



# Agenda Report

**January 31, 2022**

**TO: Honorable Mayor and City Council**

**FROM: William K. Huang, Housing Director**

**SUBJECT: PUBLIC HEARING: SUBSTANTIAL AMENDMENT TO 2021-2022 ANNUAL ACTION PLAN**

## **RECOMMENDATION:**

It is recommended that upon close of the public hearing the City Council:

- 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 "common sense" provision that CEQA only applies to projects that may have an effect on the environment; and
- 2) Approve the submission to the U.S. Department of Housing and Urban Development (HUD) of a Substantial Amendment to the Annual Action Plan (2021-2022) as described in the report for the reprogramming of \$16,391 in Community Development Block Grant (CDBG), and \$243,398 in Community Development Block Grant CV Round 3 (CDBG-CV3).

## **BACKGROUND:**

The Annual Action Plan sets forth the projected uses of federal entitlement funds, including Community Development Block Grant ("CDBG"), HOME Investment Partnership Act ("HOME"), and Emergency Solutions Grant ("ESG") program funds for the coming program year. The Plan addresses the efforts made toward accomplishing the goals and objectives included in the City's Five-Year Consolidated Plan (2020-2024). On June 7, 2021, the City Council convened a public hearing approving the submission of the Annual Action Plan (2021-2022) as an application to the U.S. Department of Housing and Urban Development (HUD). The modifications described below require that the Annual Action Plan be amended in accordance with HUD regulations by a "Substantial Amendment" (as that term is used in the Citizen Participation Plan).

On November 23, 2020, \$1,220,949 in CDBG-CV funds were awarded by City Council to Parks, Recreation and Community Services (PRCS) for the Pasadena Food Pantry

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Program. This award was reduced to \$689,164 (a funding decrease of \$531,785) because many of the food pantries that were working with PCRS did not have the capacity to implement a federally funded food pantry program and opted to not participate. The following four agencies received a sub-grant through PCRS: First African Methodist Church, Foothill Unity Center, National Day Laborer Organizing Network, and First United Methodist Church. Due to staffing shortages, PCRS can no longer provide financial approvals for the food pantry program. A restructuring of the program will convert the sub-grantees into sub-recipients of the Pasadena Food Panty Program, which has served over 1,800 families since February 2021. In order to meet federal expenditure deadlines, the City reallocated the \$531,785 in CDBG-CV funds for administration (\$243,398) and tenant-based rental assistance ("TBRA") (\$288,387 approved by Council on December 13, 2021).

The Substantial Amendment to the 2021-2022 Annual Action Plan consists of two (2) funding reallocations: 1) \$16,391 in unspent CDBG funds from the previous program year to a security enhancement project, and 2) \$243,398 in unspent Coronavirus Aid, Relief, and Economic Security Act (CARES) Round 3 funds ("CDBG-CV3") from the Emergency Rental Assistance project ("ERA") to the CDBG-CV Administration project.

The table below provides a summary of the Substantial Amendment allocations for CDBG and CDBG-CV3.

Description	Implementing Agency	Location	Action	Remaining Budget after Action
<b><u>Emergency Rental Assistance</u></b> Emergency rental assistance to pay back rent and/or future rent up to 6-months for TBRA participants currently in eviction process.	Housing Department – City of Pasadena	649 N. Fair Oaks Blvd. #202	Decrease Funding by \$243,398 (CDBG-CV3)	\$297,162
<b><u>CDBG-CV Administration</u></b> Administration of CDBG-CV funds	Housing Department – City of Pasadena	649 N. Fair Oaks Blvd. #202	Increase Funding by \$243,398 (from CDBG-CV3 ERA/TBRA)	\$388,128
<b><u>Security Enhancements</u></b> Public safety enhancements including the installation of security cameras.	Department of Information Technology – City of Pasadena	- Jackie Robinson CC - La Pintaresca Park - Villa Parke - Robinson Park	Increase Funding by \$16,391 (from CDBG unspent funds)	\$828,504

**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.

**ENVIRONMENTAL ANALYSIS:**

The proposed action is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b )(3), the "common sense" 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 Substantial Amendment to the 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.

**FISCAL IMPACT:**

The recommended actions will have no direct fiscal impact. Approval of the Annual Action Plan (2021-2022) by the City Council and subsequent approval by HUD will result in a total allocation of \$259,789 in entitlement funds to support housing, community development, and homeless prevention activities. 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,



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