

Permanent Local Housing Allocation (PLHA) Formula Allocation

2020 Application



**State of California
Governor, Gavin Newsom**

**Lourdes Castro Ramírez, Secretary
Business, Consumer Services and Housing Agency**

**Douglas R. McCauley, Acting Director
Department of Housing and Community Development**

Program Design and Implementation, PLHA Program
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DRAFT ACTION PLAN

Local Government Formula Allocation

Rev. 5/20/20

Eligible Applicant Type: Entitlement	
Local Government Recipient of PLHA Formula Allocation: Palmdale	
Approximate PLHA Formula Allocation Amount:	\$779,064
Allowable Local Admin (5%):	\$38,953
<p>Instructions: If the Local Government Recipient of the PLHA Formula Allocation delegated its PLHA formula allocation to a Local Housing Trust Fund or to another Local Government, the Applicant (for which information is required below) is the Local Housing Trust Fund or administering Local Government. The PLHA award will be made to the Applicant (upon meeting threshold requirements) and the Applicant is responsible for meeting all program requirements throughout the term of the Standard Agreement.</p> <p>The 302(c)(4) Plan template worksheet requires first choosing one or more of the Eligible Activities listed below. If "Yes" is clicked, the 302(c)(4) Plan worksheet opens a series of questions about what precise activities are planned. Some specific activities, such as providing downpayment assistance to lower-income households for acquisition of an affordable home, could be included under either Activity 2 or 9. Please only choose one of those Activities; don't list the downpayment assistance under both Activities.</p> <p>If the PLHA funds are used for the same Activity but for different Area Median Income (AMI) level, select the same Activity twice (or more times) and the different AMI level the Activity will serve. Please enter the percentage of funds allocated to the Activity in only the first Activity listing to avoid double counting the funding allocation.</p>	
Eligible Applicants §300	
<p>§300(a) and (b) Eligible Applicants for the entitlement and Non-entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and urban counties allocated a grant for the federal fiscal year 2017 pursuant to the federal CDBG formula specified in 42 USC, Section §5306 and Non-entitlement local governments.</p>	
<p>Applicant: City of Palmdale</p> <p>Address: 38300 Sierra Highway</p> <p>City: Palmdale State: CA Zip: 93550 County: Los Angeles</p>	
<p>§300(d) Is Applicant delegated by another Local government to administer on its behalf its formula allocation of program funds? No</p> <p>§300(d) If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300 (c) and (d)? N/A</p>	
File Name: App1 Resolution	PLHA webpage for Resolution Document Attached and on USB?
File Name: App1 Signature Block	Signature Block - upload in Microsoft Word Document Attached and on USB?
File Name: App1 TIN	Taxpayer Identification Number Document Attached and on USB?
File Name: Applicant Agreement	Legally binding agreement between Delegating and Administering Local Governments Attached and on USB?
Eligible Activities, §301	
<p>§301(a) Eligible activities are limited to the following: Included?</p>	
§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary operating subsidies.	<input checked="" type="checkbox"/> YES
§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.	<input checked="" type="checkbox"/> YES
§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.	<input type="checkbox"/> YES
§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.	<input type="checkbox"/> YES
§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.	<input type="checkbox"/> YES
§301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, 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.	<input checked="" type="checkbox"/> YES
§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.	<input checked="" type="checkbox"/> YES
§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.	<input type="checkbox"/> YES
§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.	<input checked="" type="checkbox"/> YES
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.	<input type="checkbox"/> YES
Threshold Requirements, §302	
§302(a) Housing Element compliance: Applicant or Delegating Local Government's Housing Element was adopted by the Local Government's governing body by the application deadline and subsequently determined to be in substantial compliance with state Housing Element Law pursuant to Government Code Section 65585.	Yes
§302(b) Applicant or Delegating Local Government has submitted the current or prior year's Annual Progress Report to the Department of Housing and Community Development pursuant to Government Code Section 65400.	Yes
§302(c)(2) Applicant certifies that submission of the application was authorized by the governing board of the Applicant.	Yes
§302(c)(3) Applicant certifies that, if the Local Government proposes allocation of funds for any activity to another entity, the Local government's selection process had no conflicts of interest and was accessible to the public.	Yes
§302(c)(4) Does the application include a Plan in accordance with §302(c)(4)?	Yes
§302(c)(4)(D) Applicant certifies that the Plan was authorized and adopted by resolution by the Local Government and that the public had an adequate opportunity to review and comment on its content	Yes
§302(c)(5) Applicant certifies that the Plan submitted is for a term of five years. Local Governments agree to inform the Department of changes made to the Plan in each succeeding year of the term of the Plan.	Yes
§302(c)(6) Applicant certifies that it will ensure compliance with §302(c)(6) if funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects.	Yes
§302(c)(7) Applicant certifies that it will ensure that the PLHA assistance is in the form of a low-interest, deferred loan to the Sponsor of the Project, if funds are used for the development of an Affordable Rental Housing Development. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust.	Yes
§302(c)(8) Has Applicant attached a program income reuse plan describing how repaid loans will be reused for eligible activities specified in Section 301?	Yes
Administration	
Applicant agrees to adhere to §500, Accounting Records.	Yes
Applicant agrees to adhere to §501, Audits/Monitoring of PLHA Files.	Yes
Applicant agrees to adhere to §502, Cancellation/Termination.	Yes
Applicant agrees to adhere to §503, Reporting.	Yes
Certifications	
<p>On behalf of the entity identified below, I certify that: The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct and I possess the legal authority to submit this application on behalf of the entity identified in the signature block.</p>	
J. J. Murphy, ICMA-CM	City Manager
Authorized Representative Printed Name	Title
Signature	Date
Entity name: City of Palmdale	Phone Number: 661/267-5126
Entity Address: 38300 Sierra Highway	City: Palmdale State: CA Zip: 93550

