



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

Meeting Date: January 14, 2025

Title: City Council Resolution No. 2025-9

A Resolution of the City Council of the City of Needles, California
Approving an affordable housing loan of \$135,000 from the State of California
Prohousing Incentive Pilot Program (PIP) to Dannie Brayboy and Cynthia
Brayboy (Brayboy Family Trust) for the rehabilitation of 108 Chestnut Street,
Needles, CA 92363, and granting authority to the City Manager to execute the
agreement.

Background: On June 12, 2023, the City of Needles ("City") was one of eighteen (18) jurisdictions awarded funding under the Prohousing Incentive Pilot (PIP) Program by the State of California. The City was awarded \$445,000 for certain affordable housing activities. The purpose of the program is to provide local jurisdictions funding to help alleviate California's housing crisis by making additional resources available to local communities.

Dannie Brayboy and Cynthia Brayboy (Brayboy Family Trust) (collectively, "Owners") are the owners of 108 Chestnut Street Needles, CA 92363. This is a former commercial building that they are working to repurpose into two (2) units of affordable housing. Their rehabilitation project has been conditionally approved as appropriate use by the State of California Housing and Community Development Department (HCD).

Staff have worked with Owners on a scope of work to rehabilitate the building into two (2) units of affordable housing ("Project"). Both units of the Project will be 2-bedrooms and 2-bathrooms. One (1) unit will be approximately 1,150 square feet in size. The other unit will be about 950 square feet in size. The rehabilitation will include entry door(s), windows, roofing (repairs), exterior stucco and paint, footing (repairs), drywall, texture, interior painting, installation of a new bathrooms (including plumbing, electrical and fixtures), new kitchens (including new plumbing, electrical and fixtures), interior doors and flooring. A full Scope of Work is attached in the Affordable Housing Agreement. In total, the rehabilitation costs are estimated to be approximately \$314,660.

The form of assistance, based on the rules and regulations of PIP funding, is a forgivable loan to Owners. The scheduled loan amount is not to exceed \$135,000 or approximately 43% of the total rehabilitation costs. In exchange, the property will be rehabilitated into two (2) units of affordable housing to person(s)/families not exceeding 80% of the County Median Income adjusted by family size. The affordability covenants will be recorded against the property and will apply (run) for fifty-five (55) years. An example, using 2024 figures, a family of three (3) must have a household income of under \$73,800 and a family of four (4) would need to have a household income of under \$82,000 to qualify to live in one (1) of these units.

Work on the units will be completed by a licensed contractor and all applicable State and City Building and Safety rules and regulations shall apply. The City is NOT a party to the construction contract and will only reimburse the applicant for work completed and inspected.

Fiscal Impact: Funding of the recommended Affordable Housing Loan does not impact on the City of Needles General Fund or any City of Needles Enterprise Funds (utilities) as funding is derived from the State of California Prohousing Incentive Pilot Program (PIP).

Environmental Impact: The building superstructure is already existing and therefore is exempt from any action or predetermined action under the California Environmental Quality Act (CEQA)

Recommendation: Approve City Council Resolution No. 2025-9, authorizing an affordable housing loan of \$135,000 from the State of California Prohousing Incentive Pilot Program (PIP) to Dannie Brayboy and Cynthia Brayboy (Brayboy Family Trust) for the rehabilitation of 108 Chestnut Street, Needles, CA 92363, and granting authority to the City Manager to execute the agreement

Submitted By: Patrick Martinez, City Manager

City Manager Approval: Patrick J Martinez **Date:** 1/10/2025

Other Department Approval (when required): _____ **Date:** _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
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