



## Staff Report

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**File #:** TMP-1408, **Version:** 1

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**MEETING DATE:**

July 14, 2020

**SUBJECT:**

RESOLUTION NO. 2020-8798 - APPROVE AN AUTOMATIC RENEWAL OF THE COOPERATIVE AGREEMENT TO FORM A HOME CONSORTIUM

**Recommendation**

ADOPT a resolution approving the automatic renewal of the existing Cooperative Agreement to Form a Home Consortium (Cooperative Agreement).

**Board or Commission Action (If not applicable, please state not applicable below)**

Not applicable

**Relevant Council Strategic Theme (If not applicable, please state not applicable below)**

Quality of Life

**Relevant Department Goal (If not applicable, please state not applicable below)**

Not applicable

**Executive Summary**

The Home Investment Partnerships (HOME) Program is a federal housing program administered by the Department of Housing and Urban Development (HUD). HOME funds are provided annually to eligible local and state governments and may be used for low-income (80% Area Median Income) first-time homebuyer loans, homeowner rehabilitation loans, rental unit development, and tenant-based rental assistance.

Under the current HOME program, the City is not large enough to receive a direct allocation of HOME funds from the County of San Diego. However, under the program local governments that would not qualify for HOME funds directly are able to join together to form a HOME consortium in order to receive federal HOME funds. On April 22, 2011, the City of San Marcos joined the existing HOME Consortium which is administered by the County of San Diego as the lead agency. Participating jurisdictions include Encinitas, Carlsbad, Vista, San Marcos, La Mesa, and Santee. As a participating member of the HOME Consortium, San Marcos residents may apply for County-administered HOME programs. The County of San Diego currently uses its HOME funds for assistance with affordable housing developments, the Down Payment and Closing Cost Assistance (DCCA) program for first-time homebuyers, and the Tenant-Based Rental Assistance (TBRA) program for foster youth and family reunification.

**Discussion**

The existing Cooperative Agreement was executed by all consortium members and submitted to HUD on June

30, 2011. The San Marcos City Council approved the last automatic renewal, Resolution 2017-8338 on April 25, 2017 for July 1, 2017 to June 30, 2020. The County of San Diego is requesting automatic renewal of the existing agreement for another successive 3-year period. The City Manager notified the County prior to the Cooperative Agreement expiration date of June 30, 2020, that the City intends to renew the Cooperative Agreement pending City Council approval. If approved, the automatic renewal of the existing agreement will allow the City to continue to participate in the consortium for the period of July 1, 2020 to June 30, 2023. Staff recommends approval of the automatic renewal of the Cooperative Agreement to continue to receive the benefit of regional HOME-funded programs.

#### **Environmental Review**

There is no environmental review with approval of this item.

#### **Fiscal Impact**

There is no fiscal impact to the General Fund since the City does not receive a direct allocation of HOME Investment Partnerships Program funds.

#### **Attachment(s)**

Resolution 2020-XXXX

Cooperative Agreement to Form a Home Consortium dated April 22, 2011

Prepared by: Ramona Edwards, Contract Program Manager

Submitted by: Lisa Fowler, Finance Director

Reviewed by: Michelle Bender, HR/Risk Director/Deputy City Manager

Approved by: Jack Griffin, City Manager