

**RESOLUTION NO. 2023-17**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY, CALIFORNIA AUTHORIZING SUBMISSION OF AN APPLICATION FOR FUNDING UNDER THE LOCAL HOUSING TRUST FUND GRANT PROGRAM, CERTIFYING USE OF A FUTURE AWARD OF LOCAL HOUSING TRUST FUNDS (LHTF) IN ACCORDANCE WITH APPLICABLE STATE AND FEDERAL STATUTES, RULES, REGULATIONS AND LAWS REGARDING THE LHTF PROGRAM, COMPLIANCE WITH ANY AND ALL CONTRACTS WITH THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD), COMPLYING WITH MATCHING REQUIREMENTS UNDER THE LHTF AWARD, AND AUTHORIZING THE WESTERN NEVADA COUNTY REGIONAL HOUSING TRUST FUND TO ACT AS TRUSTEE IN CONNECTION WITH THE FUNDS TO ELIGIBLE PROJECTS**

**WHEREAS**, the Department is authorized to provide up to \$53 million under the Local Housing Trust Fund ("LHTF") Program from the Veterans and Affordable Housing Bond Act of 2018 (Proposition 1) as described in Health and Safety Code section 50842.2 et seq. (Chapter 365, Statutes of 2017 (SB 3) ("Program"); and

**WHEREAS**, the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 3/7/2023 under the LHTF Program; and

**WHEREAS**, the Applicant is an eligible Local or Regional Housing Trust Fund applying to the Program to administer one or more eligible activities using Program Funds on behalf of the County of Nevada, the City of Grass Valley, and the City of Nevada City; and

**WHEREAS**, the Department may approve funding allocations for the LHTF Program, subject to the terms and conditions of H&S Code Section 50842.2, the LHTF Program Guidelines, NOFA, Program requirements, the Standard Agreement and other related contracts between the Department and LHTF award recipients;

**NOW THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City of Grass Valley, California, that if Applicant receives an award of LHTF funds from the department pursuant to the above referenced LHTF NOFA, it represents and certifies that it will use all such funds on Eligible Projects in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including, without limitation, all rules and laws regarding the LHTF Program, as well as any and all contracts Applicant may have with the Department ("Eligible Project").

**BE IT FURTHER RESOLVED** that the Western Nevada County Regional Housing Trust Fund is hereby authorized to act as the trustee in connection with the Department's funds to Eligible Projects pursuant to the above described Notice of Funding Availability in an amount not to exceed \$2,000,000 (the "LHTF Award"), including administrative costs, pursuant to Section 105(b) of the Guidelines.

1. Applicant hereby agrees to match on a dollar-for-dollar basis the LHTF Award pursuant to Guidelines Section 104. Applicant hereby agrees to utilize matching funds on a dollar-for-dollar basis for the same Eligible Project for which Program Funds are used, as required by HSC Section 50843.5(c).
2. Pursuant to Attachment 1 and the Applicant's certification in this resolution, the LHTF funds will be expended only for Eligible Projects and consistent with all program requirements.
3. Nonprofit Housing Trust Funds and Native American Tribe Housing Trust Funds agree to use Program Funds only for Eligible Projects located in cities and counties that submitted an adopted Housing Element that was found by the Department to be in compliance and that have submitted their Housing Element Annual Progress Report (APR) for the current year or prior year by the application due date.
4. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, H&S Section 50842.2 and LHTF Program Guidelines.
5. Mike Dent, Director of Housing and Community Services, County of Nevada as lead agency representative, is authorized to execute the LHTF Program Application, the LHTF Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the LHTF Award to Applicant, as the Department may deem appropriate.

**PASSED AND ADOPTED** at the regular meeting of the City Council of the City of Grass Valley held on the 25<sup>th</sup> day of April, 2023 by the following vote:


**AYES:** Councilmember Branstrom, Caravelli, Iuy, & Mayor Arbuckle  
**NOES:** NONE  
**ABSENT:** Vice Mayor Hodge  
**ABSTAIN:** NONE

  
\_\_\_\_\_  
Jan Arbuckle, Mayor

ATTEST:

  
\_\_\_\_\_  
Taylor Day, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
FOR Michael G. Colantuono, City Attorney

## Attachment 1

The Program Funds will be used for affordable housing developments located within the three jurisdictions that incorporate the “Western Nevada County Regional Housing Trust Fund,” (WNCRHTF). This is Nevada County, City of Grass Valley and City of Nevada.

Pursuant to County of Nevada Resolution 20-316, the WNCRHTF was established with funds from the three jurisdictions’ Permanent Local Housing Allocations (PLHA) annually from the California Department of Housing and Community Development (HCD) as well as an additional \$500,000 from Nevada County general fund in 2020.

WNCRHTF funds pledged to the 2023 Local Housing Trust Fund application are as follows:

\$ 743,069 from 2021/22 PLHA (80% of total),  
\$ 500,000 from Nevada County’s general fund,  
\$ 500,000 from Nevada County’s American Rescue Plan Act (ARPA) allocation, and  
\$ 10,000 from City of Nevada’s general fund.  
\$1,753,069 Total Local Matching Funds in WNCRHTF

The PLHA funds allocated to WNCRHTF from each jurisdiction are as follows:

	2021/22
Nevada County	\$453,179
City of Grass Valley	\$180,394
City of Nevada	\$109,496
Total	\$743,069

The matching funds from HCD’s Local Housing Trust Fund program will be used with the local funds to be awarded to potential affordable housing developments that will have Area Median Income (AMI) levels from 30% to a maximum of 60% for units funded with the Western Nevada County Regional Housing Trust Fund dollars. At least 30% of funds will be expended on households with AMI levels of 30% within Nevada City, Grass Valley, or the County of Nevada.

The WNCRHTF will establish a Request for Proposal (RFP) once all funds have been committed from the State and Local sources. Within that RFP, loan terms, loan amounts and scoring criteria will be established for each funding round that is made available for affordable housing projects within the WNCRHTF jurisdiction.