

Agenda Report

August 28, 2017

TO: Honorable Mayor and City Council

FROM: Housing and Career Services Department

SUBJECT: PUBLIC HEARING: APPROVAL OF SUBSTANTIAL AMENDMENT TO ANNUAL ACTION PLAN 2017-2018 PERTAINING TO HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING

RECOMMENDATION:

It is recommended that upon the 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; and
- 2) Approve the Substantial Amendment to Annual Action Plan 2017-2018 pertaining to HOME Investment Partnerships program funding, 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), including funds under the HOME Investment Partnerships program (HOME), the City of Pasadena is required to submit to HUD an Annual Action Plan for each federal program year. The City's Annual Action Plan for program year 2017-2018 was approved by City Council on May 15, 2017. The Annual Action Plan generally describes how the City will utilize its federal funds during the program year. In accordance with HUD regulations, any substantial change to an Annual Action Plan must be approved by the local government body in the form of a Substantial Amendment. The proposed changes to the City's Annual Action Plan 2017-2018, as described below, fall under HUD's definition of a Substantial Amendment. Public notices for the Substantial Amendment were published in the Pasadena Star News and Pasadena Journal on July 20, 2017, and a revised notice was published on August 9, 2017.

SUBSTANTIAL AMENDMENT TO ANNUAL ACTION PLAN 2017-2018

The proposed Substantial Amendment consists of the following project:

Centennial Place Interior Rehabilitation project: proposed programming of \$314,200 in HOME Community Housing Development Organization (“CHDO”) loan funds to expand the interior rehabilitation scope of this 142-unit permanent supportive housing complex (single-room occupancy) for homeless persons. The rehabilitation scope includes renovation of shower, bathroom, kitchen and community room facilities; new HVAC systems for the community room and elevator equipment room; portable air conditioners for reasonable accommodation units; a new chair lift; and new energy-efficient lighting. With approval of the Substantial Amendment, staff will bring a recommendation to City Council next month for action on the terms of a loan agreement for this project.

The table below sets forth the specific HOME funding for the project under the proposed Substantial Amendment to Annual Action Plan 2017-2018.

Project	HOME Funding
<p><u>Centennial Place Interior Rehabilitation</u> 235 E. Holly Street Owner: Centennial Place, LP</p>	<p>\$314,200 Total</p> <p>\$ 82,568 PY2014 CHDO – must commit by 9/30/17 \$ 74,962 PY2015 CHDO – must commit by 9/30/17 \$ 76,603 PY2016 CHDO – must commit by 9/30/18 \$ <u>80,067</u> PY2017 CHDO – must commit by 9/30/19 \$314,200 Total</p>

Approval and implementation of the Substantial Amendment will facilitate the timely commitment of HOME funds in accordance with HUD regulations and timeframes.

COUNCIL POLICY CONSIDERATION

This proposed action supports the City Council Strategic Planning Three-Year Goals in the areas of: 1) promoting the quality of life and the local economy; and 2) maintaining fiscal responsibility and stability.

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 a Substantial Amendment to the Annual Action Plan will not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT

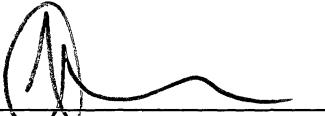
There is no fiscal impact as a result of the action. Staff will recommend a budget appropriation for the Centennial Place Interior Rehabilitation project when the terms of this transaction are brought to City Council for consideration.

Respectfully submitted,



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