

Agenda Report

SEPTEMBER 16, 2013

TO: Honorable Mayor and City Council

FROM: Housing Department

SUBJECT: PUBLIC HEARING: APPROVAL OF A SUBSTANTIAL AMENDMENT TO THE 2011-2012 AND 2012-2013 ANNUAL ACTION PLAN TO ALLOW FOR THE REPROGRAMMING OF CDBG AND HOME FUNDS

RECOMMENDATION:

It is recommended that the City Council, following the public hearing, adopt a resolution approving the submission, to the U.S. Department of Housing and Urban Development (HUD), of a Substantial Amendment to the 2011-2012 and the 2012-2013 Annual Action Plan to allow for the reprogramming of funds as described in this agenda report.

BACKGROUND:

As a recipient of community development and housing funds from the U.S. Department of Housing and Urban Development (HUD), the City is required to prepare and submit to HUD an Annual Action Plan. The Annual Action Plan generally describes how the City will utilize and distribute funds between eligible activities during the program year. The 2011-2012 and the 2012-2013 Annual Action Plans were approved by City Council on June 20, 2011 and May 21, 2012 respectively. In accordance with HUD regulations, any significant change to an Annual Action Plan must be approved by the local government body in the form of a Substantial Amendment.

CDBG Funds

In 2011-2012 the City approved CDBG funding in the amount of \$33,600 for the rehabilitation of the Back to Life Transitional Housing Project. This project was unable to be moved forward due to lack of insurance and leverage funds to finish the project in its entirety.

In 2012-2013 the City approved CDBG funding allocations in the amount of \$140,000 for two projects, the Pasadena Bioscience Collaborative (PBC) (\$100,000) and the City

Approval of a Substantial Amendment to the 2011-2012 and 2012-2013 Annual Action Plans

September 16, 2013

Page 2 of 3

of Pasadena Department of Information Technology (DoIT) Villa Parke Cable Project (\$40,000).

The PBC Project could not move forward due to lack of a long term lease and funds to finish the project. The DoIT Villa Park Cable project was completed outside the time frame that would allow the City to be reimbursed for the funds.

Staff is requesting these CDBG funds be reprogrammed to the following projects:

A) Additional funding for the City of Pasadena Public Works Department Parks and Natural Resources Division for the Villa Parke Facility, ADA and Energy Efficiency Improvements Project in the amount of \$133,600.

B) Funding for Public Works in the amount of \$40,000 to replace sidewalks in the Benefit Service Area (BSA). The target areas are Lake Avenue from Maple Street to Orange Grove Boulevard and Los Robles Avenue from Mountain Street to Woodbury Road. Public Works will complete the work on Lake Avenue as a first priority and are uncertain if the \$40,000 will be enough to complete all the work along Los Robles Avenue. Public Works will complete as much work as possible with the allocated dollars. In addition, Public Works will add two MASH workers to its City Sidewalk Repair Crew to assist with this project.

In addition to the reprogramming, staff is proposing to allocate CDBG funds in the amount of \$40,000 for the Pasadena Public Health Department Parking Lot Project. The project is in the beginning stages of utilizing a neighboring property for additional parking. These funds will come out of 2012-2013 CDBG allocation in the form of program income.

HOME Funds

In previous years, as required by HUD, the City has approved HOME funds for projects sponsored by Community Housing Development Organizations (CHDOs). The cumulative amount of the "CHDO Reserve" HOME funds through HUD FY 2011 that are required to be committed by September 30, 2013 is \$367,518. Staff is proposing to allocate CHDO Reserve funds in this amount to Abode Community Housing, a qualified CHDO, to undertake additional rehabilitation of the Centennial Place permanent supportive housing project. A CHDO funding agreement for this project will be presented to City Council, upon approval of this amendment, with the appropriate budget authorization to utilize these funds.

The funds for both the CDBG and HOME projects will be committed to the above projects before September 30, 2013.

The Draft Substantial Amendment was issued for Public Review from July 8, 2013 through August 12, 2013. No comments were received.

COUNCIL POLICY CONSIDERATION:

This proposed action supports the City Council Strategic Planning Three-Year Goals specifically in the areas of supporting the quality of life and the local economy.

FISCAL IMPACT:

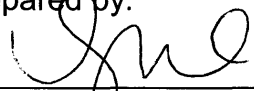
Approval of the subject recommendation will result in the reallocation of approximately \$213,600 in CDBG funds and \$367,518 in HOME CHDO Reserve funds. There is no impact to the City's General Fund.

Respectfully submitted,



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Approved by:



MICHAEL J. BECK
City Manager