

Agenda Report

DATE: MARCH 22, 1999
TO: CITY COUNCIL
FROM: CYNTHIA J. KURTZ, CITY MANAGER
SUBJECT: 1999- 2000 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FUNDS CITY SET-A-SIDE

RECOMMENDATION:

It is recommended that City Council approve the allocation of 1999-2000 Community Development Block Grant Program (CDBG) funds to eight eligible City administered non-public service activities.

BACKGROUND:

On January 25, 1999 the City Council approved modifications to the Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) and Human Services Endowment Fund (HSEF) proposal review and funding allocation process. One of the modifications provided for the City Council to annually set-a-side CDBG funds in an appropriate amount to fund eligible city activities. In accordance with that action, it is recommended that the City Council approve CDBG funding for the following eight proposed non-public service activities to be administered by the respective City Departments. This allocation represents a total CDBG City set-a-side of \$1,499,416.

PROPOSED ACTIVITIES

Selection of the proposed projects was initiated with an abbreviated Request For Proposal issued to City Departments on December 30, 1999 announcing the availability of CDBG/ESG/HSEF funds for Fiscal Year July 1, 1999 – June 30, 2000. The final submission deadline for proposals was February 5, 1999. Six proposals were received of which two, the Code Enforcement Task Force and the Maintenance Assistance Services to Homeowners Program (MASH), have been repeatedly funded annually through the prior years' CDBG allocation process. The eight eligible non-public service activities recommended to receive 1999-2000 CDBG funds are:

Activities	Recommendations
CDBG Program Administration	\$340,000
Section 108 Loan Payment	\$387,416
Code Enforcement Task Force	\$218,000
MASH Program	\$340,000
J R C Renovation	\$100,000
Villa Parke Community Center	\$49,000
Employment Development	\$15,000
Violence Prevention Planning	\$50,000

The following program priorities as approved by the City Council were used to evaluate the proposals:

Non-Public Service Activities

- ***Economic Development*** - assistance to microenterprises and other businesses, technical assistance to microenterprises, business development, job creation, acquisition, construction, and rehabilitation of commercial and industrial properties, priority will be given to proposed projects that have a commitment to training, hiring and providing child care services.
- ***Housing*** - home ownership assistance (i.e., down payment assistance, interest subsidies), property rehabilitation and preservation, priority consideration will be given to proposals which target run down and vacant single family dwellings which need rehabilitation.
- ***Code Enforcement*** - costs associated with inspections for code violations and enforcement of codes in deteriorating or deteriorated areas when enforcement together with public or private improvements, rehabilitation, or services to be provided may be expected to arrest the decline of the area.
- ***Capital Improvements*** - rehabilitation of infrastructure (e.g., neighborhood facilities and facilities for persons with special needs (i.e., teen center), water/sewer lines, street, sidewalks), and acquisition, installation, and construction.
- ***Administration/Planning*** - general management, oversight and coordination of the CDBG Program, public information, preparation of plans and environmental reviews, although funding is limited to analyze/develop strategies with emphasis on housing revitalization and economic development.
- ***Property Acquisition*** - acquisition in whole or in part by purchase or long-term lease of real property.

All proposed activities met the local and HUD defined threshold requirements. Each activity is recommended for funding. Attachment 1 to this report provides information regarding the proposing City Department, the proposed project, project description, prior year funding, funding request, recommended funding and the allocation rationale.

Proposed Activity Descriptions

- 1. CDBG Program Administration-** Provides funding for City staff to implement program management. Program Management includes coordination of the allocation process, contract monitoring to ensure compliance with local and federal guidelines and production of grantee performance reports.
- 2. Section 108 Loan -** Repayment of Section 108 Loan for the development of Fair Oaks Renaissance Plaza.
- 3. Code Enforcement Task Force-** Program was initiated three years ago to supplement targeted neighborhood revitalization efforts. The increase in appropriation is related to cost of living increases for the designated staff. The task force allows proactive code enforcement in a specific designated area. The 1,684 property inspections will be coordinated with the City's Neighborhood Revitalization Program.
- 4. Mash Program-** The Maintenance Assistance Services to Homeowner Program paints homes, cleans yards, and completes minor home repairs of low/moderate income single-family homeowners within the CDBG entitlement area. The increased funding provides for a 10% increase in programs and will allow the program to lease vehicles that are needed to replace older vehicles that constantly need repair .
- 5. Jackie Robinson Center Renovation Project-** Provides funds for capital repairs of section in JRC vacated by the Public Health Department. The funding is for Phase 1 work which includes construction for a multipurpose room, exercise room and reception area for seniors. Phase 2 Construction will include repair of a kitchen, construction of a card room, repair of doors and repair of storage areas. It is staff's intention to request Phase 2 funds in the next eligible CDBG funding process.
- 6. Villa Parke Community Center Kiln Renovation Project-** The proposed renovation project will provide space to expand and enhance the senior and youth arts program at this location. It will alleviate crowded conditions and resolve space availability problems. This area will provide dedicated space for arts and crafts programs, with primary usage by the Villa Parke seniors.
- 7. Employment Development-** Funds will be used to sponsor job fairs which will help match Pasadena residents with jobs created by new development projects.
- 8. Violence Prevention Planning-**The Pasadena Public Health Department has been a driving force in planning and coordinating violence prevention strategies. Over the past 4 years the Public Health Department has been awarded grants which have provided staff to assist in planning and implementing collaborative efforts. The proposed funding continues the effort in planning and coordinating collaborations such as the "Big Table", an initiative lead by the Coalition for a Non-Violent City. This planning effort will result in stronger citywide violence

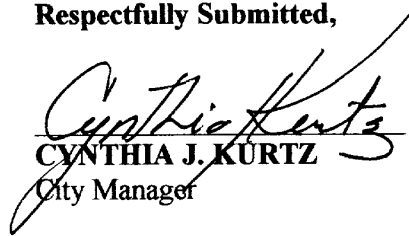
Coalition for a Non-Violent City. This planning effort will result in stronger citywide violence prevention collaborative projects, staff assistance for projects such as the Family Violence Awareness Project and a continuation of the momentum which the Health Department has created toward viewing "Violence as a Preventable Public Health Problem".

The recommended CDBG City set-a-side (\$1.49 million) is 42.5% of the total 1999-00 CDBG/ESG/HSEF. Total program funds are estimated to be \$3.53 million. Approximately \$2 million remains available for competitive allocation to other non-public service and public service activities as recommended by the Northwest and Human Services Commissions, respectively. The \$2 million is consistent with the \$1.87 million in total funding allocated last year to non-profit agencies. The total amount of funding for City activities last year was 1.2 million which was 39% of the total funds available (\$3 million).

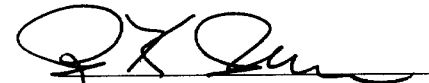
FISCAL IMPACT:

The funds referenced in this report are federal dollars. With respect to the completion of the aforementioned housing and economic development activities, it is anticipated that the city's sales and property tax bases will be increased.

Respectfully Submitted,


CYNTHIA J. KURTZ
City Manager

Prepared and approved by:


PRENTICE D. DEADRICK
Acting Assistant City Manager