

# Agenda Report

**DATE:** MAY 24, 2004

**TO:** CITY COUNCIL/COMMUNITY DEVELOPMENT COMMISSION

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

**SUBJECT:** JOINT PUBLIC HEARING: APPROVAL OF ANNUAL ACTION PLAN (2004-2005) 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); AMERICAN DREAM DOWN PAYMENT INITIATIVE (ADDI); 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 (2004-2005) including the project funding recommendations identified in Exhibits "A", "B" and "C" of this report with the following funding allocations: CDBG \$2,740,191; HOME \$1,349,744; ADDI \$55,962; ESG \$206,162 (\$103,081-HUD/ESG funds; \$103,081 Fannie Mae American Communities Fund Interest Earnings as the required local match); and the related HSEF \$113,200;
2. Authorizing the City Manager/Chief Executive Officer to execute, and the City Clerk to attest, the Annual Action Plan (2004-2005) and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal CDBG, ESG, HOME, ADDI 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 to execute, and the City Clerk to attest, the recipient/sub-recipient agreements and/or amendments thereto, in a form acceptable to the City Attorney, for all recipients and/or sub-recipients recommended for a funding allocation.

**ACTIONS OF ADVISORY BODIES:**

The Northwest Commission recommended approval of the recommendations on April 27, 2004, and the Human Services Commission recommended approval on April 5, 2004.

**BACKGROUND:**

The Annual Action Plan for Program Year (PY) 2004-2005 (the Introduction and Executive Summary to which are attached as Exhibit "G") 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. The funding sources identified in this report 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 \$4,465,259 to fund the proposed projects as indicated by the Funding Availability Table below:

**FUNDING AVAILABILITY TABLE (2004 - 2005 Program Year)**

<i>Funding Sources</i>	<i>Amount</i>
CDBG – HUD Annual Entitlement/Reallocation	\$2,715,191
CDBG – Prior Year - Program Income 2003/04 PY	\$25,000
HOME Program	\$1,349,744
American Dream Down Payment Initiative (ADDI)	\$55,962
HUD-ESG & Fannie Mae American Communities Fund (ACF)	\$206,162
Human Services Endowment Fund (HSEF)	\$113,200
<b>TOTAL</b>	<b>\$4,465,259</b>

On September 20, 2003, 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 2004-2005 Program Year funds.

On Monday, March 15, 2004, City Council approved the CDBG City Set-Aside (Exhibit "A") in the amount of \$1,654,672: (\$908,100 for four eligible City administered non-public service projects; and \$746,572 for Section 108 Loan Repayment and CDBG Program Administration).

On April 5, 2004, the Human Services Commission finalized funding recommendations for the CDBG/ESG/HSEF 2004-2005 Program Year Public/Human Service Projects (Exhibit "B"). Twenty-two projects are recommended for funding in the amount of \$730,390. This is the first year of the Human Services Commission's funding cycle: 2004/05 and 2005/06.

On April 27, 2004, the Northwest Commission finalized funding recommendations for the 2004-2005 Program Year Non-Public Service Projects (Exhibit "C"). Seven projects in the economic development, housing, and planning/administration categories are recommended for funding in the amount of \$674,491. Ten proposals were received requesting funding for non-public service projects; all proposals were considered for funding.

The HOME Investment Partnership Program (HOME) funds of \$1,349,744 and \$55,962 in American Dream Down Payment Initiative (ADDI) (Exhibit "D") are also available by the identified Housing categories as part of the proposed 2004-2005 HUD federal grant allocation.

In addition, HUD - Housing Opportunities for Persons with AIDS (HOPWA) funds in the amount of \$83,905 are provided to the Pasadena Community Development Commission from the Los Angeles City Housing Department and the Community Development Commission. The Commission administers the HOPWA Program on behalf of the City of Pasadena for tenant-based rental assistance to those households 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, and public/human service activities throughout the City of Pasadena and especially in the CDBG Benefit Service Area (Exhibit "E") 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 15,000 households over the next program year.

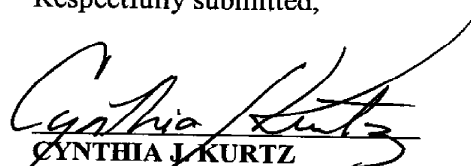
Exhibits "F-1" and "F-2" show prior year funding recommendations: (2003-2004 PY).

