

# Agenda Report

June 20, 2011

**TO:** Honorable Mayor and City Council

**FROM:** Housing Department

**SUBJECT: JOINT PUBLIC HEARING: APPROVAL OF THE ANNUAL ACTION PLAN (2011-2012) AND RELATED FUNDING ALLOCATIONS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG); EMERGENCY SHELTER GRANT PROGRAM (ESG); HOME INVESTMENT PARTNERSHIP ACT (HOME); AND HUMAN SERVICES ENDOWMENT FUND (HSEF)**

**RECOMMENDATION:**

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

(a) Approving the Annual Action Plan (2011-2012) as an application to the U. S. Department of Housing and Urban Development for funding under the federal Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) and Home Investment Partnership Act (HOME) programs;

(b) Approving an application for CDBG Entitlement funds in the amount of \$2,074,483; the allocation of the CDBG current year program income of \$303,828; the reprogramming of CDBG carryover funds in the amount of \$55,860 for a total of \$2,434,171 for the 2011-2012 CDBG program activities;

(c) Approving an application for ESG funds in the amount of \$99,448 and the appropriation of \$58,840 from the proceeds of the Casa Maria real property transaction and a portion of CDBG funds in the amount of \$40,608 as the required local match for a total of \$198,896 for 2011-2012 ESG funded activities;

(d) Approving an application for HOME Entitlement funds in the amount of \$1,135,617 for 2011-2012 HOME Program activities;

(f) Approving an allocation from the City of Pasadena's Human Services Endowment Fund (HSEF) interest earnings of \$115,000 for HSEF funded public/ human service projects;

(g) Authorizing the City Manager to execute, and the City Clerk to attest, the Annual Action Plan (2011-2012), the grant agreements, the sub-recipient agreements, and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal CDBG/ ESG/ HOME funds.

### **ADVISORY COMMISSION RECOMMENDATIONS**

On March 24, 2011 the Northwest Commission finalized recommendations for City Council consideration for Non-Public Service Projects in the amount of \$504,000 (Exhibit A).

On March 9, 2011 the Human Services Commission approved recommendations for reduction in CDBG and HSEF awards proportionate to the City's reduction from HUD for City Council consideration for Public/ Human Service Projects in the reduced amount of \$607,764 (Exhibit B).

### **BACKGROUND**

#### **Annual Action Plan (2011-2012):**

The Annual Action Plan sets forth the projected use of funds for the coming year. The Action Plan addresses the available resources for program/project implementation, activities to be undertaken, program guidelines, monitoring etc. The Plan addresses the goals and objectives as outlined in the City's Strategic Plan included in the City's Five Year Consolidated Plan (2010-2015). The Draft Annual Action Plan was available for public review and comment from April 9, 2011 to May 10, 2011. No comments were received.

#### **Community Development Block Grant (CDBG) Recommendations:**

Annually, the City distributes CDBG funds to the Community for non-public services. The projects being recommended for CDBG (non-public service) funding are identified in Exhibit A. The total being recommended for CDBG non-public service projects is \$504,000.

#### **Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) and Human Services Endowment Fund (HSEF) Recommendations:**

Annually, the City distributes CDBG, ESG and HSEF funds to the Community for public services. The City is eligible to use up to 15% of its CDBG funds for public/human services. The projects being recommended for CDBG (public service), ESG and HSEF funding are identified in Exhibit B. The total amount recommended for public/human service projects is \$607,764.

**City Set-Aside Recommendations:**

Annually, the City Council sets aside CDBG funds in a sufficient amount to fund eligible City projects recommended by the City Manager. The projects being recommended are City administered activities that are required or vital to the City such as Code Enforcement and MASH, as identified in Exhibit C. The total amount recommended for City-Set Aside projects is \$1,277,664.

**HOME Investment Partnership Act (HOME) Recommendations:**

HOME Investment Partnership Act (HOME) funds of \$1,135,617 are available for the housing categories identified in Exhibit D as part of the proposed 2011-2012 HOME program project.

**Debt Service Obligations:**

Annually the City has debt service obligations that utilize CDBG funds for repayment. The debt service obligation for 2011-2012 is identified in Exhibit E. The total amount for these obligations is \$354,509.

The table below summarizes the federal/ local funding sources totaling \$3,843,076 that are available for allocation to sub-recipients for the provision of proposed project services/ activities identified in the attached exhibits:

**Funding Availability (2011-2012)**

	<b>Funding Sources</b>	<b>Amount</b>
1	CDBG- Annual Entitlement	\$ 2,074,483
2	CDBG- Program Income	\$ 303,828
3	CDBG Reprogrammed Carryover Funds	\$ 55,860
4	HOME Annual Entitlement	\$ 1,135,617
6	Emergency Shelter Grant Program (ESG)	\$ 99,448
7	ESG Match Funds (local)	\$ 58,840
8	Human Services Endowment Funds	\$ 115,000
	<b>TOTAL</b>	\$ 3,843,076

**COUNCIL POLICY CONSIDERATION**

This proposed action supports the City Council Strategic Planning Three-Year Goals specifically in the areas of improving, maintaining and enhancing public facilities and infrastructure, supporting the quality of life and maintaining fiscal responsibility and stability.

