD released its first Notice of Funding Availability for these funds on February 26, 2020.

Under the PLHA, funding is provided through formula grants to entitlement jurisdictions based on the formula prescribed under federal law for the Community Development Block Grant (CDBG) program over a five-year funding period, as well as through a competitive grant program to non-entitlement jurisdictions. The City of Santee is an entitlement jurisdiction and is eligible to receive funding annually. Funding for each year for the PLHA is generated through a fee on real estate transactions, which may fluctuate from year to year. According to HCD, the City is currently eligible for \$433,336, which is the portion of the City's total allocation remaining for the last three funding periods of the five-year allocation. Specifically, \$229,843 in PLHA funding is available for Fiscal Year 2025/26.

The State requires entitlement jurisdictions to use PLHA funds to increase the supply of affordable housing. In order to receive PLHA funds, the City is required to submit a PLHA Plan detailing the manner in which allocated funds will be used; a description of the way the City will prioritize investments that increase the supply of housing for households at or below 60 percent of AMI; a description of how the Plan is consistent with the programs set forth in the City's Housing Element; and evidence that the Plan was authorized and adopted by resolution by the City Council and that the public had an adequate opportunity to review and comment on its content.

The City intends to utilize fifty-five percent of the program funding under the direction of eligible Activity (a)(6) assisting persons who are experiencing or at risk of homelessness,

including but not limited, providing, rapid rehousing, supportive/case management services that allow people to obtain and retain housing, and operating costs for navigation centers and emergency shelters. In compliance with the PHLA's Affordable Owner-Occupied Workforce Housing Requirements, forty percent of the allocation will be for Activity (a)(6) accessibility modifications in lower-income owner-occupied housing, including manufactured or mobile homes and the remaining five percent will be toward administration of the PLHA program.

The Santee City Council will consider approving a Resolution on February 26, 2025, authorizing the City to apply, submit and receive grant funds for the PLHA program. The deadline to submit the approved Resolution and PLHA application is <u>February 28, 2025</u>.

§302(c)(4) Plan

§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.

The City of Santee (City) plans on utilizing the allocated PLHA funds for the following two activities: Activity 6: Fifty-five percent of allocation towards assisting persons who are experiencing or at risk of homelessness, including but not limited to, providing rapid rehousing, supportive/case management services that allow people to obtain and retain housing, and operating costs for navigation centers and emergency centers. Activity 7: In compliance with the Affordable Owner-Occupied Works Housing Requirements, forty percent of the allocation will be used of accessibility modifications in lower-income owner occupied housing, including manufactured or mobile homes. The remaining five percent of funding will be used of administrative costs.

§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).

The City of Santee's use of PLHA funds for Activity 6 will focus on households and individuals experiencing homelessneess with income at or below 30% of Area Median Income. The City's PHLA funds for Activity 7 (accessibilty modifications) will be directed towards household and individuals earning 60% or less of Area Median Income.

§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.

Policy 4.2 of the City of Santee's Housing Sixth Cycle Housing Element provides that the City shall, "coordinate with local social service providers to address the needs of the City's homeless population. Provide funding to groups providing shelter and other services to the homeless." Upon notice of award of funding, the City will issue a request for qualifications to select a non-profit homeless services provider to conduct street outreach, providing supportive/case management services and temporary housing as part of an effort to secure more permanent housing for persons experiencing homelessness in Santee.

Activities Detail (Activities Detail (Must make a selection on Formula Allocation Application worksheet under Eligible Activities, §301))

§301(a)(6) Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.

The City of Santee intends to use PLHA funds for a non-profit homeless services provider that conduct street outreach to assist persons experiencing homeless to access permenant housing. While the City has experience working with a non-profit homeless services provider doing this type of work, the City's PLHA funded service provider will be selected through a request for qualifications\proposal process. It is further anticipated that the PLHA funded street outreach will also encompass services such as case management, temporary housing, and housing navigation services.

Complete the table below for each proposed Activity to be funded with 2021-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the highest AMI to be served.

Funding Allocation Year	2021	2022	2023						
Type of Affordable Housing Activity	Street Outreach	Street Outreach	Street Outreach						
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	55%	55%	55%						
§302(c)(4)(E)(ii) Area Median Income Level Served	30%	30%	30%						TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level Note: complete for years 2021, 2022, 2023 only	203								203
§302(c)(4)(E)(ii) Projected Number of Households Served	192	96	74						362
\$302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)	N\A	N\A	N\A						

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

Upon the City's receipt of a standard agreement for the use of PLHA funds, the City will release a request for proposal\qualification to select and contract with a capable non-profit service provider. The street outreach program will begin shortly after contract execution which will on or shortly after July 1, 2025. The projected number of households served is based on the the City's Funding Year PLHA allocation and the City's prior experience providing similar homeless outreach services.

§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.

The City of Santee plans to use PLHA funds for a non-profit services provider that will assist with the selection, screening and completion of accessility modifications (e.g. wheel chair ramps, handrails, grab bars, flooring repairs to remove trip hazards) for low-income owner occupied housing, including mobile homes. The City will select the PLHA funded accessibility improvements provider through a request for qualifications\proposal process which will begin after the City receives a standard agreement for PLHA funds.

Complete the table below for each proposed Activity to be funded with 2021-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the highest AMI to be served.

Funding Allocation Year	2021	2022	2023							
Type of Affordable Housing Activity	Accessibility modifications in Lower-income Owner- Occupied Housing	in Lower-	Accessibility modifications in Lower- income Owner- Occupied Housing							
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	40%	40%	40%							
What Percentage of the Percentage Above Will be Used for Ownership Housing?	100%	100%	100%							
§302(c)(4)(E)(ii) Area Median Income Level Served	60%	60%	60%							TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level Note: complete for years 2021, 2022, 2023 only	406									406
§302(c)(4)(E)(ii) Projected Number of Households Served	12	6	5							23
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity	N\A	N\A	N\A							
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§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

Upon the City's receipt of a standard agreement for the use of PLHA funds, the City will release a request for proposal\qualification to select and contract with a capable non-profit accessibility improvements service provider. The accessibility improvements service provider. The accessibility improvements for low-income owner-occupied housing program will begin shortly after contract execution which will on or close to July 1, 2025. The projected number of households served is based on the the City's Funding Year PLHA allocation amount and the projected numbers served of another jurisdiction operating an accessibility improvement program similar to what the City of Santee hopes to implement.

File Name: Plan Adoption Reso \$302(c)(4)(D) Evidence that the Plan was authorized and adopted by resolution by the Local jurisdiction and that the public had an adequate opportunity to review and comment on its content.

Total Percentage of Funds Allocated Calculator (2021 - 2023)

2021 Allocation							
Admin	5%						
Funds Allocated	95%						
Total Percentage of Funds	100%						
Allocated for 2021	100 /6						

2022 Allocation									
Admin	5%								
Funds Allocated	95%								
Total Percentage of Funds Allocated for 2022									

2023 Allocation							
Admin	5%						
Funds Allocated	95%						
Total Percentage of Funds Allocated for 2023							

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