

# Agenda Report

June 5, 2023

**TO:** Honorable Mayor and City Council

**FROM:** Department of Housing

**SUBJECT: PUBLIC HEARING: SUBSTANTIAL AMENDMENT TO 2022-2023  
ANNUAL ACTION PLAN FOR HOME INVESTMENT PARTNERSHIP  
ACT PROGRAM FUNDS AND COMMUNITY DEVELOPMENT BLOCK  
GRANT PROGRAM FUNDS**

## **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;
- 2) Approve the submission to the U.S. Department of Housing and Urban Development (HUD) of a Substantial Amendment to the Annual Action Plan (2022-2023) as described in the report for the reallocation of \$1,997,000 in unspent HOME Partnership Act (HOME) funds and \$100,000 in unspent Community Development Block Grant Cares Act funds (CDBG-CV3) for housing and food pantry programs; and
- 3) Authorize the City Manager to execute, and the City Clerk to attest, the grant applications, certifications, and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal entitlement funds.

## **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 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 13, 2022, the City Council convened a public hearing approving the submission of the Annual Action Plan (2022-2023) 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).

The Substantial Amendment to the 2022-2023 Annual Action Plan will enable the City to allocate \$1,997,000 in previously uncommitted HOME funds. The proposed allocations of HOME funds consist of the following:

- **940 N. Summit Ave:** \$723,000 in HOME funds to nonprofit developer HOPE, Inc. for the rehabilitation and financial restructuring of a 3-unit apartment rental property at 940 N. Summit Ave. Pasadena, CA 91101. The Project serves low-income persons with developmental disabilities.
- **760 Worcester Ave:** \$1,274,000 in HOME funds to nonprofit developer HOPE, Inc. for the rehabilitation and financial restructuring of a 6-unit apartment rental property at 760 Worcester Ave. Pasadena, CA 91101. The Project serves low-income persons with developmental disabilities.

The Substantial Amendment to the 2022-2023 Annual Action Plan will enable the City to reallocate \$100,000 in unspent Community Development Block Grant-CV (CDBG-CV3) CARES Act Round 3 funds. The Pasadena Food Pantry Program has expended over \$500,000 in CDBG-CV3 funds since the start of the pandemic, serving over 1,600 families. The proposed reallocation of \$100,000 in CDBG-CV3 will increase awards by \$25,000 for each of the following four (4) food pantry partners:

- First African Methodist Episcopal Church of Pasadena
- First United Methodist Church of Pasadena
- Foothill Unity Center, Inc.
- National Day Laborer Organizing Network

The table below summarizes the Substantial Amendment allocations.

Description	Implementing Agency	Location	Action
<b>940 N. Summit Ave.</b> Rehabilitation and financial restructuring of a 3-unit apartment rental property which serves low-income persons with developmental disabilities.	HOPE, Inc.	940 N. Summit Ave. Pasadena, CA 91101	\$723,000 (HOME)
<b>760 Worcester Ave.</b> Rehabilitation and financial restructuring of a 6-unit apartment rental property which serves low-income persons with developmental disabilities.	HOPE, Inc.	760 Worcester Ave. Pasadena, CA 91101	\$1,274,000 (HOME)

<b><u>FAME - Food Pantry</u></b> Provides funding to address food insecurity.	First African Methodist Episcopal Church of Pasadena	1700 N. Raymond Ave.	\$25,000 (CDBG-CV3)
<b><u>FUMC - Food Pantry</u></b> Provides funding to address food insecurity.	First United Methodist Church of Pasadena	500 E. Colorado Blvd.	\$25,000 (CDBG-CV3)
<b><u>Foothill Unity Center Food Pantry Program</u></b> Provides funding to address food insecurity.	Foothill Unity Center, Inc	790 W. Chestnut Ave.	\$25,000 (CDBG-CV3)
<b><u>National Day Laborer Food Pantry Program</u></b> Provides funding to address food insecurity.	National Day Laborer Organizing Network	1030 S. Arroyo Parkway Suite 106	\$25,000 (CDBG-CV3)

**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.

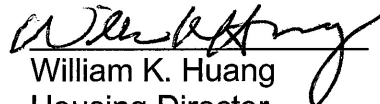
**ENVIRONMENTAL ANALYSIS:**

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.

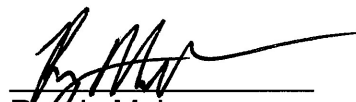
**FISCAL IMPACT:**

The recommended actions will have no direct fiscal impact. Approval of the Plan by the City Council and subsequent approval by HUD will result in a total allocation of \$2,097,000 in CDBG and HOME funds to support housing and community development activities.


Respectfully submitted,

  
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