**FISCAL IMPACT**

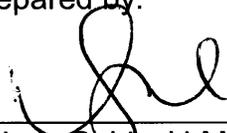
Approval of the Annual Action Plan (2011-2012) by the City Council/PCDC and subsequent approval by HUD will provide an allocation of \$3,843,076 (\$3,669,236 federal and \$173,840 local) for housing/ community development activities.

Approval of the Five-Year Consolidated Plan and Annual Action Plan also enables the City to be eligible for other federally funded programs requiring consistency with an adopted Five-Year Consolidated Plan/Annual Action Plan.

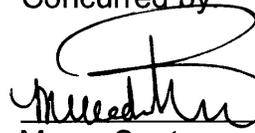
Respectfully submitted,

  
William K. Huang  
Housing Director

Prepared by:

  
Valerie Babinski-Manlic  
CDBG Program Coordinator

Concurred by:

  
Mercy Santoro  
Director  
Human Services and Recreation Department

Approved by:

  
MICHAEL J. BECK  
City Manager

Attachments:

- Attachment A – CDBG Non-Public Service Funding Recommendations
- Attachment B – CDBG, ESG and HSEF Public/ Human Services Funding Recommendations
- Attachment C – City Set-Aside Recommendations
- Attachment D- HOME Recommended Funding Allocation
- Attachment E- Debt Service Allocation

Draft of the 2011-2012 Annual Action Plan are available in the City Clerk's Office.

## CITY OF PASADENA

**Community Development Block Grant (CDBG) Program  
2011-2012 Non-Public Service Projects  
Northwest Commission Recommendations**

#	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
<b>ECONOMIC DEVELOPMENT</b>			
1.	Child Care Information Services <i>Family Child Care Business Project</i>	\$ 100,000	\$ 46,200
2.	Institute of Popular Education of Southern California (IDEPSCA) <i>Pasadena Street Vendors Association</i>	\$ 154,799	\$ 63,000
3.	Pasadena Enterprise Center, Inc. <i>Business Incubator Program</i>	\$ 77,600	\$ 42,000
4.	Valley Economic Development Center, Inc. <i>Small Business community Initiative</i>	\$ 250,000	\$ 42,000
<b>Sub-Total</b>			<b>\$ 193,200</b>
<b>HOUSING</b>			
5.	Community Bible Community Development Corp. <i>Community Arms: A Green Initiative for Healthy Living</i>	\$ 300,000	\$ 42,000
6.	Housing Rights Center <i>Fair Housing Program</i>	\$ 65,000	\$ 50,400
<b>Sub-Total</b>			<b>\$ 92,400</b>
<b>PUBLIC FACILITIES &amp; IMPROVEMENTS (CAPITAL IMPROVEMENTS)</b>			
7.	Boys & Girls Clubs of Pasadena <i>Mackenzie Scott Branch Roof Repair</i>	\$ 100,000	\$ 56,280
8.	Casa de Las Amigas <i>Detoxification Facility- Remodel Project</i>	\$ 136,500	\$ 71,400
9.	Community Wellness Services, Inc. <i>Back to Life Transitional Living Facility Housing Proj</i>	\$ 50,000	\$ 33,600
10.	Door of Hope <i>Kitchen Restoration Project</i>	\$ 33,000	\$ 27,720
11.	Pasadena Mental Health Center <i>Center Restoration Project</i>	\$ 35,000	\$ 29,400
<b>Sub-Total</b>			<b>\$ 218,400</b>
<b>TOTAL FUNDING RECOMMENDATION</b>			<b>\$ 504,000</b>

## CITY OF PASADENA

Community Development Block Grant (CDBG) Program, Emergency Shelter Grant (ESG) Program  
Human Services Endowment Fund (HSEF)

Public/Human Services - 36<sup>th</sup> Program Year (2010-2011) and 37<sup>th</sup> Program Year (2011-2012)

