

FY 2024/25 Permanent Local Housing Allocation (PLHA) Plan

City Council - December 16, 2023

Permanent Local Housing Allocation (PLHA)

- Created to address the state's housing shortage, which established a \$75 recording fee on real estate documents to increase the supply of affordable housing.
- Revenue is dependent on local real estate transaction with fluctuating activity. Thus, funding varies each year.

5-Year PLHA Funding

PLHA FY 2020/21 - 2024/25 Funding

Funding	FY 20/21 (2019 Allocation)	FY 21/22 (2020 Allocation)	FY 22/23 (2021 Allocation)	FY 23/24 (2022 Allocation)	FY 24/25 (2023 Allocation)	Total
PLHA	\$630,815	\$980,482	\$1,078,990	\$540,793	\$414,999	\$3,645,579

Approved FY 24/25 PLHA Activities

Activity	%
Administration	5%
Navigation Center Operational	65%
Warming Center	15%
Eden House	15%
Total	100%

FY 24/25 PLHA Amendment

- On 10/16/24, HCD required all jurisdictions to prepare a FY 24/25 Amendment to allocate 40% to an Affordable Owner-Occupied Workforce Housing (AOWH) homeownership activity.
- On 12/6/24, HCD notified the City that an amendment to the FY 24/25 plan is now only required for:
 - First-time applicants
 - Returning applicants who want or need to amend their FY 24/25 PLHA plan.

This means Visalia no longer needs to amend the FY 24/25 PLHA plan unless Council chooses. The 40% AOWH requirement will be part of the new 5 yr plan (25/26 – 29/30)

FY 24/25 PLHA Options

Activity	Current Budget	%	Optional Amendment Reduction	Amended Budget	%
Administration	\$ 20,725	5%	\$ (8,290)	\$ 12,435	3%
AOWH Homeownership Activity	-	0%	165,800	165,800	40%
Navigation Center	269,425	65%	(107,771)	161,654	39%
Warming Center	62,175	15%	(24,870)	37,305	9%
Eden House	62,175	15%	(24,870)	37,305	9%
Total FY 2024/25 PLHA Funds	\$ 414,499	100%	\$ -	\$ 414,499	100%

Public Comment Period

- Reviewed on December 3, 2024 - Council Work Session.
- 10-day public comment: December 6, 2024 – December 16, 2024
- Draft PLHA Amendment was on the City's website for public review.
- Public notice English and Spanish posted in the Visalia Times Delta.
- Public hearing to allow public input tonight.

Staff Recommends

- Conduct a Public Hearing.
- Proceed with the approved FY 2024/25 PLHA Plan as approved by Council on July 20, 2020.

Affordable Owner-Occupied Workforce Housing (AOWH)

- **AOWH Activities:**
 - Predevelopment, development, acquisition, or rehab of affordable ownership housing and/or down payment assistance.
- **Household Income Limit:**
 - 120% AMI or lower
 - Family of four \$105,500