**FISCAL IMPACT:**

Approval of the Annual Action Plan (2004-2005) by the City Council/Community Development Commission and subsequent approval by HUD will contribute in excess of \$4.4 million in federal and local dollars toward achievement of the City's affordable housing and community development goals through funding from the CDBG; HOME; ADDI, ESG; HSEF; and HOPWA Programs as follows:

- CDBG Program Year 2004-2005 funding recommendations allocating \$2,740,191 to the proposed projects.
- HOME 2004-2005 Program Year funding recommendations allocating \$1,405,706 (\$1,349,744-HOME and \$55,962 American Dream Down Payment Initiative) to the identified housing categories/activities.
- ESG 2004-2005 Program Year funding recommendations allocating \$206,162 (\$103,081-ESG and \$103,081 Fannie Mae American Communities Fund (ACF) Interest Earnings as the required local match.
- Human Services Endowment Fund (HSEF) 2004-2005 Program Year funding recommendations allocating \$113,200 from HSEF accrued interest earnings to the proposed projects.
- HOPWA Program Year funds from L.A. City Housing Department to provide rental assistance to local residents impacted by HIV/AIDS.

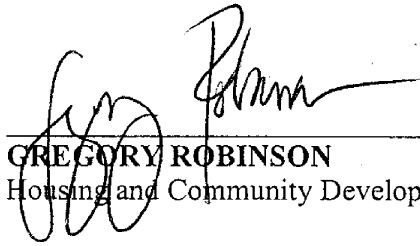
Respectfully submitted,

  
CYNTHIA J. KURTZ  
City Manager/Chief Executive Officer

Prepared by:

  
EUNICE GRAY  
Project Planner

Reviewed by:

  
GREGORY ROBINSON  
Housing and Community Development Administrator

Approved by:

  
RICHARD J. BRUCKNER  
Director, Planning & Development Dept.

Concurrence:

  
PATRICIA A. LANE  
Director, Human Services & Recreation

Attachments: Exhibits  
A copy of the Draft Annual Action Plan (2004-2005) is on file in the City Clerk's office.

**City of Pasadena/Community Development Block Grant (CDBG) Program  
30<sup>th</sup> Program Year 2004-2005**

**City Set-Aside Projects**

<b>AGENCY</b>	<b>PROGRAM</b>	<b>REQUESTED AMOUNT</b>	<b>AMOUNT RECOMMENDED</b>
<b>CODE ENFORCEMENT (CF)</b>			
City of Pasadena - Planning and Development Dept.	Code Enforcement Task Force	\$ 271,024	\$ 261,000
<b>Sub-Total</b>			<b>\$ 261,000</b>
<b>ECONOMIC DEVELOPMENT (ED)</b>			
City of Pasadena - Human Services, Recreation Dept./Career Services Div.	Business Development	\$ 70,000	\$ 30,000
City of Pasadena - Planning and Development Dept.	Section 108 - Loan Repayment	296,572	296,572
City of Pasadena - Planning and Development Dept.	Employment Hall (Northwest Programs)	60,000	60,000
<b>Sub-Total</b>			<b>\$ 386,572</b>
<b>HOUSING (H)</b>			
City of Pasadena - Planning and Development Dept.	Maintenance Assistance Services to Homeowners (MASH)	\$ 617,491	\$ 557,100
<b>Sub-Total</b>			<b>\$ 557,100</b>
<b>PLANNING (P)</b>			
City of Pasadena - Planning and Development Dept.	CDBG Program Administration	\$ 500,000	\$ 450,000
<b>Sub-Total</b>			<b>\$ 450,000</b>
<b>Total City Set-Aside</b>			<b>\$ 1,654,672</b>

(Approved by City Council March 15, 2004)

**City of Pasadena/CDBG/ESG/HSEF 30<sup>th</sup> Program Year: 2004-2005  
Human Services Commission Funding Recommendations  
Public/Human Service Projects**