§302(c)(4) Plan

Rev. 5/20/20

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

The City of Palmdale plans to use PLHA funds for the following eligible activities:

1. Rehabilitation or preservation of owner occupied housing for extremely low to low-income households (primarily seniors and disabled individuals);
2. Provide construction loan for development of a duplex housing project that will be occupied by extremely low to very low-income households;
3. Make available downpayment assistance loans for low and moderate income households to buy affordable homes;
4. Rehabilitation of rental housing for extremely low to low income households;
5. Small gap construction loan for development of rental housing units that will be occupied by households with incomes of no more than 60% of AMI; and
6. Construction and/or operational costs for a future Navigation Center with emergency and/or transitional housing

Any program income received will be used for an eligible activity

§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 will prioritize investments that increase supply of housing for households with income at or below 60% of AMI through the following:

1. Construction of new rental housing projects that will include units with affordability for low income households at or below 60% of area median income
2. Funding to support development of a Navigation Center that will serve primarily very low and extremely low-income individuals for those whose income is not sufficient to cover rent/living expense, or those who previously had sufficient income who have experienced hardship, illness, or loss of jobs.

§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.

This Plan is consistent with the goals and programs outlined in the City's Housing Element, which includes the following programs: Mortgage Assistance Program for first time homebuyers, Affordable Housing Construction Program to build new affordable housing, Single Family Rehabilitation Loan Program to assist owner-occupants of single family houses for households who earn 80% or less of AMI, and Multifamily and Single Family Rental Rehabilitation Loans.

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

§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary operating subsidies.

§302(c)(4)(E)(i) Provide a description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.

Allocated funds will be used to provide a construction loan for new construction for a duplex rental housing project that will be occupied by low to very low-income households (up to 60% AMI). The Palmdale Housing Authority is the owner of the project site and the City will provide construction funding for the project. Construction of this project will be completed with the partnership of Advancing Communities Together (ACT), a local non-profit organization, and through their Palmdale Dream Center (PDC) Housing Subsidiary and Antelope Valley YouthBuild Charter School. As such, this activity will also provide job training and workforce development opportunities for local youth who participate in the project.

Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023											
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	49.00%	36.00%	0.00%	0.00%	0.00%											
§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	747	746	745													745
§302(c)(4)(E)(ii) Projected Number of Households Served	1	1														2
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Affordable Rental Housing Activity (55 years required for rental housing projects)	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	

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

1. Work with partners to develop the proforma and affordable housing development agreement
2. Propose schedule to have affordable housing agreement complete in 2021-22
3. Begin construction work with partner in 2021-2022
4. Complete construction of affordable units in 2022-2023

§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.

§302(c)(4)(E)(i) Provide a description of how allocated funds will be used for each proposed Affordable Rental and Ownership Housing Activity.	Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing	
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PLHA funds will also be used to preserve existing homes by funding minor home repairs to ensure health and safety of low-income households primarily seniors and disabled individuals. This will enable recipients to complete essential emergency repairs and rehabilitation. Work will include electrical, plumbing, heating, roofing, and elimination of code violations.

Complete the tables below for each proposed Affordable Rental and Ownership Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023											
Type of Affordable Housing Activity	Owner	Owner	Owner	Owner	Owner											
§302(c)(4)(E)(ii) Area Median Income Level Served	50%	50%	50%	50%	50%											TOTAL
§302(c)(4)(E)(iii) Unmet share of the RHNA at AMI Level	1302	1292	1278	1264	1250											1236
§302(c)(4)(E)(i) Percentage of Funds Allocated for Each Affordable Housing Activity	13%	28%	40%	40%	40%											
§302(c)(4)(E)(ii) Projected Number of Households Served	10	14	14	14	14											66
§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	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 each Affordable Rental and Ownership Housing project.

