

Agenda Report

March 11, 2024

TO: Honorable Mayor and City Council

FROM: Department of Housing

SUBJECT: PUBLIC HEARING: SUBSTANTIAL AMENDMENT TO 5-YEAR (2020-2024) CONSOLIDATED PLAN, 2019 ANNUAL ACTION PLAN AND 2023 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" exemption 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 5-Year (2020-2024) Consolidated Plan as described in the report for revision of accomplishment goals;
- 3) Approve the submission to the U.S. Department of Housing and Urban Development (HUD) of a Substantial Amendment for the 2019 Annual Action Plan to reallocate \$160,386 in Community Development Block Grant (CDBG-CV) funding;
- 4) Approve the submission to the U.S. Department of Housing and Urban Development (HUD) of a Substantial Amendment for the 2023 Annual Action Plan to reallocate \$31,729 in Emergency Solutions Grant (ESG) funding; and
- 5) 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 regarding the aforementioned federal entitlement funds.

BACKGROUND:

On July 20, 2020, the City Council convened a public hearing approving the submission of the 5-Year (2020-2024) Consolidated Plan to the U.S. Department of Housing and Urban Development (HUD). The Consolidated Plan is a comprehensive planning document that addresses both long- and short-term strategies to meet housing and community development needs. It includes goal accomplishments that the City will meet over a five-year period utilizing Community Development Block Grant (“CDBG”), HOME Investment Partnership Act (“HOME”), and Emergency Solutions Grant (“ESG”) program funds. Staff recommends amending certain goals to align with project activities completed over the last four years. The table below summarizes the changes.

Activity	Current 5-Year (2020-2024) Goal Accomplishment	Amended Goal Accomplishment
Housing	Homeowner Housing Rehabilitated: 60 Housing Units	Homeowner Housing Rehabilitated: 35 Housing Units
Public Services	Public service activities: 1,250 Persons Assisted	Public service activities: 6,000 Persons Assisted
Public Facility Improvements	Public Facility Activities: 25,000 Persons Assisted	Public Facility Activities: 75,000 Persons Assisted
Homeless Overnight Shelter	Homeless Person Overnight Shelter: 1250 Persons Assisted	Homeless Person Overnight Shelter: 125 Persons Assisted

Homeowner housing rehabilitation activities did not meet expectations due to the pandemic shutdown. Projects for public services and public facility improvements produced higher than expected accomplishments during the reporting period due to funding increases from stimulus packages in response to the coronavirus pandemic. The Homeless Person Overnight Shelter goal was originally based on the expectation of having a large congregate winter shelter, which did not open until Year 4 of the Consolidated Plan. Ultimately, other local funds were utilized to support the congregate shelter. The ESG funds will now be used for the weather activated motel vouchers, in lieu of the congregate shelter.

The Annual Action Plan sets forth the projected uses of federal entitlement funds for each program year. On May 20, 2019, the City Council approved the submission of the 2019 Annual Action Plan as an application to HUD. Within this Action Plan were allocations for CDBG-CV funding made available through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) for emergency rental assistance and food insecurity programs. The CDBG-CV funding must be spent by September 2026. Staff recommends approval of a Substantial Amendment to the 2019 Annual Action Plan to re-allocate \$160,386 in unspent CDBG-CV funding to the Pasadena Food Pantry programs to address food insecurity.

On May 22, 2023, the City Council approved the submission of the 2023 Annual Action Plan as an application to HUD. Staff recommends approval of a Substantial Amendment to the 2023 Annual Action Plan to reallocate unspent ESG funds from Program Year (PY) 22-23 to support the administration of the HUD required Homeless Management Information System database (HMIS).

The table below summarizes the recommended reallocation of CDBG-CV and ESG funds..

Description	Implementing Agency	Location	Action
<u>Pasadena Food Pantry</u> Provides funding to address food insecurity related to COVID-19.	First United Methodist Church of Pasadena	500 E. Colorado Blvd.	Funding Increase CDBG-CV \$40,000
<u>Pasadena Food Pantry</u> Provides funding to address food insecurity related to COVID-19.	National Day Laborer Organizing Network	1030 S. Arroyo Parkway #106	Funding Increase CDBG-CV \$20,000
<u>Pasadena Food Pantry</u> Provides funding to address food insecurity related to COVID-19.	First African Methodist Episcopal Church of Pasadena	1700 N. Raymond Ave.	Funding Increase CDBG-CV \$70,386
<u>Pasadena Food Pantry</u> Provides funding to address food insecurity related to COVID-19.	Foothill Unity Center, Inc.	191 N. Oak Ave.	Funding Increase CDBG-CV \$30,000
<u>HMIS</u> Database to collect client-level information and produce required reports on project performance.	City of Pasadena, Department of Housing	649 N. Fair Oaks Ave #202	Funding Increase ESG \$31,729

COUNCIL POLICY CONSIDERATION:

The proposed actions support 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.

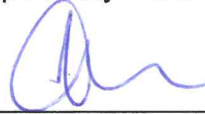
ENVIRONMENTAL ANALYSIS:

The proposed actions are 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 approvals of the subject Substantial Amendments to the 5-Year Consolidated Plan, and the 2019 and 2023 Annual Action Plans are funding mechanisms only and are excluded from the definition of "project" pursuant to State CEQA Guidelines Section 15378(b)(4). Furthermore, the actions proposed herein will not have a significant effect on the environment and, hence are not subject to CEQA.

FISCAL IMPACT:

The recommended actions will have no direct fiscal impact. Approval of the 2019 and 2023 Annual Action Plans by the City Council and subsequent approval by HUD will result in a total reallocation of \$160,386 in CDBG-CV funds to support public service activities, and \$31,729 in ESG funds to support homeless activities.

Respectfully submitted,



for William K. Huang
Housing Director

Prepared by:



Randy Mabson
Program Coordinator

Approved by:



MIGUEL MÁRQUEZ
City Manager