PROPOSER	PROPOSED PROJECT	AMOUNT REQUESTED	FUNDING RECOMMENDATION
<b>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM</b>			
AAF Rose Bowl Aquatics Center	Olympic Challenge Innovative Program	\$ 42,597	\$ 27,000
Center for Aging Resources	Elder Abuse Prevention and Intervention	50,000	25,000
Coalition for Zero Violence	Pasadena Prevents	50,000	24,000
El Centro de Accion Social, Inc.	Pena Juvenil Program	101,807	52,000
Journey House Inc.	Program Expansion Project	43,256	35,710
Mothers' Club Community Center, Inc.	Orange Grove Family Center	53,300	42,000
Pasadena Mental Health Association	Counseling Program	53,762	40,000
Pasadena Unified School District	Cleveland/Madison/Rose City Family Centers	70,000	45,000
Pasadena Unified School District	Pasadena LEARNS at Blair Magnet School	30,000	15,000
Pasadena Unified School District	Young and Healthy	46,031	30,000
URDC Human Services Corporation	Family Access to Health Prevention and Treatment	43,625	25,000
YWCA Pasadena-Foothill Valley	Just for Girls After School Prevention & Learning Enrichment Programs	69,556	27,290
<b>Sub-Total</b>			<b>\$ 388,000</b>
<b>EMERGENCY SHELTER GRANT (ESG) PROGRAM</b>			
Ecumenical Council of Pasadena Area Churches	Emergency Homeless Response Program	\$ 75,000	\$ 40,000
Ecumenical Council of Pasadena Area Churches	Emergency Shelter Project	65,000	30,000
Salvation Army	Expansion of Social Services	65,000	23,162
Union Station Foundation	Meals Program	60,000	52,000
Union Station Foundation	Sources: Job Training and Preparation	95,000	61,000
<b>Sub-Total</b>			<b>\$ 206,162</b>
<b>HUMAN SERVICES ENDOWMENT FUND (HSEF)</b>			
Armenian Relief Society	Community Social Services	\$ 39,662	\$ 25,728
Child Care Information Services	Children in Crises	25,000	20,000
Pasadena Senior Center	Project Reach Out	64,140	25,700
The Sycamores	Job Readiness Workshop	68,000	30,000
<b>Sub-Total</b>			<b>\$ 101,428</b>
<b>CDBG/HSEF Combined</b>			
El Centro de Accion Social, Inc.	Villa-Parke Senior Network	\$ 53,009	\$ 34,800
			<b>CDBG \$ 23,028</b>
			<b>HSEF \$ 11,772</b>
<b>Sub-Total</b>			<b>\$ 34,800</b>
<b>Total Public/Human Services Funding Sources: 2004-05 Program Year</b>			
Community Development Block Grant Program (up to 15% CAP - Public /Human Services)			<b>\$ 411,028</b>
Emergency Shelter Grant (\$103,081)/American Communities Fund (ACF) (\$103,081)			<b>\$ 206,162</b>
Human Service Endowment Fund/HSEF			<b>\$ 113,200</b>
<b>TOTAL</b>			<b>\$ 730,390</b>

**City of Pasadena/Community Development Block Grant (CDBG) Program  
30<sup>th</sup> Program Year 2004-2005 (Adopted by the Northwest Commission on April 27, 2004)  
Non-Public Service Projects - Northwest Commission Funding Recommendations**

<b>AGENCY</b>	<b>PROGRAM</b>	<b>REQUESTED AMOUNT</b>	<b>AMOUNT RECOMMENDED</b>
<b>ADMINISTRATIVE/PLANNING</b>			
Housing Rights Center	Fair Housing Program	\$ 63,000	\$ 60,000
<b>Sub-Total</b>			<b>\$ 60,000</b>
<b>ECONOMIC DEVELOPMENT</b>			
Pasadena Development Corporation	Small Business Assistance Program	\$ 312,000	\$ 198,000
Pasadena Enterprise Center	Business Incubator Program	170,000	73,000
Institute of Popular Education (IDEPSCA)	Pasadena Community Job Center	226,197	68,491
El Centro de Accion Social, Inc.	Project Advance	133,099	67,000
<b>Sub-Total</b>			<b>\$ 406,491</b>
<b>HOUSING</b>			
Pasadena Neighborhood Housing Services, Inc.	Neighborhood Impact Program	\$ 890,180	\$ 198,000
<b>Sub-Total</b>			<b>\$ 198,000</b>
<b>PUBLIC FACILITIES &amp; IMPROVEMENTS</b>			
Alkebu-Lan Cultural Center	Property Development Project III	\$ 50,000	\$ 10,000
<b>Sub-Total</b>			<b>\$ 10,000</b>
<b>Non-Public Service Projects – Northwest Commission Funding Recommendation Totals</b>			<b>\$ 674,491</b>

