



AGENDA ITEM NO. 18

CITY OF HAWTHORNE City Council AGENDA BILL

For the meeting of October 24, 2023

Originating Department: Housing

City Manager:


Vontray Norris

Dir. of Housing:


Kimberly Mack

SUBJECT:

Public Hearing on the Draft 2023 Pathways to Removing Obstacles Grant Application (Pro Housing Grant)

RECOMMENDED MOTION:

The staff recommends that the City Council:

1. Conduct the public hearing and receive comments on the Draft 2023 Pathways to Removing Obstacles Grant Application.
2. Approve the Draft 2023 Pathways to Removing Obstacles Grant Application.
3. Authorize the City Manager, or their designee, to submit the Draft 2023 Pathways to Removing Obstacles Grant Application to the Department of Housing and Urban Development (HUD).

DISCUSSION:

The U.S. Department of Housing and Urban Development (HUD) recognized that communities nationwide are suffering from a lack of affordable housing, and housing production is not meeting the increasing demand for accessible and available units in many urban and rural areas, particularly areas of high opportunity. Pathways to Removing Obstacles to Housing (PRO Housing) empowers communities that are actively taking steps to remove barriers to affordable housing and seeking to increase housing production and lower housing costs for families over the long term. Barriers to affordable housing can be caused by zoning decisions, land use policies, or regulations; inefficient procedures; gaps in available resources for development; deteriorating or inadequate infrastructure; lack of neighborhood amenities; or challenges to preserving existing housing stock such as increasing threats from natural hazards, redevelopment that reduces the

number of affordable units, or expiration of affordability requirements.

Across the United States, regulatory and other barriers have made it difficult to produce, preserve, and access affordable housing. Constrained supply drives up housing costs and this reduces affordability over the long term. According to American Community Survey estimates in 2021, 39.3 million households (20.9 million renters and 18.4 million homeowners) have been classified as “cost-burdened,” spending more than 30 percent of their income on housing. When broken down by race, Black families face affordability challenges as homeowners and renters more than any other race/ethnic group, spending between 30 to 50 percent of their income on housing. In Puerto Rico, cost-burdened households face severe affordability challenges, spending between 50 to 90 percent of their income on housing. Limited access to housing has long-term effects on access to opportunity and ability to build generational wealth, especially for underserved communities of color and low-income people. Affordability challenges and the lack of affordable housing supply further increase eviction pressures and likelihood of homelessness for low-income people.

HUD is issuing this NOFO under the authority of the Consolidated Appropriations Act, 2023 (Public Law 117-328, approved December 29, 2022) (Appropriations Act), which appropriates \$85 million for competitive grant funding for the identification and removal of barriers to affordable housing production and preservation. Congress has directed HUD to undertake a competition using the Community Development Block Grant (CDBG) statutory and regulatory framework. Under this NOFO, HUD will provide PRO Housing grants to identify and remove barriers to affordable housing production and preservation. Grantees may use awards to further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate affordable housing production and preservation.¹

ECONOMIC DEVELOPMENT STRATEGIC PLAN:

5.4 Work cooperatively with developers to build and refurbish hotels and restaurants, and create space for target sectors.

FISCAL IMPACT:

None.

NOTICING PROCEDURES:

In accordance with the PRO Housing application requirements, a public notice was published in the Hawthorne Press Tribune on October 5, 2023, inviting the public to comment on the PRO Housing Application up until the public hearing on October 24, 2023. The draft Pro Housing Application was available for public review at City Hall, the Public Library, and online via the City’s website.

¹ <https://www.grants.gov/web/grants/view-opportunity>

ATTACHMENT(S):

1. Draft Hawthorne PRO Housing Application and Plan