No.	Proposer (Agency)	Proposed Project	1 <sup>st</sup> Year 2010-11	2 <sup>nd</sup> Year 2011-12	Total Allocation
<b>EDUCATION</b>					
1.	EI Centro de Accion Social, Inc.	Youth Education Programs	\$ 25,000	\$ 20,950	\$ 45,950
2.	Mothers' Club Community Center	Mothers' Club Family Learning Ctr.	\$ 25,000	\$ 20,950	\$ 45,950
<b>Sub-Total</b>			<b>\$ 50,000</b>	<b>\$ 41,900</b>	<b>\$ 91,900</b>
<b>FOOD &amp; NUTRITION</b>					
3.	Foothill Unity Center	Nutrition Assistance Project	\$ 56,110	\$ 47,020	\$ 103,130
<b>Sub-Total</b>			<b>\$ 56,110</b>	<b>\$ 47,020</b>	<b>\$ 103,130</b>
<b>HEALTH CARE SERVICES</b>					
4.	Pasadena Mental Health Association	Center & Outreach Counseling Program	\$ 25,000	\$ 20,950	\$ 45,950
5.	Pasadena Unified School District	Health Services for NW Pasadena	\$ 73,270	\$ 61,400	\$ 134,670
6.	URDC Human Services Corp.	Family Access to Health Prevention & Treatment	\$ 30,000	\$ 25,140	\$ 55,140
<b>Sub-Total</b>			<b>\$ 128,270</b>	<b>\$ 107,490</b>	<b>\$ 235,760</b>
<b>HOMELESSNESS</b>					
7.	Door of Hope	Case Management for Homeless Families	\$ 37,766	\$ 37,766	\$ 75,532
8.	Ecumenical Council of Pasadena Area Churches	Emergency Shelter Program	\$ 25,000	\$ 25,000	\$ 50,000
9.	Elizabeth House	Case Management Services	\$ 37,000	\$ 37,000	\$ 74,000
10.	Union Station Homeless Services	Emergency Overnight Shelter Program	\$ 35,000	\$ 35,000	\$ 70,000
11.	Union Station Homeless Services	Sources: Career Development Program	\$ 60,000	\$ 60,000	\$ 120,000
<b>Sub-Total</b>			<b>\$ 194,766</b>	<b>\$ 194,766</b>	<b>\$ 389,532</b>
<b>SERVICES FOR YOUTH AND YOUNG ADULTS</b>					
12.	Armory Center for the Arts	Armory Teen Initiative	\$ 25,000	\$ 20,950	\$ 45,950
13.	Journey House	Emancipated Foster Youth Services Project	\$ 35,000	\$ 29,330	\$ 64,330
14.	Pasadena City College Foundation	Project LEAP	\$ 25,000	\$ 20,950	\$ 45,950
15.	YWCA Foothill Pasadena-Foothill Valley	Just for Girls After School Program	\$ 25,000	\$ 20,950	\$ 45,950
<b>Sub-Total</b>			<b>\$ 110,000</b>	<b>\$ 92,180</b>	<b>\$ 202,180</b>

No.	Proposer (Agency)	Proposed Project	1 <sup>st</sup> Year 2010-11	2 <sup>nd</sup> Year 2011-12	Total Allocation
<b>OTHER</b>					
16.	Armenian Relief Society of Western U.S.A., Inc.	Community Assistance Program	\$ 25,000	\$ 20,950	\$ 45,950
17.	Child Care Information Service	Children in Crisis	\$ 25,000	\$ 20,950	\$ 45,950
18.	El Centro de Accion Social, Inc.	Senior Citizens Network Program	\$ 25,000	\$ 20,950	\$ 45,950
19.	Rose Bowl Aquatic Center	Olympic Challenge – Learn to Swim Program	\$ 25,000	\$ 20,950	\$ 45,950
20.	ESG Match	ESG Match	\$ 48,459	\$ 40,608	\$ 89,067
<b>Sub - Total</b>			<b>\$ 148,459</b>	<b>\$ 124,408</b>	<b>\$ 183,800</b>
<b>TOTAL ALLOCATION</b>			<b>\$ 671,495</b>	<b>\$ 607,764</b>	<b>\$ 1,265,759</b>

**CITY OF PASADENA  
FUNDING RECOMMENDATION  
Community Development Block Grant (CDBG) Program  
City Set-Aside Activities - 2011-2012**

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
1.	Planning Department <i>Code Enforcement (Inspections)</i>	\$ 302,131	\$ 187,488
2.	Housing Department <i>Maintenance Assistance Services to Homeowners (MASH)</i>	\$ 825,000	\$ 633,360
3.	Housing Department <i>CDBG Program Administration</i>	\$ 505,622	\$ 424,723
4.	Public Works Department- BSFMD <i>Public Facilities Rehab, Energy Efficiency and ADA Retrofit</i>	\$ 561,909	\$ 32,093
	<b>SUBTOTAL</b>	<b>\$2,194,622</b>	<b>\$1,277,664</b>

## CITY OF PASADENA

## Home Investment Partnership Act (HOME Program) 2011 - 2012

PROPOSED PROJECTS		FUNDING AMOUNTS
1.	CHDO Reserve (15%) (for rental rehab & development)	\$170,342
2.	HOME Tenant-Based Rental Assistance Program (TBRA)	\$533,277
3.	Homeownership Opportunities Program (HOP)	\$318,436
5.	Administration	\$113,562
<b>TOTAL</b>		<b>\$1,135,617</b>