**PASADENA COMMUNITY DEVELOPMENT COMMISSION**  
**HOME INVESTMENT PARTNERSHIP ACT**  
**2004 - 2005 PY**

<b>Project/Activities</b>	<b>HOME Entitlement 2004/2005 PY</b>	<b>American Dream Down Payment Initiative (ADDI)</b>	<b>Totals</b>
1. Homeownership Opportunities Program (HOP)	\$ 200,000	\$ 55,962	\$ 255,962
2. Fannie Mae/American Communities Fund Reserve	\$ 558,000		\$ 558,000
3. HOME Administration	\$ 134,974		\$ 134,974
4. CHDO Reserve (15%)	\$ 202,462		\$ 202,462
5. HOME Tenant Based Rental Assistance Program (TBRA)	\$ 200,000		\$ 200,000
6. Rental Rehabilitation Program	\$ 54,308		\$ 54,308
<b>TOTALS</b>	<b>\$1,349,744</b>	<b>\$ 55,962</b>	<b>\$1,405,706</b>





Prior Year Funding (2003-2004)

**City of Pasadena/CDBG/ESG/HSEF Program Year: 2003-04  
Human Services Commission Funding Recommendations  
Approved by the Human Services Commission on May 5, 2003  
Public/Human Service Projects**

Approved by City Council (May 19, 2003)

PROPOSER	PROPOSED PROJECT	AMOUNT REQUESTED	FUNDING RECOMMENDATION
<b>COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)</b>			
AAF Rose Bowl Aquatics Center	Olympic Challenge Innovative Program	\$ 57,785	\$ 41,884
El Centro de Accion Social, Inc.	Pena Juvenil Program	\$ 70,947	\$ 50,000
El Centro de Accion Social, Inc.	Villa-Parke Senior Network	\$ 50,265	\$ 35,000
Heritage Clinic & Community Assistance Program for Seniors, dba Center for Aging Resources	Elder Abuse Prevention and Intervention Project	\$ 50,000	\$ 32,000
Mothers' Club Community Center, Inc.	Orange Grove Family Center	\$ 50,000	\$ 50,000
Pasadena Mental Health Association	Counseling Program	\$ 58,200	\$ 37,000
Pasadena Mental Health Association	Project LEAP	\$ 34,817	\$ 30,000
Pasadena Unified School District	Cleveland/Madison Family Centers	\$ 50,000	\$ 40,000
Pasadena Unified School District	Young and Healthy	\$ 50,000	\$ 35,000
URDC Human Services Corporation	Family Access to Health Prevention and Treatment	\$ 46,571	\$ 35,300
<b>Sub-Total</b>			<b>\$ 386,184</b>
<b>EMERGENCY SHELTER GRANT (ESG), HOUSING TRUST FUNDS (HTF), HUMAN SERVICE ENDOWMENT FUND (HSEF)</b>			
Ecumenical Council of Pasadena Area Churches	Emergency Homeless Response Program	\$ 50,000	\$ 50,000
Ecumenical Council of Pasadena Area Churches	Emergency Shelter Project	\$ 40,000	\$ 40,000
Union Station Foundation	Meals Program	\$ 50,000	\$ 50,000
Union Station Foundation	Sources: Job Training and Preparation	\$ 95,000	\$ 74,556
<b>Sub-Total</b>			<b>\$ 214,556</b>
<b>HUMAN SERVICES ENDOWMENT FUND (HSEF)</b>			
Armenian Relief Society	Community Social Services	\$ 36,181	\$ 25,000
Child Care Information Services (CCIS)	Children in Crises	\$ 50,000	\$ 25,000
Links Inc., Pasadena-Altadena Chapter	Pasadena Links to Student Success	\$ 28,144	\$ 28,144
Pasadena Senior Center	Information and Outreach	\$ 67,640	\$ 30,000
<b>Sub-Total</b>			<b>\$ 108,144</b>
<b>CDBG/HSEF Combined</b>			
YWCA Pasadena-Foothill Valley	Just for Girls After School Prevention & Learning Enrichment Programs	\$ 68,856	\$ 40,000
			<b>CDBG \$ 32,700</b>
			<b>HSEF \$ 7,300</b>
<b>Sub-Total</b>			<b>\$ 40,000</b>
<b>Total Public/Human Services Funding Sources: 2003-04 Program Year</b>			
Community Development Block Grant Program (up to 15% CAP - Public /Human Services) CDBG			<b>\$ 418,884</b>
Emergency Shelter Grant (\$91,000)/Housing Trust Fund (\$91,000) and \$28,000 in prior year ESG			<b>\$ 210,000</b>
Human Service Endowment Fund/HSEF			<b>\$ 120,000</b>
<b>TOTAL</b>			<b>\$ 748,884</b>

