



Agenda Report

July 20, 2020

TO: Honorable Mayor and City Council

FROM: Housing Department

SUBJECT: PUBLIC HEARING: APPROVAL OF THE FIVE-YEAR CONSOLIDATED PLAN (2020-2024), THE ANNUAL ACTION PLAN (2020-2021) 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), the General Rule that CEQA only applies to projects that may have an effect on the environment;
- 2) Approve the submission of the Five-Year Consolidated Plan (2020-2024) and the Annual Action Plan (2020-2021) as part of the application to the U.S. Department of Housing and Urban Development (HUD) for funding under the federal Community Development Block Grant (CDBG), Home Investment Partnership Act (HOME), and Emergency Solutions Grant (ESG) programs;
- 3) Approve the submittal of a grant application for Community Development Block Grant (CDBG) Program Year 2020-2021 entitlement funds in the amount of \$2,095,319, and the reprogramming of existing and anticipated CDBG funds in the amount of \$497,764 for a total of \$2,593,083 allocated towards 2020-2021 CDBG program activities.
- 4) Approve the submittal of a grant application for Emergency Solutions Grant (ESG) Program Year 2020-2021 entitlement funds in the amount of \$176,398 and the reprogramming of existing and anticipated ESG funds in the amount of

\$20,000 for a total of \$196,398 allocated towards 2020-2021 ESG program activities;

- 5) Approve the submittal of a grant application HOME Investment Partnership Act (HOME) Program Year 2020-2021 entitlement funds in the amount of \$834,537 and the reprogramming of existing and anticipated HOME funds in the amount of \$174,098 for a total of \$1,008,635 towards 2020-2021 HOME program activities; and
- 6) Authorize the City Manager to execute, and the City Clerk to attest, the Five-Year Consolidation Plan (2020-2024), the Annual Action Plan (2020-2021), the grant applications, certifications, and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal entitlement funds.

BACKGROUND:

Five-Year Consolidated Plan (2020-2024):

The Five-Year Consolidated Plan is a comprehensive planning document that addresses both long- and short-term strategies to meet housing and community development needs. The draft Five-Year Consolidated Plan (Attachment B) was made available for public review and comment from July 9 through July 20, 2020, during which period no comments were received. Any comments made at the Public Hearing on July 20, 2020, will be included in the Plan's final version. The following table below shows the priorities and goals for the five-year period:

Priorities and Goals of the Five-Year (2020-2024) Consolidated Plan

#	Priority	5 Year Goals
1	Housing	Tenant-Based Rental Assistance: 30 Household Rental Units Rehabilitated: 8 Housing Units Homeowner Housing Rehabilitated: 60 Housing Units
2	Public Services	1,250 Persons Assisted
3	Homeless Intervention and Prevention	Homelessness Prevention: 150 Persons Assisted Homeless Overnight Shelter: 1,250 Persons Assisted
4	Public Facility Improvements	25,000 Persons Assisted
5	Infrastructure Improvements	75,000 Persons Assisted
6	Economic Development	Businesses Assisted: 40 Micro-Enterprises

Annual Action Plan (2020-2021):

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 Action Plan identifies efforts to be made toward accomplishing the goals and objectives included in the City's Five-Year Consolidated Plan. The draft Annual Action Plan (Attachment B) was available for public review and comment from July 9 through July 20, 2020, during which period no comments were received. Any comments made at the Public Hearing on July 20, 2020, will be included in the Plan's final version. The tables below show the funding availability and goals for Year 1 of the Five-Year Plan:

Anticipated Funding Availability (2020-2021)

Funding Source		Amount
1	CDBG Annual Entitlement	\$2,095,319
2	CDBG Anticipated Program Income	\$200,000
3	CDBG Unspent Carryover Funds	\$297,764
4	Emergency Solutions Grant (ESG) Program	\$176,398
5	ESG Unspent Carryover Funds	\$20,000
6	HOME Annual Entitlement	\$834,537
7	HOME Unspent Carryover Funds	\$174,098
Total		\$3,798,116

Annual Action Plan Year 1 Goals and Funding

Year 1 Goals		Year 1 Funding
Administration	N/A	CDBG: \$899,064
		ESG: \$33,230
		Home: \$83,454
Housing	Tenant-Based Rental Assistance: 6 Households	HOME: \$800,000
	Homeowner Housing Rehabilitated: 13 Housing Units	CDBG: \$450,000
Public Service	250 Persons Assisted	CDBG: \$319,019
Homelessness	Homeless Overnight Shelters: 250 Persons Assisted	ESG: \$163,168
	Homelessness Prevention: 40 Persons Assisted	

Economic Development	Business Assisted: 40 Micro-Enterprises	CDBG: \$425,000
Infrastructure Improvements	15,000 Persons Assisted	CDBG: \$500,000

*(CHDO \$125,181 is required to be set-aside but has no goals currently)

ADVISORY COMMISSION RECOMMENDATIONS

On March 10, 2020 the Northwest Commission recommended that the City Council approve the CDBG non-public service projects listed in Attachment A.

On July 8, 2020 the Human Services Commission recommended that the City Council approve the one-year funding allocations for CDBG listed in Attachment A.

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 Five-Year Consolidated Plan and 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 action proposed herein will not have a significant effect on the environment and, hence, is not subject to CEQA.

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.

FISCAL IMPACT:

The recommended actions will have no direct fiscal impact. Approval of the Five-Year Consolidated Plan (2020-2024) and Annual Action Plan (2020-2021) by the City Council and subsequent approval by HUD will result in a total allocation of \$3,798,116 in entitlement funds to support housing, community development, and homeless prevention activities. These federal funds will be included as revenue in the FY 2021 operating budget of the Housing 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,


For WILLIAM K. HUANG
Housing Director

Prepared by:


RANDY MABSON
Program Coordinator

Approved by:


STEVE MERMELL
City Manager

Attachments: (2)

Attachment A – CDBG, ESG, and HOME 2020-21 Funding Recommendations

Attachment B - Draft Five-Year (2020-2024) Consolidated Plan & 2020-2021 Annual Action Plan