



City of Grass Valley City Council Agenda Action Sheet

Title: Approval and Execution of Amended Standard Agreement No. 19-HOME-14968, Amendment 1, with the California Department of Housing and Community Development

CEQA: Not a project

Recommendation: That the City Council authorize the Mayor to sign the Amended Standard Agreement No. 19-HOME-14968, Amendment 1, with the California Department of Housing and Community Development (HCD), extending expenditure and drawdown deadlines, and revising provisions related to HOME-funded projects.

Prepared by: Taylor Whittingslow, Deputy City Manager

Council Meeting Date: 11/12/2025

Date Prepared: 11/5/2025

Agenda: Consent

Background Information: In 2019, the City of Grass Valley entered into a Standard Agreement (No. 19-HOME-14968) with the California Department of Housing and Community Development (HCD) for the administration of HOME Investment Partnerships Program (HOME) funds. The funding supports eligible housing activities in the City, including construction, rehabilitation, and assistance for low-income households.

Since the award of this contract, the HOME funds have been frozen by the State, preventing the City from utilizing the awarded funds to support local housing activities. Approval of this amendment will allow the City to extend the contract term and preserve eligibility for these funds with the hope that the State will unfreeze the funds and allow the City to utilize them in the future.

The Amended Agreement (No. 19-HOME-14968, Amendment 1) modifies Exhibit E (Authority, Purpose, and Scope of Work) of the original contract. Key revisions include:

- Expenditure Deadline: Extended to July 17, 2028
- Drawdown Deadline: Extended to September 17, 2028
- Agreement Expiration Date: Extended to July 17, 2040

Additional provisions have been added to comply with federal regulations:

- Funds not drawn from the federal treasury by December 17, 2028, will no longer be available for disbursement.

- In accordance with 24 CFR 92.254, any HOME-funded homeownership units that do not have a ratified sales contract with an eligible homebuyer within nine (9) months of completion must be rented to an eligible tenant pursuant to 24 CFR 92.252.

All other terms and conditions of the original agreement remain unchanged. Execution of this amendment will allow the City to maintain its participation in the HOME Program and retain the potential to utilize these funds once released by the State.

Council Goals/Objectives: This item executes portions of work tasks towards achieving/maintaining the Strategic Plan - Economic Development.

Fiscal Impact: There is no change to the total award amount of \$500,000.00. This amendment extends deadlines and updates regulatory provisions, ensuring the City remains in compliance and retains the opportunity to access these funds when they become available.

Funds Available: Yes

Account #: 233-304

Reviewed by: City Manager

Attachments:

1. Amended Agreement No. 19-HOME-14968, Amendment 1 (STD 213A)
2. Original Agreement