CITY OF PASADENA

Debt Service 2011 - 2012

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
1.	Housing Department <i>Section 108 - Loan Repayment for the Fair Oaks Renaissance Plaza Shopping Center</i>	\$ 354,509	\$ 354,509
	<b>TOTAL</b>	<b>\$ 354,509</b>	<b>\$ 354,509</b>

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE PASADENA CITY COUNCIL APPROVING THE ANNUAL ACTION PLAN (2011-2012) AND SPECIFICALLY, THE PROJECTED USE OF FUNDS TO BE ALLOCATED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ("HUD") TO THE CITY FOR ITS FISCAL YEAR 2011-2012 PARTICIPATION UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT ("CDBG"), EMERGENCY SHELTER GRANT ("ESG"), AND HOME INVESTMENT PARTNERSHIP ACT ("HOME") PROGRAMS; AUTHORIZING THE CITY'S SUBMITTAL OF THE ANNUAL ACTION PLAN (2011-2012) TO HUD AND APPLICATION OF SUCH FUNDS TO HUD; APPROVING THE ALLOCATION OF SUCH FUNDS TO DESIGNATED SUB-RECIPIENTS; AND APPROVING THE CITY'S ALLOCATION OF \$115,000 FROM THE CITY'S HUMAN SERVICES ENDOWMENT FUND ("HSEF"), \$58,840 FROM THE CASA MARIA REAL PROPERTY TRANSACTION, AND \$40,608 FROM CDBG FUNDS AS THE REQUIRED LOCAL MATCH FOR THE 2011-2012 ESG FUNDED ACTIVITIES

WHEREAS, the City of Pasadena ("the City") is a municipal corporation which exercises governmental functions and powers, and is a chartered city organized and existing under the laws of the State of California; and

WHEREAS, after publication of notice, a public hearing has been duly held by the City Council to consider (1) the approval of the Annual Action Plan (2011-2012, and the submittal thereof to HUD as the City's application of funds to the City under the CDBG, ESG, and HOME programs; (2) the proposed use and allocation of said funds, along with , in the case of the Emergency Shelter Grant Program, matching funds from the Casa Maria real property transaction, and a portion of CDBG funds to designated sub-recipients; and (3) the proposed use and recipient allocation of \$115,000 from the City's Human Services Endowment Fund for the City's Fiscal Year 2011-2012;

NOW, THEREFORE, BE IT RESOLVED by the Pasadena City Council as follows:

1. The terms and provisions of the Annual Action Plan (2011-2012) are hereby approved and the City Manager is hereby authorized and directed to submit the Annual Action Plan (2011-2012) to HUD, together with any and all other documents, assurances and certificates as are lawful and necessary to complete the City's reprogramming of funds and to secure the obtainment thereof under the CDBG, ESG, and HOME Programs for Fiscal Year 2011-2012.

2. The City Clerk is hereby authorized and directed for and on behalf of the City to attest any documents, assurances and certificates executed by the City Manager which are deemed necessary and appropriate by HUD to complete the City's application for an allocation of funds, to secure the obtainment thereof under CDBG, ESG and HOME Programs for Fiscal Year 2011-2012

3. The funds to be allocated to the City by HUD under the CDBG, ESG and HOME Programs for activities and to those sub-recipients described in the Annual Action Plan for Fiscal Year 2010-2011, and the agenda report presented to the City Council at the meeting at which this resolution was adopted, is hereby approved by the City Council.

4. The allocations of \$115,000 from the City's Human Services Endowment Fund and the \$99,448 from the Casa Maria real property transaction and CDBG funds, in the amounts designated recipients recommended by the Human Services Commission, are hereby approved.

5. The City Manager is further authorized and directed to execute, and the City Clerk to attest, service delivery agreements, in the form acceptable to the City Attorney, for the allocation of CDBG, ESG, HOME, HSEF and matching funds to the sub-recipients and recipients described in the Annual Action Plan for Fiscal Year 2011-2012 and/or in the agenda report presented to City Council at the meeting at which this resolution was adopted.

Adopted at the regular meeting of the Pasadena City Council on the \_\_\_\_\_ day

of JUNE 2011, by the following vote:

AYES:

NOES:

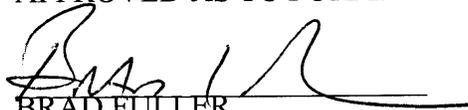
ABSENT:

ABSTAIN:

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MARK JOMSKY, CMC  
CITY CLERK

APPROVED AS TO FORM:



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BRAD FULLER  
ASSISTANT CITY ATTORNEY