

## **AGENDA ITEM #5**

**MEETING:** Planning and Community Development Committee

**DATE:** August 26, 2021

**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Verónica R. Soto, FAICP, Director

**COUNCIL DISTRICTS IMPACTED:** City Wide

### **SUBJECT:**

Timeline for the Request for Proposals (RFPs) for housing projects seeking gap funding as proposed in the FY 2022 HUD Action Plan

### **SUMMARY:**

On August 27, 2021, the City will issue two Requests for Proposals (RFPs) for FY 2022 grant-funded rental housing gap funding and single-family homeownership housing gap funding. The solicitations will remain open until October 18, 2021.

### **BACKGROUND INFORMATION:**

On August 12, 2021, City Council approved the \$27,397,739 million FY 2022 HUD Action Plan and Budget (Action Plan) for the four federal grant programs funded by the U.S. Department of Housing and Urban Development (HUD) which included \$15,482,693 million in Community Development Block and \$8,502,709 million in HOME Investment Partnerships Program (HOME) funding. Of this amount, \$7,400,000 was allocated to affordable rental and homeownership housing development gap funding.

On September 12, 2019, City Council approved the evaluation criteria to be used by staff when evaluating rental and homeownership housing developments that are seeking federal funds from the City to assist with their project. The evaluation criteria includes evaluating proposals based on: experience and capacity, project readiness, project site characteristics and amenities, HUD regulatory conditions, efficient use of funds, and project underwriting.

### **ISSUE:**

Utilizing Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds, NHSD aims to provide gap funding subsidies for affordable rental housing development and affordable homeownership housing development projects. Outcomes will include acquisition, rehabilitation/preservation, or new construction of single-family homeownership and multi-family rental housing. Project eligibility and terms will be in accordance with the CDBG and HOME regulations, as well as the City-Council approved Program Policies for HUD-funded Affordable Housing Activities. City Council considered the FY 2022 Annual Action Plan on August 12, 2021 and allocated up to \$7,400,000 in CDBG & HOME funds for these activities. In addition to these federal funds, the FY 2022 proposed budget recommends an additional \$2,000,000 for affordable housing programs out of the Inner City and Midtown city-initiated Tax Increment Reinvestment Zones (TIRZ). Pending approval of those funds by the TIRZ boards and City Council, those funds will bring the total funding available to \$9,400,000.

Below is NHSD's timeline for Affordable Housing Gap Funding:

<b>Task</b>	<b>Date</b>
Audit Committee (Pre-Solicitation)	8/20/2021
RFPs Issued	8/27/2021
Pre-Submittal Conferences	9/8/2021
RFPs Submission Deadline	10/18/2021
Evaluation Committee Scoring	11/15/2021
Audit Committee (Post-Solicitation)	12/21/2021
Planning and Community Development Committee	1/10/2022
City Council Consideration	1/20/2022

**ALTERNATIVES:**

This item is for briefing purposes only.

**FISCAL IMPACT:**

This item is for briefing purposes only.

**RECOMMENDATION:**

This item is for briefing purposes only.