1. Internally identify prioritization process
2. Marketing program to notify potential recipients of availability of funds (i.e. through senior center, case management)
3. Work with City departments to identify potential recipients
4. Implement program

§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.

§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34178.

§301(a)(5) Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing.

§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 description of how allocated funds will be used for the proposed Activity.

A portion of allocated funds will be dedicated to the construction and/or operation of a future homeless access and navigation center on a City-owned vacant lot and adjacent lot. Currently, the City is in the process of completing a feasibility study for the site with the support of a grant funded by the County of Los Angeles. The eventual facility will be a multi-story Navigation Center that will house the South Antelope Valley Emergency Services (SAVES) food pantry and provide office space for City partners who provide homeless assistance services on the ground floor. This arrangement will allow City partners to meet with individuals requiring assistance on-site, and to connect individuals with additional resources such as those provided by SAVES. The second floor of the facility would provide a number of emergency short-term housing units, potentially including short-term units designated for women and families experiencing homelessness. The feasibility study that is underway will identify best design alternatives for the facility and will estimate cost. Once complete, PLHA funds will support construction of the facility (including design/engineering for the facility) as well as facility operational costs upon completion of construction.

Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023														
Type of Activity for Persons Experiencing or At Risk of Homelessness	Navigation Center	Navigation Center	Navigation Center	Navigation Center	Navigation Center														
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	0.00%	0.00%	25.00%	25.00%	25.00%														
§302(c)(4)(E)(ii) Area Median Income Level Served	50%	50%	50%	50%	50%														TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level	1302	1302	1302	1302	1302														1302
§302(c)(4)(E)(ii) Projected Number of Households Served	TBD	TBD	TBD	TBD	TBD														0
§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	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.

1. Completion of the feasibility study
2. Planning/design/engineering for facility
3. Construction of facility
4. Establish MOUs with partners, identifying partner to operate the facility (City staff would not operate)

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

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

Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing

Allocated funds will be used to provide emergency grants and repair assistance to extremely low- and low-income owner-occupied households, with the goal of specifically assisting seniors and/or disabled individuals with accessibility modifications to make the home more accessible to the homeowner.

Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023														
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	13.00%	11.00%	0.00%	0.00%	0.00%														

§302(c)(4)(E)(ii) Area Median Income Level Served	30%	30%	30%	50%	50%															TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level	1302	1292	1282	1272	1262															1252
§302(c)(4)(E)(ii) Projected Number of Households Served	10	10	10	10	10															50
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity	N/A	N/A	N/A	N/A	N/A															
<p>§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.</p> <p>1. Internally identify prioritization process 2. Marketing program/availability of funds to potential recipients (i.e. through senior center, case management) 3. Working with City departments to identify potential recipients 4. Implement program</p>																				
<p>§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.</p> <p>§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.</p>																				
<p>§302(c)(4)(E)(i) Provide a description of how allocated funds will be used for the proposed Activity.</p>															<p>Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing (AOWH)</p>		<p>100%</p>			
<p>Allocated funds will be used to provide down payment assistance for mid-income individuals seeking to purchase homes at a 46-unit townhome development that is currently underway on a Housing Authority-owned parcel with the support of Prop 1C funds. Supportive infrastructure for the project has been completed with Prop 1C funding, and the City is in the process of determining the best alternative for moving forward with construction (issuing an RFP to identify a developer to complete construction of the planned units or identifying funding for construction through the Housing Authority). Prop 1C funding requires that units be completed and occupied by 2024. With PLHA funds, down payment assistance will be made available to households earning up to 150% AMI, which will help eligible individuals purchase these homes to live closer to their employment in Palmdale, reducing commuting times from surrounding areas such as Santa Clarita.</p> <p>Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).</p>																				
Funding Allocation Year	2019	2020	2021	2022	2023															
Type of Homeowner Assistance	Home Buyer Assistance	Home Buyer Assistance	Home Buyer Assistance	Home Buyer Assistance	Home Buyer Assistance															
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	21.00%	20.00%	20.00%	20.00%	20.00%															
§302(c)(4)(E)(ii) Area Median Income Level Served	150%	150%	150%	120%	80%															TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level	601	599	597	595	593															591
§302(c)(4)(E)(ii) Projected Number of Households Served	2	2	2	2	2															10

§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity	30 years	30 years	30 years	30 years	30 years									
§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.														
1. Complete construction/development of site 2. Revise/update program application and guidelines for eligible applicants to meet PLHA requirements 3. Market/publicize program for potentially eligible applicants 4. Implement/administer program														
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.														
File Name:	Plan Adoption	§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.										Attached and on USB?	Yes	