Prior Year Funding (2003-2004)

**City of Pasadena/Community Development Block Grant (CDBG) Program  
29<sup>th</sup> Program Year 2003-2004 (Adopted by the Northwest Commission on April 22, 2003)  
Non-Public Service Projects – Northwest Commission Funding Recommendations**

Approved by City Council (May 19, 2003)

AGENCY	PROGRAM	REQUESTED AMOUNT	AMOUNT RECOMMENDED
<b>ADMINISTRATIVE/PLANNING (AP)</b>			
Housing Rights Center	Fair Housing Program	\$ 61,000	\$ 60,000
Alkebu-Lan Cultural Center	Property Development Project II	\$ 72,520	\$ 24,022
<b>Sub-Total</b>			<b>\$ 84,022</b>
<b>ECONOMIC DEVELOPMENT (ED)</b>			
Pasadena Development Corporation	Small Business Assistance Program	\$ 500,000	\$ 255,000
Institute of Popular Education (IDEPSCA)	Pasadena Community Job Center	\$ 181,742	\$ 80,000
El Centro de Accion Social, Inc.	Project Advance	\$ 186,224	\$ 54,378
<b>Sub-Total</b>			<b>\$ 389,378</b>
<b>HOUSING (H)</b>			
Pasadena Neighborhood Housing Services, Inc.	Neighborhood Impact Program	\$ 879,506	\$ 172,378 *(\$27,622)
Heritage Housing Partners	Comprehensive Residential Rehab Program	\$ 200,000	\$ 100,000
<b>Sub-Total</b>			<b>\$ 272,378</b>
<b>Non-Public Service Projects – Northwest Commission Funding Recommendation Totals</b>			<b>\$ 745,778</b>

\*Note: PNHS will receive \$27,622 in HOME Program funds to provide for the \$200,000 allocation for the 2003/04 PY

<b>*** Non-Public Service – City Set- Aside Projects *** (Approved by City Council March 24, 2003)</b>			
<b>CODE ENFORCEMENT (CF)</b>			
City of Pasadena - Planning and Development Dept.	Code Enforcement Task Force	\$ 279,933	\$ 261,000
<b>Sub-Total</b>			<b>\$ 261,000</b>
<b>ECONOMIC DEVELOPMENT (ED)</b>			
City of Pasadena - Planning and Development Dept.	Section 108 - Loan Repayment	\$ 373,515	\$ 373,515
City of Pasadena - Planning and Development Dept.	Employment Hall (Northwest Programs)	\$ 60,000	\$ 60,000
<b>Sub-Total</b>			<b>\$ 433,515</b>
<b>HOUSING (H)</b>			
City of Pasadena - Planning and Development Dept.	Maintenance Assistance Services to Homeowners (MASH)	\$ 617,491	\$ 530,100
<b>Sub-Total</b>			<b>\$ 530,100</b>
<b>PLANNING (P)</b>			
City of Pasadena - Planning and Development Dept.	CDBG Program Administration	\$ 486,044	\$ 486,044
<b>Sub-Total</b>			<b>\$ 486,044</b>
<b>Total City Set-Aside</b>			<b>\$1,710,659</b>
<b>TOTAL</b>			<b>\$2,456,437</b>

