

Agenda Report

September 23, 2024

TO: Honorable Mayor and City Council

FROM: William K. Huang, Housing Director

SUBJECT: PUBLIC HEARING: APPROVE THE SUBMISSION OF THE DRAFT CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (2023-2024 PROGRAM YEAR) FOR PROJECTS FUNDED FROM COMMUNITY DEVELOPMENT BLOCK GRANT, EMERGENCY SOLUTIONS GRANT, AND HOME INVESTMENT PARTNERSHIP ACT

RECOMMENDATION:

It is recommended that 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 2023 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 annual entitlement funds from the U.S. Department of Housing and Urban Development (HUD) under the following programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership Act (HOME)
- Emergency Solutions Grant (ESG)

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 2023 Program Year (PY23) CAPER, the fourth program year of the 2020-2024 Five-Year Consolidated Plan, contains performance assessments for projects and programs supported with CDBG, ESG and HOME funds. Goals and accomplishments are summarized in Attachment A. The draft PY23 CAPER is included in Attachment B.

The public hearing notice for the subject action and the draft PY23 CAPER was published in the Pasadena Journal and Pasadena Weekly on September 5, 2024, 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 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 following 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 4:

During PY23, seven service projects were funded using CDBG, HOME, and ESG funds, serving 1,465 unduplicated persons. These projects provided programming that included education, homeless services, and emergency rental assistance. Through CDBG non-public service funds, six (6) projects were completed including public facility and infrastructure improvements (security enhancements, sidewalk improvements, roof restroom restoration), and a single-family rehabilitation program. 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 FIVE-YEAR GOALS:

The CAPER includes goal accomplishments for projects that have been completed during the third-year reporting period of July 1, 2023 – June 30, 2024. 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. Overall, accomplishments are expected to get close to or exceed set goals during the last year of the 2020-2024 Five-Year Consolidated Plan.

Regarding CDBG, multiple infrastructure and public facility improvement projects were completed that were initiated in previous program years including sidewalk

improvements in Northwest Pasadena, and rehabilitation at Alkebu-Lan Cultural Center. The MASH single-family rehabilitation program also completing installations of wheelchair ramps, and lead-based paint remediation.

The HOME program has a few affordable housing rehabilitation programs that are under construction or about to start construction. Accomplishments for PY23 came from the tenant-based rental assistance (TBRA) program which provides persons at high risk of homelessness with assistance to avoid eviction. The 112-unit goal for rental housing construction pertains to the proposed Ramona senior housing development. The project made significant progress in PY23. Final design review was approved and the state awarded funding through its Local Housing Trust Fund program to the City of which approximately \$4.5M are allocated to the Ramona project.

ESG goals are based on services provided to individuals and families experiencing or at risk of homelessness. Both the five-year and PY23 goals for Homeless Overnight Shelter, which also includes persons served by street outreach, have been exceeded with 90 persons served in PY 23 and a total of 329 persons served through the fourth year of the five-year plan. The five-year and PY23 goals for Homeless Prevention have also been exceeded with 49 persons served in PY23 and a total of 187 persons served through the fourth year of the five-year plan.

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 PY23 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 \$3.1 million in the PY23.

Respectfully submitted,


James Wong (Sep 13, 2024 08:41 PDT)
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Approved by:


MIGUEL MÁRQUEZ
City Manager

Attachments:

Attachment A – CAPER Goals
Attachment B – CAPER 2023-2024