



# AGENDA REPORT

**Department:** Housing Authority  
**Prepared by:** Angelita Palma, Housing Programs Manager  
**Meeting Date:** Tuesday, March 21, 2023  
**Approved by:** Brad Raulston, City Manager

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**SUBJECT:**

Public Hearing and Resolution of the Substantial Amendment to the 2021-2022 Annual Action Plan for the HUD Draft HOME-ARP Allocation Plan.

**RECOMMENDATION:**

Approve the Resolution titled, “Resolution of the City Council of The City of National City, California, Adopting the U.S Department of Housing and Urban Development (HUD) Substantial Amendment to the 2021-2022 Annual Action Plan for the Draft HOME Investment Partnerships Program-American Rescue Plan (HOME-ARP) Allocation Plan and the allocation of \$1,188,787 in grant funds proposed for affordable rental housing and planning and administration.”

**BOARD/COMMISSION/COMMITTEE PRIOR ACTION:**

Not Applicable.

**EXPLANATION:**

**Overview |** The Substantial Amendment to the 2021-2022 Annual Action Plan for the Draft HOME-ARP Allocation Plan establishes the programs and activities to be undertaken using HOME-ARP funds beginning July 1, 2022, and ending September 30, 2030. The City anticipates receiving \$1,188,797 in HOME-ARP funds for the program period.

HOME-ARP funding will assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations to reduce homelessness and increase housing stability. Staff recommends funding the development of affordable rental housing for all qualifying populations as defined by the HOME-ARP Program rules since HOME-ARP funds are not eligible for homeownership.

**Draft Home-ARP Allocation Plan |** A hardcopy of the draft HOME-ARP Allocation Plan is available at the City of National City Housing Authority (140 E. 12<sup>th</sup> Street, National City) during normal hours of operation. The document is also available to the public on the City of National City website CDBG and HOME webpage at [www.nationalcityca.gov/cdbg-home](http://www.nationalcityca.gov/cdbg-home).

**Available Funding |** The City has been allocated \$1,188,797 of HOME-American Rescue Plan Act (HOME-ARP) funding from the US Department of Housing and Urban Development (HUD).

HUD’s CPD Notice 21-10 Requirements for the Use of Funds in the HOME-American Rescue Plan Program establishes the requirements for funds appropriated under section 3205 of the American Rescue Plan Act of 2021 for the HOME Investment Partnerships Program (HOME).

**Funding Recommendations & Substantial Amendment to the 2021-2022 Annual Action Plan for the Draft HOME-ARP Allocation Plan**

Activity	Funding Amount	Percent of Allocation	Statutory Limit
Affordable Rental Housing	\$1,010,478	85%	
Administration and Planning	\$178,319	15 %	15%
Total HOME-ARP Allocation	\$1,188,797		

**HOME-ARP Housing Production Goals** | The City of National City plans to develop rental housing units with the funds allocated by this Draft HOME-ARP Allocation Plan. There will be five to ten low-income affordable rental units as a stand-alone project or, to promote inclusion, as part of a mixed-income housing project.

The City may give local preference to all qualifying populations from National City per [Resolution 2016-38](#). The preference and selection of qualifying populations would be in compliance with all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a) when applying preferences through its referral methods. Persons who are eligible for a preference must have the opportunity to participate in all HOME-ARP activities in which they are eligible under this CPD Notice-21-10, including activities that are not separate or different and cannot be excluded because of any protected characteristics or preferential status.

**Final Submission Deadline** | Per HUD CPD-22-13, the final deadline of March 31, 2023, has been issued for the submission of all HOME-ARP Allocation Plan.

Failure to submit a HOME-ARP Allocation Plan on or before the final submission deadline of March 31, 2023, will result in the automatic loss of a participating jurisdiction’s HOME-ARP allocation. Therefore, if a participating jurisdiction fails to meet the March 31, 2023, deadline, all of the participating jurisdiction’s HOME-ARP funds will be subject to automatic recapture by HUD without opportunity for a hearing.

Upon receipt of the Substantial Amendment to the 2021-2022 Annual Action Plan for the Draft HOME-ARP Allocation Plan, HUD has 45 days to review and accept the Action Plan.

**FINANCIAL STATEMENT:**

The City has been allocated \$1,188,797 of HOME-ARP funding from HUD.

**RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:**

Housing and Community Development

**ENVIRONMENTAL REVIEW:**

This is not a project under CEQA and is therefore not subject to environmental review.CCR15378; PRC 21065.

**PUBLIC NOTIFICATION:**

Agenda Report posted within 72 hours of meeting date and time in accordance with Brown Act. Published in The Star News, on City Website and Posted on Bulletin Boards at City Hall.

**ORDINANCE:**

Not Applicable

**EXHIBITS:**

- Exhibit A - Background
- Exhibit B - Public Notices
- Exhibit C - Presentation
- Exhibit D - Resolution