



**CITY OF GLENDALE, CALIFORNIA
REPORT TO THE JOINT MEETING: GLENDALE CITY COUNCIL AND GLENDALE
HOUSING AUTHORITY**

AGENDA ITEM

Report: Adoption of the FY 2024-25 Glendale Housing Authority Budget.

- 1) Resolution of the City Council Making Findings and Approving Expenditures of Low Moderate Income Housing Asset Funds for Administration and Planning and Expenditures Outside Redevelopment Project Areas for the FY 2024-25 Housing Authority Budget; and
- 2) Resolution of the Housing Authority Making Findings and Approving Expenditures of Low Moderate Income Housing Asset Funds for Administration and Planning and Expenditures Outside Redevelopment Project Areas for the FY 2024-25 Housing Authority Budget and Adopting the FY 2024-25 Housing Authority Budget.

COUNCIL ACTION

Item Type: Action Item

Approved for June 4, 2024 **calendar**

EXECUTIVE SUMMARY

Community Development Department, Housing Division presents the Fiscal Year 24-25 budget of all Housing funds for consideration and budget adoption.

RECOMMENDATION

That City Council and Housing Authority adopt the FY 24-25 budget as presented and make the required findings to utilize funds outside of the Redevelopment Project Areas.

BACKGROUND

The proposed budget for the Glendale Housing Authority is \$56,705,049 for FY 24-25.

The Housing Authority Budget is primarily a grant funded / special revenue specific budget with funding from:

- Federal sources that are received on an annual basis;
- Encumbered assets/program income from previous investments of Redevelopment 20% Housing Set Aside funds;
- Development related affordable housing fees including the Affordable Housing Density Bonus fee, City-Wide Inclusionary Housing In-Lieu fee, and the Commercial Development Impact fee; and
- One-time State grant awards.

The Housing Authority has the responsibility for administering the following programs:

- **The Housing Assistance Fund (2020)** – which provides federal Section 8 Housing Choice Vouchers (HCV), VASH, and Mainstream Vouchers for rental assistance to low income households. Also included is the newly created (2021) Emergency Housing Vouchers (EHV) to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability;
- **HOME Grant Fund (2030)** – which provides federal funds for housing development and preservation activities for low income households;
- **Continuum of Care Grant Fund (2040)** – (operated by Community Services & Parks) which provides federal funds for supportive services and/or Rapid Re-Housing, permanent, and innovative housing to assist homeless people achieve independence including Rapid Re- Housing, Permanent, and Innovative Supportive Housing;
- **Affordable Housing Trust Fund (2090)** – which holds funds received from inclusionary housing fees, affordable housing density bonus fees, and miscellaneous program income to be expended on affordable housing purposes not covered by other restricted state and federal housing funds;
- **BEGIN Affordable Homeownership Fund (2120)** – which provides State funds for down payment assistance to first time home buyers who are Moderate Income households (currently invested in the Doran Gardens project);
- **LMIHAF Fund (2130)** – which holds income and encumbered assets from previous 20% Redevelopment Set Aside funds for housing development and preservation activities (including administration and program delivery) for Low and Moderate Income households, in accordance with State law;

- **Permanent Local Housing Allocation Fund (2280)** – which receives state funds to use on housing-related projects and programs to address the unmet housing needs in the community; and
- **Housing Mitigation Fee Fund (4110)** – which will receive deposits from the Commercial Development Impact Fee and is a new fund set up for tracking and legal/reporting purposes.

The FY 24-25 proposed budget for each of the Housing Funds is summarized in attached Exhibit 1 and must be approved by the Housing Authority. For the **Continuum of Care Grant Fund (2040)**, all of the FY 24-25 budget will be a carryover from the FY 23-24 budget due to the entire amount of the grant (\$2,930,721) set to be appropriated in June 2024. The Housing Acquisition, Assistance and Services programs, previously funded by Measure S, will be appropriated as part of the City's General Fund Budget.

Requirement for Findings Related to Former Redevelopment Areas:

Despite substantial changes to the sections of the California Law that apply to Redevelopment (including the dissolution of Redevelopment agencies), some elements of Redevelopment law remain. Redevelopment Project Areas were not eliminated and the requirement remains to approve proposed expenditures of the Redevelopment 20% Set Aside program income (LMIHAF) funds outside the project area as being necessary in order to increase, improve and preserve the supply of affordable housing within the City. Also, the requirement to approve the necessity and appropriateness of the expenditure of LMIHAF funds for administration and planning purposes remains as well. This has been approved annually in previous year's budgets and new City Council and Housing Authority resolutions are included in this report to meet those State requirements.

Information Regarding Section 8 HCV, VASH, EHV, and Mainstream Program Expenditures Review:

In preparing the Section 8 federal fund expenditures included in the FY 2024-25 proposed Housing Authority Budget, expenditures have been reviewed for conformance with HUD's requirements under the Uniform Administrative requirements, Cost Principles, and Audit requirement for Federal Awards.

ANALYSIS

This is a fiscally responsible budget, meeting Council's goal of providing quality housing to the Glendale community. The presented budget, findings, and contract amendment will allow the Housing division to continue to successfully administer a robust Housing program.

STAKEHOLDERS/OUTREACH

Not applicable.

FISCAL IMPACT

This report presents the annual proposed FY 2024-25 Housing Budget of \$56,705,049 to the Glendale Housing Authority for adoption. No General Fund dollars are proposed for this budget as all programs, projects, staff, and operations are fully funded with special revenues.

ENVIRONMENTAL REVIEW (CEQA/NEPA)

Not applicable.

CAMPAIGN DISCLOSURE

Not applicable.

ALTERNATIVES NOT RECOMMENDED BY STAFF

Alternative 2: Do not approve the proposed findings and expenditures of the funds from LMIHAF for administration and planning and expenditures outside Redevelopment Project Areas for the FY 24-25 proposed Housing Authority Budget, and the FY 24-25 proposed Housing Authority Budget, this will prohibit the Housing programs from continuing.

Alternative 3: The City Council and Housing Authority may consider any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

Submitted by:

Bradley Calvert, Director of Community Development

Prepared by:

Tamar Sadd, Deputy Director of Community Development

Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS/ATTACHMENTS

Exhibit 1: FY 2024-25 Glendale Housing Authority Budget Summary