

Agenda Report

DATE: JUNE 10, 2002

TO: CITY COUNCIL/ COMMUNITY DEVELOPMENT COMMISSION

FROM: CYNTHIA J. KURTZ, CITY MANAGER/CHIEF EXECUTIVE OFFICER

SUBJECT: JOINT PUBLIC HEARING: APPROVAL OF ANNUAL ACTION PLAN (2002-2003) FOR THE CITY'S PARTICIPATION IN THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG); EMERGENCY SHELTER GRANT (ESG); HOME INVESTMENT PARTNERSHIP ACT (HOME); HOPWA (HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS) PROGRAMS; AND RELATED HUMAN SERVICES ENDOWMENT FUND (HSEF) ALLOCATIONS

RECOMMENDATION:

It is recommended that upon the close of the public hearing the City Council and Community Development Commission adopt a resolution:

1. Approving the Annual Action Plan (2002-2003) which includes the following funding allocations: CDBG \$3,167,567; HOME \$1,275,000; ESG \$88,000; \$88,000 in Housing Trust Funds; and the related annual Human Services Endowment Fund \$120,000;
2. Authorizing the City Manager/Chief Executive Officer to execute, and the City Clerk to attest, the Annual Action Plan (2002-2003) and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal CDBG, ESG, HOME, and HOPWA funds in accordance with the plan; and
3. Authorizing upon approval by HUD of the City of Pasadena's application, the City Manager/Chief Executive Officer on behalf of the City of Pasadena and the Pasadena Community Development Commission to execute, and the City Clerk to attest, the recipient, sub-recipient, owner participation agreements and/or amendments thereto, in a form acceptable to the City Attorney, for all the recipients and/or sub-recipients recommended for a funding allocation as contained in this report.

ACTIONS OF ADVISORY BODIES:

The subject recommendation was approved by the Northwest Commission on April 9, 2002; and approved by the Human Services Commission on May 6, 2002.

BACKGROUND:

The Annual Action Plan (2002-2003) sets forth the projected use of funds for the coming year. Among the items addressed in the Action Plan are available resources for program implementation, activities to be undertaken, program guidelines, and monitoring. Six funding sources are available for allocation to recipients/sub-recipients for the provision of "public/human service and non-public service" projects. This represents a total available allocation of \$ 4,738,567 to fund the proposed projects as indicated on the Funding Availability Table below:

FUNDING AVAILABILITY TABLE (2002 - 2003 Program Year)

<i>Funding Sources</i>	<i>Amount</i>
CDBG - Annual Entitlement	\$2,683,057
CDBG - Reprogrammed Funds	\$375,000
CDBG - Prior Year Program Income	\$109,510
HOME Program	\$1,275,000
ESG/HTF	\$176,000
Human Services Endowment Fund (HSEF)	\$120,000
TOTAL	\$4,738,567

On October 22, 2001, the City Council approved the needs assessment and program priorities recommended by the Northwest and Human Services Commissions, respectively, for allocating the CDBG/ESG/HSEF 2002-2003 Program Year funds.

On Monday, March 11, 2002, City Council approved the CDBG City Set-Aside in the amount of \$1,900,540: (\$1,055,580 for five eligible City administered non-public service projects; \$844,960 for Section 108 Loan Repayment and CDBG Program Administration). These projects are listed in Exhibit "A" - City Council Agenda Report (March 11, 2002).

On April 9, 2002, the Northwest Commission finalized funding recommendations for the 2002 - 2003 Program Year non-public service projects. Ten projects in the economic development, housing, capital improvement, and planning/administration categories are recommended for funding in the amount of \$848,143 as listed in Exhibit "B." Fifteen proposals were received requesting funding for non-public service projects; all proposals were considered for funding.

On May 6, 2002, the Human Services Commission finalized their funding recommendations for the CDBG/ESG/HSEF 2002-2003 Program Year public/human service projects. Nineteen projects are recommended for funding in the amount of \$714,884 as listed in Human Services Commission Recommendations - Exhibit "C." Twenty-nine proposals were received requesting funding. One proposal failed to meet threshold requirements and was not considered for further funding consideration.

HOME Investment Partnership funds totaling \$1,275,000 for four housing categories identified in Exhibit "D" are part of the proposed 2002-2003 Commission budget.

HOPWA funds (approximately \$1,300 per month) are provided through an Agreement between the Los Angeles City Housing Department and the Pasadena Community Development Commission (PCDC). PCDC is the Project Sponsor and administers the HOPWA Program in the City of Pasadena. HOPWA funds are used to provide tenant-based rental assistance to those persons and their families who are impacted by HIV/AIDS.

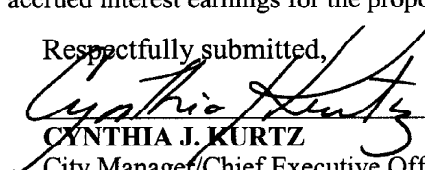
CHILDREN, YOUTH AND FAMILY IMPACT:

Approval of the above mentioned proposed funding recommendations will provide economic development, housing rehabilitation, planning/administration, fair housing counseling, public/human service activities, public facilities improvements and financial support to other proposed projects throughout the CDBG Benefit Service Area (refer to map, Exhibit "E") of the City for children, youth and families. The provision of these services will contribute to a positive impact on the quality of life for the residents of the City; and will directly and indirectly impact the delivery and availability of services to approximately 25,000 households over the next program year.

FISCAL IMPACT:

Approval of the Annual Action Plan (2002-2003) by the City Council/Community Development Commission and subsequent approval by HUD will contribute \$4,738,567 in federal dollars toward achievement of the City's affordable housing and community development goals through funding from the CDBG; HOME; ESG/HTF; and HSEF Programs as follows:


- CDBG Program Year 2002-2003 funding recommendations obligating \$3,167,567 for the proposed projects. This amount includes the approved 2002-2003 City Set-A-Side projects.
- HOME 2002-2003 Program Year funding recommendations obligating \$1,275,000 for the proposed affordable housing projects. Additionally, \$310,000 in HOME prior year's reprogrammed funds will be obligated to the Pasadena Neighborhood Housing Services, Neighborhood Impact Program to continue low/moderate-income owner occupied single-family housing rehabilitation activities.
- ESG 2002-2003 Program Year funding recommendations obligating \$176,000: \$88,000 in ESG and \$88,000 in the required local Housing Trust Funds match for the proposed projects.
- Human Services Endowment Fund (HSEF) 2002-2003 Program Year funding recommendations obligating \$120,000 annually from the HSEF accrued interest earnings for the proposed projects.

Respectfully submitted,

CYNTHIA J. KURTZ
City Manager/Chief Executive Officer


Prepared by:


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Project Planner

Approved by:


RICHARD J. BRUCKNER
Director, Planning and Development

Concurrence:


PATRICIA A. LANE
Director, Human Services, Recreation and
Neighborhoods Department

Attachments: Exhibits: A- E

Note: A copy of the Draft Annual Action Plan (2002-2003) is on file
in the City Clerk's Office