



# Affordable Housing Project: Additional Funding Request

City Manager's Office  
6.20.2023 City Council Meeting

# Background

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- In January 2023, the City Council/Lake Forest Housing Authority (“Authority”) issued a Notice of Funding Availability (“NOFA”) which included approximately \$1.6 million in funding for an Affordable Housing Acquisition and Conversion or Rehabilitation Project (“Project”)
- In April, 2023, the City Council/Authority directed staff to negotiate an Exclusive Negotiation Agreement (“ENA”)
- ENA establishes a timeframe for Families Forward to work with the City/Authority regarding the selection of a site



# Negotiations

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- Families Forward notified staff the funding outlined in the NOFA was no longer adequate to purchase a property for conversion or rehab
- Families Forward requested an additional \$200,000 for the project

# Funding Sources

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| Funding Source   | Amount             |
|--|--------------------|
| Community Development Block Grant ("CDBG")                     | \$432,703          |
| Housing Authority's Low and Moderate Income Housing Asset Fund | \$1,200,000        |
| Affordable Housing In Lieu Fees                                | \$200,000          |
| <b>Total</b>   | <b>\$1,832,703</b> |

# Recommendation

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1. Authorize the City Manager to issue a new Exclusive Negotiation Agreement in the amount of \$1,832,703 and resume negotiations with Families Forward.
2. Authorize the City Manager to sign, and the City Clerk to attest the Exclusive Negotiation Agreement and any other relevant documents to progress the project.
3. Adopt a Resolution entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, AMENDING THE 2021-23 OPERATING BUDGET; AMENDING APPROPRIATIONS FOR FISCAL YEAR 2022-23