Exhibit "G"

**Draft Annual Action Plan**

Program Year 2004-2005

**Introduction, Executive Summary and Key Objectives**

**CITY OF PASADENA  
CONSOLIDATED PLAN (2000 – 2005)  
ANNUAL ACTION PLAN 2004 - 2005 PROGRAM YEAR**

**I. INTRODUCTION**

The U.S. Department of Housing and Urban Development (HUD) requires cities and counties to adopt a Five-Year Consolidated Plan. On June 5, 2000, the City Council approved the City of Pasadena's Five-Year Consolidated Plan 2000-2005, which was subsequently submitted and approved by HUD on July 1, 2000.

The Five Year Consolidated Plan is a comprehensive housing and community development document that addresses a jurisdiction's strategy to provide decent housing, a suitable living environment and to expand economic development opportunities principally for low and moderate-income individuals and households. It also functions as a planning document, an application for federal funds, a strategy tool, and action plan.

The Annual Action Plan (2004-2005) describes the specific projects and activities that Pasadena will undertake in the coming year with its HUD funds to address those priority needs identified in the Five-Year Consolidated Plan. The Annual Action Plan incorporates that section of the Five-Year Consolidated Plan (2000-2005) that describes the strategy to carry out federal programs, indicates the general priorities for allocating funds and describes the basis for assigning the funding to each priority need. The Plan includes a description of the activities, funded with HUD Community Development formula grant funds, that will be undertaken during the next year (July 1, 2004 - June 30, 2005) to address priority needs; and it contains certifications indicating that the City will follow certain requirements such as furthering fair housing.

Essentially, the Consolidated Plan and Annual Action Plans simplify the steps needed to receive funding under four (4) HUD formula grant programs. These federal grants are:

Community Development Block Grant (CDBG) Program: A formula-based program that annually allocates funds to metropolitan cities, urban counties, and states for a wide range of eligible housing and community development activities. Over the time period certified by the jurisdiction, not less than 70 percent of a grantee's CDBG expenditures can be used for activities that benefit low - and moderate - income persons.

HOME Investment Partnership (HOME): A formula-based program that provides allocations to states and units of general local governments, known as participating jurisdictions. Its purpose is to retain and expand the supply of affordable housing principally for low- and extremely low-income families through housing rehabilitation, new construction, first-time homebuyer financing, and rental assistance.

Emergency Shelter Grant (ESG) Program: A formula-based program that allocates funds to states, metropolitan cities, and urban counties to support emergency shelters for homeless individuals and families.

Housing Opportunities for Persons with HIV/AIDS (HOPWA): A grant program that addresses the needs of persons living with HIV or AIDS and their families.

Additionally, the Plans provide a basis for programming and allocating other federal funds including its Housing Choice Voucher Program, Continuum of Care Homeless Assistance Programs (Supportive Housing, Shelter Plus Care and Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings), etc., as well as local housing and development resources.

The overall goal of the federal community planning and development programs covered by the Consolidated Plan and Annual Action Plans is to develop viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities principally for low and moderate-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector.

## II. EXECUTIVE SUMMARY AND KEY OBJECTIVES

The Executive Summary provides an overview of the City of Pasadena's housing and community development goals and objectives, priorities and strategies as described in the Five Year Consolidated Plan (2000 - 2005) approved by the City Council on June 5, 2000. The overriding purpose of the housing and community development activities cited in this plan is to target resources to meet the needs of low/moderate-income residents and to intensify revitalization efforts in the census tracts that have the greatest concentration of low/moderate-income households.

In accordance with the U.S. Department of Housing and Urban Development Consolidated Submission for Community Planning and Development Programs (24 Code of Federal Regulations (CFR) Part 91), the Annual Action Plan (2004-2005) includes the Standard Form 424 which serves as the City's application, a description of Federal and non-federal resources expected to be available to address the priority needs and specific objectives identified in the plan; description of activities to be undertaken during the fiscal year, a description of the geographic distribution of funds and projects and activities including those that address emergency shelter and transitional housing needs of homeless individuals and families.

The Annual Action Plan also addresses "obstacles to meeting under-served needs, activities to foster and maintain affordable housing, remove barriers to affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty level families, development institutional structure and enhance coordination between public and private housing and social service agencies/organizations, and foster public housing improvements and resident initiatives."

