



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

Meeting Date: March 12, 2024

Title: City Council Resolution No. 2024-17
A Resolution of the City Council of the City of Needles, Authorizing Application for, and Receipt of, Prohousing Incentive Pilot Program Funds

Background: On April 5, 2023, Governor Newsom announced that the California Department of Housing and Community Development has designated the City of Needles as a Prohousing community. The Prohousing designation will make the City eligible for funding incentives and additional resources through state grant programs to speed housing production. The Governor's Office states that the City of Needles "earned the distinction of being named Prohousing for its commitment to build more housing faster."

On June 12, 2023, The California Department of Housing and Community Development (HCD) announced that the City of Needles is one of 18 jurisdictions to be part of the first round of the Prohousing Incentive Pilot (PIP) Program funding and was awarded \$445,000. The Department is determined to alleviate California's housing crisis by making additional community development resources available to local governments through the Prohousing Designation Program. The PIP Program is designed to reward local governments that have received the Prohousing Designation with additional funding to accelerate affordable housing production and preservation.

The City of Needles will use the awarded funds towards:

- Providing developers with a subsidy for rental workforce housing (\$185,000)
- Four-year contribution to the regional San Bernardino County Housing Trust Fund (\$50,000)
- Provide residents with homeownership opportunities with a downpayment assistance program (\$250,000).

On February 20, 2024, the City of Needles received communication from HCD urging it to apply for the second Prohousing Incentive Pilot Round 2 (PIP Round 2) round. This invitation stems from the City's eligibility, attributed to its Prohousing Designation. The City of Needles is one (1) of thirty-seven (37) Prohousing designated jurisdictions.

Fiscal Impact: Applicants eligible for an award of funds up to \$520,000 towards any planning or implementation activities related to housing and community development.

Recommendation: Adopt Resolution No. 2024-17 Authorizing Application for, and Receipt of, Prohousing Incentive Pilot Program Funds

Submitted By: Patrick Martinez, City Manager

City Management Review: Patrick J. Martinez Date: 3/6/2024

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: _____