

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
2020 West El Camino Avenue, Suite 150, Sacramento, CA 95833
PLHA Program Email: PLHA@hcd.ca.gov

Final Filing Date: April 27, 2020 through July 27, 2020 at 5 P.M. PST

Instructions

Rev. 5/20/20

When opening this file, a yellow banner at the top may appear with a button that says "Enable Content". It is essential that you click this box so that the macros are enabled. Enabling macros is necessary for full worksheet functionality. Macros do not work with Microsoft's Excel version for Apple Mac.

HCD will only accept applications through a postal carrier service such as U.S. Postal Service, UPS, FedEx or other carrier services that provide date stamp verification confirming delivery to HCD's office. A complete original application and an electronic copy on a USB flash drive with all applicable information must be received by HCD via postal carrier no later than 5:00 p.m. on:

Monday, July 27, 2020

Applications must be on the Department's forms and cannot be altered or modified by the Applicant. Excel forms must be in Excel format and unprotected, not a .pdf document. For application errors please fill out the Application Support worksheet and email the entire workbook to Application Support for application errors at AppSupport@hcd.ca.gov.

General Instructions (Additional instructions and guidance are given throughout the Supplemental Application in "red" text and in cell comments.

Guideline references are made with "\$" and the corresponding guideline section number.

"Yellow" cells are for Sponsor input. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score.

Required attachments are indicated in "orange" throughout the Supplemental Application. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score. Electronically attached files must use the naming convention in the Supplemental Application. For Example: "App1 Payee Data" for Sponsor 1 Payee Data Record/STD. 204.

Threshold items are indicated in "blue" cells.

"Red" shaded cells indicate the Sponsor has failed to meet a requirement of the program. Point cells in the Scoring worksheet shaded in "red" indicate that the Sponsor has failed to meet the minimum points required.

Sponsor must complete the following worksheets in the PLHA Formula Allocation Application.

Formula Allocation Application

302(c)(4) Plan

Legislative Contacts

Checklist

Binder Tab #	Threshold Requirement	Electronic File Name	Document Description	Included?
1	X	App1 Resolution	PLHA webpage for Resolution Document	Included
2	X	App1 Signature Block	Signature Block - upload in Microsoft Word Document	Included
3	X	App1 TIN	Taxpayer Identification Number Document	Included
4	X	Applicant Agreement	Legally binding agreement between Delegating and Administering Local Governments	Included
5		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.	Included

Disclosure of Application (California Public Records Act Statutes of 1968 Chapter 1473): Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act Statutes of 1968 Chapter 1473. As such, any materials provided will be disclosable to any person making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank accounts, personal phone numbers and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request."

Local Government Formula Allocation						Rev. 5/20/20			
Eligible Applicant Type:		Entitlement							
Local Government Recipient of PLHA Formula Allocation:				South Gate					
Approximate PLHA Formula Allocation Amount:		\$721,320		Allowable Local Admin (5%):		\$36,066			
<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>									
Applicant:		City of South Gate							
Address:		8650 California Avenue							
City:	South Gate	State:	CA	Zip:	90280	County:	Los Angeles		
<p>§300(d) Is Applicant delegated by another Local government to administer on its behalf its formula allocation of program funds?</p>							No		
<p>§300(d) If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300 (c) and (d)?</p>							N/A		
File Name:	App1 Resolution	PLHA webpage for Resolution Document			Attached and on USB?	Yes			
File Name:	App1 Signature Block	Signature Block - upload in Microsoft Word Document			Attached and on USB?	Yes			
File Name:	App1 TIN	Taxpayer Identification Number Document			Attached and on USB?	Yes			
File Name:	Applicant Agreement	Legally binding agreement between Delegating and Administering Local Governments			Attached and on USB?	Yes			
Eligible Activities, §301									
<p>§301(a) Eligible activities are limited to the following:</p>						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.</p>						<input type="checkbox"/> YES			
<p>§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.</p>						<input checked="" type="checkbox"/> YES			
<p>§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.</p>						<input type="checkbox"/> YES			
<p>§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.</p>						<input type="checkbox"/> YES			
<p>§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.</p>						<input type="checkbox"/> YES			
<p>§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.</p>						<input type="checkbox"/> YES			
<p>§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.</p>						<input type="checkbox"/> YES			
<p>§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.</p>						<input type="checkbox"/> YES			
<p>§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.</p>						<input type="checkbox"/> YES			
<p>§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.</p>						<input type="checkbox"/> YES			
Threshold Requirements, §302									
<p>§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.</p>						Yes			
<p>§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.</p>						Yes			
<p>§302(c)(2) Applicant certifies that submission of the application was authorized by the governing board of the Applicant.</p>						Yes			
<p>§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.</p>						Yes			
<p>§302(c)(4) Does the application include a Plan in accordance with §302(c)(4)?</p>						Yes			
<p>§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</p>						Yes			
<p>§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.</p>						Yes			
<p>§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.</p>						Yes			
<p>§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.</p>						N/A			
<p>§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?</p>						N/A			
Administration									
<p>Applicant agrees to adhere to §500, Accounting Records.</p>						Yes			
<p>Applicant agrees to adhere to §501, Audits/Monitoring of PLHA Files.</p>						Yes			
<p>Applicant agrees to adhere to §502, Cancellation/Termination.</p>						Yes			
<p>Applicant agrees to adhere to §503, Reporting.</p>						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>									
Michael Flad		City Manager							
Authorized Representative Printed Name		Title		Signature		Date			
Entity name:		City of South Gate		Phone Number: (323) 563-9503					
Entity Address		8650 California Avenue		City	South Gate	State	CA	Zip	90280