The Consolidated Plan is designed to enable the City of Pasadena to establish a unified vision for community development actions. It offers the City the opportunity to shape its various housing and community development programs into effective, coordinated, neighborhood and community development strategies. The Consolidated Plan approach is also the means to meet the application requirements for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) formula programs.

The City of Pasadena is experiencing significant economic prosperity; the economy is growing, unemployment is low, and home prices and rents are escalating. The City is a very desirable place to work and live and has a world-class reputation. This prosperity is not shared by all of its citizens and is increasing the demand on the housing market and making it more difficult for residents with limited income and skills to continue to afford to live in Pasadena.

The statutes for the formula grant programs set forth three basic goals against which the plan and the City of Pasadena's performance under the plan will be evaluated by the Department of Housing and Urban Development (HUD). The City of Pasadena's plan must state how it will pursue these goals for all community development programs, as well as all housing programs. These statutory program goals are:

**DECENT HOUSING** which includes assisting homeless persons with obtaining affordable housing; assisting persons at risk of becoming homeless; retention of affordable housing stock; increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability; increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and providing affordable housing that is accessible to job opportunities.

**A SUITABLE LIVING ENVIRONMENT** which includes improving the safety and livability of neighborhoods; increasing access to quality public and private facilities and services; reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value; and conservation of energy resources.

**EXPANDED ECONOMIC OPPORTUNITIES** which includes job creation and retention; establishment, stabilization and expansion of small businesses (including micro businesses); the provision of public services concerned with employment; the provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan; availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

## **KEY OBJECTIVES**

The primary goal of the strategic plan (Appendix A) is to summarize the priorities and specific objectives to be addressed during the five-year period of the Consolidated Plan (2000 – 2005) and to identify the proposed housing and community development activities to be undertaken. The principal objectives are as follows:

### Housing

- a. Increase, improve and preserve the supply of affordable housing opportunities for 1,376 extremely low, low and moderate-income families through new construction, rehabilitation, rental and homeownership assistance;
- b. Provide emergency shelters, homeless prevention, and supportive services for 4,365 individuals and families with special needs;
- c. Provide housing with related supportive services for 3,000 individuals including, persons with severe mental illness, physical disabilities, HIV/AIDS, substance abuse, youth, and the elderly;



### Non-Housing Community Development

- a. Provide quality public services which meet basic human needs including health care, education, transportation and employment training for 25,000 persons;
- b. Provide technical and financial assistance to small businesses (including micro-enterprises), business incubators, and other commercial ventures through the provision of 250 loans and creation/retention of 500 jobs;
- c. Renovation or repair of twenty (20) public facilities to provide safer and more efficient services, and make facilities more accessible for persons with special needs;
- d. Ensure compliance with federal regulations governing the provision of projects and services including fair housing, equal opportunity, project monitoring and reporting requirements.

### **ANNUAL ACTION PLAN (2004 – 2005 Program Year)**

The City is required to submit an annual action plan for each year of the five-year plan. This section identifies the activities the City plans to undertake during the 2004 - 2005 Program Year. The activities are as follows:

#### a. Description of Public/Human Service Activities Planned with Federal Funds

Eighteen (18) activities will be implemented with Community Development Block Grant and Emergency Shelter Grant funds. Of the eighteen activities thirteen (13) focus on health care, mental health, senior services, education, and after school programs using \$411,028 in Community Development Block Grant funds and \$113,200 in Human Services Endowment Funds. Five (5) activities concerning homeless services (shelter, food, and employment) will be achieved with \$103,081 in Emergency Shelter Grant funds; and the required match is met through \$103,081 in funds from the Interest Earnings from the Federal National Mortgage Association (FannieMae) American Communities Fund (ACF). The total of funding available to support homeless services for the 2004-2005 PY is \$206,162.

#### b. Description of Non-Public Service Activities Planned with Federal Funds

Thirteen (13) activities will be implemented with Community Development Block Grant (CDBG) funds. The total amount of CDBG funds for these activities is \$2,329,163. These activities will focus on economic development, housing, code enforcement, and planning/administration. It is anticipated that approximately \$11 million in CDBG funds will be available for these activities over the five (5) year period of the Consolidated Plan: 2000 - 2005.

