

Agenda Report

September 18, 2023

TO: Honorable Mayor and City Council

FROM: Housing Department

SUBJECT: PUBLIC HEARING: DRAFT CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (2022-2023 PROGRAM YEAR) FOR PROJECTS FUNDED FROM COMMUNITY DEVELOPMENT BLOCK GRANT, EMERGENCY SOLUTIONS GRANT, AND HOME INVESTMENT PARTNERSHIP ACT

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 a significant effect on the environment; and
- 2) Approve the submission to the U.S. Department of Housing and Urban Development, of the Consolidated Annual Performance and Evaluation Report for projects funded in the 2022 Program Year under the Community Development Block Grant, Emergency Solutions Grant, and the HOME Investment Partnership Act programs which assist low to moderate income individuals and families and address community development, affordable housing and homelessness needs.

BACKGROUND:

The City of Pasadena receives Community Development Block Grant (CDBG), HOME Investment Partnership Act (HOME) and Emergency Solutions Grant (ESG) entitlement funds from the U.S. Department of Housing and Urban Development ("HUD") on an annual basis. As a recipient of these funds the City is required to prepare and submit to HUD a Consolidated Annual Performance and Evaluation Report ("CAPER") detailing the City's accomplishments toward achieving the Five-Year Consolidated Plan goals. The CAPER for the 2022-2023 Program Year (the third program year of the 2020-2024 Five-Year Consolidated Plan) contains performance assessments for 22 projects and

programs supported with CDBG, ESG and HOME funds. Project and program goals and accomplishments are summarized in Attachment A, and the draft 2022-2023 CAPER is included in Attachment B.

The public hearing notice for the subject action and the draft 2022-2023 CAPER was published in the Pasadena Journal and Pasadena Weekly on September 31, 2023, and posted to the Housing Department website commencing the public review/comment period. Staff will report on any comments received at the time of the Public Hearing.

The Housing Department performs the oversight and program administration for the funding received under the CDBG, ESG and HOME programs. An annual monitoring assessment (fiscal and programmatic) is conducted on each CDBG funded project. The monitoring review is performed in accordance with the provisions set forth in the Code of Federal Regulations which require the City, as a grantee, to make annual determinations that all sub-recipients are in compliance with the federal statutes and have the continuing capacity to administer and/or implement the project for which federal assistance has been provided. As part of the ongoing program administration, each sub-recipient is also required to provide quarterly performance reports. The results of these performance assessments are contained in the CAPER.

SUMMARY OF PROGRAM ACCOMPLISHMENTS IN YEAR 3:

During the 2022-2023 Program Year, 11 service projects were funded using CDBG, CDBG-CV, and ESG funds, serving 1,326 unduplicated persons. These projects provided programming that included education, homeless services, and emergency rental assistance. Through CDBG non-public service funds, three (3) projects were completed including public facility and infrastructure improvements (security enhancements, sidewalk improvements), and single-family rehabilitation. ESG funds were utilized to provide non-congregate shelter services at motels and street outreach services to households experiencing homelessness, as well as homelessness prevention financial assistance for households at imminent risk of homelessness.

PROGRESS TOWARDS 5-YEAR GOALS:

The CAPER includes goal accomplishments for projects that have been completed during the third-year reporting period of July 1, 2022 – June 30, 2023. As shown in Attachment A, the City is tracking well in most categories. Progress in some activities have exceeded their respective five-year goals due to an influx of emergency funding to address impacts from the coronavirus pandemic. Other goals have been affected due to impacts from the pandemic. Overall, goal accomplishments are expected to increase in all categories over the balance of the five-year period.

Regarding CDBG, multiple infrastructure and public facility improvement projects were completed that were initiated in previous program years including the installation of ADA

audible push buttons at 16 intersections throughout the City, and security enhancements at Villa Parke, Jackie Robinson Community Center, and La Pintoresca Park. The MASH single-family rehabilitation program was greatly affected by the pandemic but continues to increase productivity.

ESG goals are based on services provided to individuals and families experiencing or at risk of homelessness. Progress toward the Homeless Overnight Shelter goal is tracking low due to converting the congregate Bad Weather Shelter (BWS) program to a non-congregate, weather-activated motel voucher program for a third year as a result of the COVID-19 pandemic. The weather-activated motel vouchers ultimately served fewer people but for longer stays than BWS would have. An additional 214 individuals were served in weather-activated motels funded by other sources, primarily City General Fund. Per HUD guidelines, the Homeless Overnight Shelter goal includes outcomes for street outreach programs as well. In the 2022-2023 project year, 23 individuals were served by one ESG-funded street outreach program. Progress toward the Homelessness Prevention five-year goal is on pace to exceed its five-year goal. Despite continued pandemic-related tenant protections such as eviction moratoria, the demand for homelessness prevention resource continues to be higher than in pre-pandemic times.

The HOME program has several projects in the works that will contribute towards accomplishment goals over the next two years including the Foothill TAY and HOPE multi-unit rehabilitation projects. The tenant-based rental assistance (TBRA) goals have been affected by the influx of HOME American Rescue Plan Act (ARPA) funds, which were allocated to the TBRA Eviction Prevention program that was launched in July 2022 when the local eviction moratorium was lifted. Twenty-one (21) tenants at-risk of homelessness were enrolled into the TBRA-EP program. These numbers do not contribute to the goals of the 5-year consolidated plan. The 112-unit goal for rental housing construction pertains to the proposed Ramona senior housing development which is currently in the design review stage.

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:

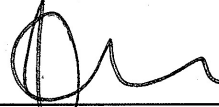
The proposed action is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "common sense" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be 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 proposed activity, City approval and submission of the 2022-2023 CAPER to HUD, will not have a significant impact on the environment and, therefore, is not subject to CEQA.

FISCAL IMPACT:

There is no fiscal impact as a result of this action and the action will not have any indirect or direct support cost requirements. Compliance with the federal requirement that the CAPER be submitted is necessary in order for the City to continue receiving annual CDBG, ESG, and HOME federal entitlement funds, which totaled approximately \$3.3 million in the 2022-23 program year.

Respectfully submitted,



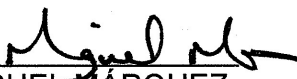
for William K. Huang
Housing Director

Prepared by:



Randy Mabson
Program Coordinator

Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachments (2):

- Attachment A – Five-Year (2020-2024) Consolidated Plan Goals
- Attachment B – Draft PY22 Consolidated Annual Performance & Evaluation Report