§302(c)(4) Plan

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

The City of South Gate has been slated to receive \$721,320/year for the next (5) fiscal years in Permanent Local Housing Allocation (PLHA) program funding. The City intends to utilize program funding under the direction of eligible activity §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." The City will dedicate funding received for all (5) years to the acquisition and development of the below listed properties:

- Year 1 funding - 9029 Long Beach Blvd., APN 6204-025-037; estimated to yield 2 units
- Year 2 funding - 9037 Long Beach Blvd., APN 6204-025-036; estimated to yield 2 units
- Year 3 funding - 2835 Glenwood Place., APN 6204-025-038; estimated to yield 3 units
- Year 4 funding - 13050 Paramount Blvd., APN 6264-004-900; estimated to yield 30 units

§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 has currently demonstrated a prioritization of investments through the partnership undertaken with Habitat for Humanity for the 9001-9019 Long Beach Blvd. properties that are set to be turned into an affordable housing development serving mixed AMI units. The dedication of PLHA funding to acquire more property to include in this development demonstrates the investment the City has in providing more affordable housing stock for residents who sit at or below the 60 % AMI level. The project, including properties acquired through the use of PLHA funding, will allocate 45% of the housing units as available to households that sit at or below the 60% AMI level. The City has also previously purchased a property at 13050 Paramount Blvd with the intention of developing affordable housing for City residents. While unsure of the # of units each will yield overall, the City ensures that 4% of the 13050 Paramount Blvd. development and 4% of the Gateway District property development will be utilized for those below the 60% AMI level.

§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.

The City of South Gate's plan for the utilization of PLHA funding is consistent with the overall goals and objectives of the City's housing element in which they aim to address and meet the housing needs of all residents within the community. In regards to specific programs outlined in the housing element for which the plan for PLHA funding set forth in this application aligns, the housing element identifies a program to provide assistance for affordable housing development through providing technical assistance, financial support, and expedited review for affordable housing development. Because the City is seeking PLHA funding solely for the use of acquiring and pre-development of land that will be used for affordable housing, the intentions of use of funds as financial support for the development of more affordable housing directly align with the housing element program.

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.

§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	20%
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For the ownership activities listed for years 2019-2021, the funding will be used to acquire properties to add into the existing development project with Habitat for Humanity, that will ultimately culminate into one large affordable housing development serving mixed AMI units. The current development offers both rental and ownership but the acquisition and inclusion of the properties listed here would serve owner occupied units. For the ownership activities listed for years 2022 - 2023, funds will be used to begin the pre-development work (demolition of existing infrastructure) on the already acquired properties.

Complete the table 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	2021	2022	2022	2022	2023	2023						
Type of Affordable Housing Activity	Owner	Owner	Owner	Owner	Owner	Owner	Owner	Owner	Owner						
§302(c)(4)(E)(ii) Area Median Income Level Served	80%	120%	120%	30%	50%	120%	50%	120%							TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level	185	205	estimate RHNA 6th cycle 1171		estimate RHNA 6th cycle 2130										390

§302(c)(4)(E)(i) Percentage of Funds Allocated for Each Affordable Housing Activity	100%	100%	100%		100%		100%											
§302(c)(4)(E)(ii) Projected Number of Households Served	2	2	2	1	1	29	1	4										42
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD									

§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.

The steps/actions required for the completion of the housing projects for the acquisition of 9029 Long Beach Blvd., 9037 Long Beach Blvd., and, 2835 Glenwood Place will be to identify the remainder of funding needed, after accounting for PLHA funding, and then identifying the source from which that funding will come. As it stands, the City has access to additional funding for these activities via HOME and CHDO funds, and will identify the best source to partner with the PLHA funding for the property acquisition. Steps after that will include beginning discussions with the property owners and moving forward with property disposition and acquisition actions. The City anticipates beginning these steps for each listed property upon receipt of each year's funding. The steps and actions needed for the 13050 Paramount Blvd. and the Gateway District properties will follow a similar schedule in that upon receipt of that year's funding for the associated property, the City will solicit a vendor for demolition of existing infrastructure while also crafting a NOFA and RFP for

§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 34176.

§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.

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

§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.

§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.

§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
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Legislative and Congressional Information

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Provide the Legislative and Congressional information for the applicant and each activity location, (if different than applicant location), included in this application.

To locate or verify the Legislative and Congressional information, click on the respective links below and enter the applicant office location zip code, the activity location site zip code(s) (i.e. zip code(s) where activities are performed), and any additional activity location site(s), as applicable.

[California State Assembly](#)

[California State Senate](#)

[U.S. House of Representatives](#)

Applicant Office Location			
	District #	First Name	Last Name
State Assembly Member	63	Anthony	Rendon
State Senate Member	33	Lena	Gonzalez
U.S. House of Representatives	44	Nanette	Barragan
Activity Location 1 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 2 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 3 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 4 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 5 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 6 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 7 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 8 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 9 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 10 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 11 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 12 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			

State Senate Member			
U.S. House of Representatives			
Activity Location 13 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 14 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 15 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 16 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 17 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 18 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 20 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 21 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 22 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 23 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 24 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			
Activity Location 25 (if different from applicant location)			
	District #	First Name	Last Name
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Application Development Team (ADT) Support Form

Rev. 5/20/20

Please complete the "yellow" cells in the form below and email a copy to: AppSupport@hcd.ca.gov. A member of the Application Development Team will respond to your request within ASAP.

Full Name:		Date Requested:		Application Version Date:	
Organization:		Email:		Contact Phone:	
Justification:					

Issue #	Program Name &	Tab	Section	Cell#	Update/Comment	Urgency	ADT Status	Status Date
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