Similarly, 450 housing units are projected under the 2000 NOFA utilizing \$6,500,00 in Fannie Mae, HOME Investment Partnership and Low and Moderate Income Housing Trust funds. The activities proposed include homeownership assistance for first-time home buyers, construction of new

rental units, construction of a senior citizens apartment complex, purchase, rehabilitation, and resale of vacant, single-family residences to first-time homebuyers, tenant-based rental assistance, rental rehabilitation, and rehabilitation of a special needs home.

c. Description of Activities Planned with Other Resources

1. Human Service Endowment Fund (HSEF)

The City of Pasadena established the Human Service Endowment Fund (HSEF) in 1992 to support local human service activities. The HSEF is linked with the public/human service component of the Community Development Block Grant (CDBG) Program. The funding rationale for the collective allocation of these resources is based on annually established priorities for documented unmet human service needs. HSEF funds are made available on a two (2) year funding cycle. Through the CDBG request for proposal process, HSEF funds are awarded to community based human service organizations.

Five (5) activities will be implemented with HSEF funds. The total amount of funds for these activities is \$113,200. These activities will focus on services for children, youth, students, and seniors.

2. Low and Moderate Income Housing Trust Fund

The City of Pasadena Low and Moderate-Income Housing Trust Fund (LMI/HTF) is funded by a portion of the tax increment revenues generated from the City's redevelopment projects. As mandated by state law, twenty percent (20%) of redevelopment tax increment revenues must be set-aside and used for activities that increase, improve or preserve affordable housing opportunities. Over \$1 million in LMI/HTF shall be used to assist forty (40) affordable housing units through housing rehabilitation, land acquisition, housing construction, assistance to eligible homebuyers, homeless individuals/households, and to provide fair housing services.

3. Federal National Mortgage Association - American Communities Funds and Down Payment Assistance Investment Note

The City of Pasadena has recently negotiated with Federal National Mortgage Association (Fannie Mae) the use of the two (2) financial investment vehicles to assist low and moderate-income households. Pasadena will use Fannie Mae's a) American Communities Fund to finance affordable housing activities citywide with emphasizes on the Neighborhood Revitalization Strategy Area (northwest) and b) Down Payment Assistance Investment Note to provide homebuyer assistance citywide. The proposed funding commitment from the American Communities Fund (\$6,500,000), will assist rehabilitation or new construction of 100+ housing units and the Down Payment Assistance Investment Note (\$1,000,000) will assist 65+ homebuyers purchase single-family homes.

4. California Housing Finance Agency

The City of Pasadena has obtained \$1 million in funding through the California Housing Finance Agency's (CHFA) Housing Enabled by Local Partnerships (HELP) Program to address the rapidly growing unmet demand for rental housing rehabilitation. The HELP Program loan will expand the City's rental rehabilitation efforts by providing additional funds to address fifty (50) multi-family rental housing units experiencing significant deterioration.

5. California Department of Housing and Community Development (HCD)

The City of Pasadena is participating with the California Department of Housing and Community Development (HCD) with its First-Time Homebuyer Mortgage Assistance and Owner-Occupied Rehabilitation Programs. The City of Pasadena received funding approval of \$500,000 for these programs in 2001. Two (2) non-profit organizations, Heritage Housing Partners (HHP) and Pasadena Neighborhood Housing Services (PNHS) are administering these programs.

HCD made major changes to this program in early 2003 in order to improve productivity. PNHS has now completed two First-Time Homebuyer Mortgage Assistance Loans and anticipates another six loans during the 2003-2004 program year. HHP is now in the process of re-marketing the Owner-Occupied Rehabilitation Loan Program and anticipates the completion of six (6) loans during the 2003-2004 program year.

**A COMPLETE COPY OF THE  
DRAFT ANNUAL ACTION PLAN 2004-2005  
IS AVAILABLE FOR PUBLIC VIEWING AT  
THE FRONT COUNTER OF THE  
CITY CLERK'S OFFICE (CITY HALL, ROOM 236)  
AND AT THE MAIN LIBRARY AND  
ALL BRANCH LIBRARIES.**