

Agenda Report

May 15, 2017

TO: Honorable Mayor and City Council

FROM: Housing and Career Services Department

SUBJECT: APPROVAL OF THE ANNUAL ACTION PLAN (2017-2018) AND RELATED FUNDING APPLICATIONS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP ACT, AND EMERGENCY SOLUTIONS GRANT PROGRAMS

RECOMMENDATION:

It is recommended that upon close of the public hearing the City Council take the following actions:

- 1) Find that the recommended action is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines per Section 15061(b)(3);
- 2) Approve the Annual Action Plan, including the funding allocations set forth therein for Program Year 2017-2018 program activities under the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and HOME Investment Partnerships (HOME) programs, for submittal to the U.S. Department of Housing and Urban Development (HUD);
- 3) Approve the submittal of a grant application for CDBG Program Year 2017-2018 entitlement funds in the amount of \$1,794,088;
- 4) Approve the submittal of a grant application for ESG Program Year 2017-2018 entitlement funds in the amount of \$160,921;
- 5) Approve the submittal of a grant application for HOME Program Year 2017-2018 entitlement funds in the amount of \$510,684; and
- 6) Authorize the City Manager to execute, and the City Clerk to attest, the Annual Action Plan (2017-2018), the grant applications, certifications, and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal entitlement funds.

ADVISORY COMMISSION RECOMMENDATIONS

On February 21, 2017, the Northwest Commission finalized recommendations for City Council consideration for CDBG non-public service projects listed in Attachment A.

BACKGROUND:**Annual Action Plan (2017-2018):**

The Annual Action Plan sets forth the projected uses of funds for the coming program year, and addresses the available resources for program implementation, activities to be undertaken, program guidelines, and monitoring. The Plan addresses the efforts made toward accomplishing the goals and objectives included in the City's Five-Year Consolidated Plan (2015-2019). The Draft Annual Action Plan (Attachment B) was noticed in the Pasadena Star newspaper of its availability for public review and request for comment from April 13, 2017 through May 15, 2017, during which period no comments were received. Any comments made at the Public Hearing on May 15, 2017, will be included in the Plan's final version.

Funding Availability:

Included in the City's submittal of the Annual Action Plan (2017-2018) to HUD is the submittal of grant applications for annual entitlement funding under the CDBG, ESG, and HOME programs. The available federal funding identified in the Annual Action Plan (2017-2018) consists of the proposed federal entitlement funds, any funds from previous program years, and program income. Annually, the City distributes these funds to address community needs through housing, homeless prevention, public service, infrastructure and public facility improvements, and for program administration. The table below summarizes anticipated federal entitlement funding availability for 2017-2018:

Anticipated Funding Availability (2017-2018)

	Funding Source	Amount
1	CDBG Annual Entitlement (2017-2018)	\$1,794,088
2	CDBG Anticipated Program Income	\$225,000
3	CDBG Unspent Carryover Funds	\$459,559
4	Emergency Solutions Grant (ESG) Program (2017-2018)	\$160,921
5	HOME Annual Entitlement (2017-2018)	\$510,684
6	HOME Unspent Carryover Funds	\$1,033,611
7	HOME Anticipated Program Income	\$116,023
	Total	\$4,299,886

All total available funds will be allocated in 2017-2018 for the proposed project/ services/activities identified in Attachment A.

Annual Action Plan 2017-2018 (Year 3) Goals and Funding

	Year 3 Goals	Year 3 Funding
Housing	Owner-Occupied Housing Rehabilitated: 20 Housing Units	CDBG: \$625,000 HOME: \$250,000
Public Service	555 Persons Assisted	CDBG: \$271,905
Homelessness	Tenant-based Rental Assistance: 30 Households Assisted Homeless Shelters: 350 Persons Assisted Homelessness Prevention: 99 Persons Assisted Coordinated Entry: 500 Persons Assisted Street Outreach: 10 Persons Assisted	ESG: \$160,921
Public Facility Improvements	5 Building Facilities	CDBG: \$417,925
Infrastructure Improvements	15,000 Persons Assisted	CDBG: \$200,000
Affordable Housing	Multi-Family New Construction: 9 Housing Units Multi-Family Rehabilitation: 4 Housing units	HOME: \$1,347,648

COUNCIL POLICY CONSIDERATION:

This proposed action supports the City Council Strategic Planning Three-Year Goals in the areas of improving, maintaining, and enhancing public facilities and infrastructure; improving mobility and accessibility throughout the City of Pasadena; and supporting and promoting the quality of life and the local economy.

ENVIRONMENTAL ANALYSIS:

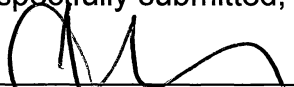
The action proposed herein is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "General Rule"

provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The approval of the subject Annual Action Plan is a funding mechanism only and is excluded from the definition of "project" pursuant to State CEQA Guidelines Section 15378(b)(4). Furthermore, the proposed action does not constitute a final funding commitment to any of the identified activities, as the grant sub-recipients of the activities would be required to enter into contractual agreements. Pursuant to the terms of the contracts, appropriate environmental review of each funded activity will take place prior to commencement of any activity. Therefore, the action proposed herein will not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT:

The recommended actions will have no direct fiscal impact. Approval of the Annual Action Plan (2017-2018) by the City Council and subsequent approval by HUD will result in an award to the City of an annual allocation of \$2,465,693 in Program Year 2017-2018 funds to support housing, community development, and homeless prevention activities. These federal funds will be included as revenue in the proposed FY 2018 operating budget of the Housing and Career Services Department. Approval also enables the City to be eligible for other federally funded programs requiring consistency with an adopted Five-Year Consolidated Plan and Annual Action Plan.

Respectfully submitted,




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Prepared by:



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Approved by:



STEVE MERMELL
City Manager

Attachments: (2)

Attachment A – CDBG, ESG, and HOME 2017-18 Funding Recommendations

Attachment B - DRAFT 2017-2018 Annual Action Plan