

Agenda Report

DATE: MARCH 30, 1998

TO: CITY COUNCIL/COMMUNITY DEVELOPMENT COMMISSION

FROM: CYNTHIA J. KURTZ, ACTING CITY MANAGER/CHIEF EXECUTIVE OFFICER

SUBJECT: JOINT ACTION: APPROVAL OF A GRANT IN THE AMOUNT OF \$10,000 TO CHRISTMAS IN APRIL * PASADENA FROM THE LOW AND MODERATE INCOME HOUSING TRUST FUND, OF PASADENA COMMUNITY DEVELOPMENT COMMISSION, FOR THE PROVISION OF MINOR HOUSING REHABILITATION ACTIVITY IN THE MADISON NEIGHBORHOOD REVITALIZATION AREA

RECOMMENDATIONS:

- A. It is recommended that the City Council adopt a resolution finding that the proposed expenditure of \$10,000 of the Community Development Commission's Low and Moderate Income Housing Trust Fund to Christmas in April * Pasadena will be of benefit to the Villa Parke Redevelopment Project Area.
- B. It is recommended that the Pasadena Community Development Commission ("Commission") adopt a resolution:
- 1) Finding and determining that the proposed expenditure of \$10,000 from the Commission's Low and Moderate Income Housing Trust Funds ("Housing Trust Funds"), is necessary to assist in the rehabilitation efforts of homes located in the Madison Neighborhood Revitalization Area and is of benefit to the Villa Parke Redevelopment Project Area.
 - 2) Approving a \$10,000 grant from the Low and Moderate Income Housing Trust Fund General Account to "Christmas in April * Pasadena" to fund the annual housing rehabilitation program in the city of Pasadena for low income families, elderly and disabled individuals.

- 3) Amend the budget to approve a journal voucher in the amount of \$10,000 to be taken from the unallocated fund balance of the Low/Moderate Income Housing Trust Fund.
- 4) Authorize the Chief Executive Officer to execute, and the Secretary to attest, the contract with Christmas in April * Pasadena for said services.

BACKGROUND:

Christmas in April, founded in Midland, Texas, 1973, is a non-profit private organization. The Christmas in April Program is a nationwide one-day event to repair and rehabilitate the residential properties of low income, elderly or disabled households. Every year on the last Saturday in April, this national project unites a diverse volunteer population, including private developers, businesses, non-profit organizations, financial institutions and church groups, in an effort to assist people in need. **The event will take place on April 25, 1998.**

On the local level, last year the Commission approved a grant of \$10,000 to Christmas in April. Six (6) houses were rehabilitated (two houses were specifically upgraded for greater handicap accessibility for its residents); over 300 individuals volunteered their services. Bungalows were painted at Madison Elementary School and at the Mother's Club Community Center (both located in the NRP target area). On the national level, last April, more than 50,000 volunteers rehabilitated and repaired approximately 2,000 homes in 165 cities throughout the United States. Volunteers from the communities heated homes that had no heat, installed plumbing in bathrooms and kitchens which were non-operable, and replaced or repaired broken kitchen appliances for the elderly.

A co-sponsorship has been established with the City of Pasadena and Fannie Mae. Since 1992, 40 homes have been rehabilitated for eligible homeowners in Pasadena. Housing repairs include: carpentry, plumbing, electrical, window repairs, plastering, painting, glazing, weather stripping, locksmithing as well as trash removal, landscaping and cleaning.

ESTABLISHED NEED:

For the low income, elderly or disabled in Pasadena, properly maintaining a home can be an impossible task. Due to the lack of adequate finances, many low income households are not able to invest money in housing repairs and maintenance, thus resulting in deteriorated and dilapidated houses. Properties in need of repair contribute to blighted conditions for the neighborhood and the entire community.

A work-scope visit is made of the properties by skilled trades persons and a member from the co-sponsorship. Individual homeowners also request services by

correspondence or by telephone contact. There is no financial responsibility incurred by the homeowner for services or supplies. A committee, composed of Christmas in April members, evaluates each property to determine eligibility. The criteria includes: rehabilitation need; location of property and household income.

MADISON NEIGHBORHOOD REVITALIZATION AREA: (NRP)

The Madison Neighborhood Revitalization Area has been identified by city staff of the Neighborhood Revitalization Program as the current target area. The Madison NRP area is 90 acres in size and includes 1,186 dwellings units. The boundaries are: Mountain Avenue to the north, El Molino Avenue to the east, Orange Grove to the south, and Raymond Avenue to the West, (Exhibit A). The NRP team determined the priority need based on the severity of blight, criminal activity, neighborhood requests for services, overcrowding, and vacant lots in the neighborhood.

The six (6) properties which are to be rehabilitated are located within the Madison Neighborhood Revitalization Area. In prior years, rehabilitation activity focused on residential properties in the Villa Parke Redevelopment Project Area, Lincoln Triangle, Northwest Pasadena, and the Carlton/Barthe areas. Funding for the Christmas in April program will address two specific goals and objectives contained in the City of Pasadena/Community Development Commission Implementation Plan 1995 -1999:

- Eliminate the conditions of blight existing in the Project Area
- Encourage and foster a Project Area residential rehabilitation program by providing incentives to landowners to improve and rehabilitate their properties

FINDINGS FOR THE PROPOSED EXPENDITURE OF COMMISSION FUNDS:

Section 33334.3 (c) of the State Health and Safety Code requires that "monies in the Low and Moderate Income Housing Fund shall be used to increase, improve, and preserve the supply of low-and moderate-income housing within the territorial jurisdiction of the agency." Section 3334.2 (g) allows the Commission to use these funds outside the boundaries of a redevelopment project are if the City Council and the Commission first find that the use will benefit the redevelopment project from which the funds emanated. With respect to the proposed expenditure of the Commission's Low and Moderate Income Housing Trust Funds for the proposed rehabilitation activity, staff believes the commission is able to make a finding that the expenditure is necessary to increase or improve the supply of low-and moderate-income housing. The approval of the grant to Christmas in April * Pasadena is of benefit to the City of Pasadena since it will further assist in the revitalization efforts of the Madison Neighborhood Revitalization Area. It is anticipated that the funds will be used to purchase materials which will be used for rehabilitation of the properties.

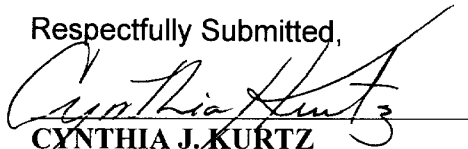
FISCAL IMPACT:

Christmas in April receives funds, in-kind donations, services/products from financial institutions, churches, businesses, corporations, foundations, service organizations,

associations and individuals. Each year Christmas in April purchases paint, nails, lumber, roofing tiles, pipes, and in some cases fixtures. The Housing Trust Funds will be utilized to augment these purchases. There are no administrative costs for the program. Approval of the subject recommendation will reduce the unallocated fund balance by \$10,000 in the Low Income Housing Trust Fund, General Account (Account #810-684120. The projected fund balance as of June 30, 1998 is \$819,720. The Housing Rehabilitation Category in the budget: is 8172-810-684120-51011. Included in this report is a copy of the Christmas in April * Pasadena Projected Budget, April, 1998, (Exhibit "B").

There is no impact on the General Fund.

Respectfully Submitted,

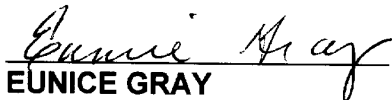


CYNTHIA J. KURTZ

Acting City Manager/

Acting Chief Executive Officer

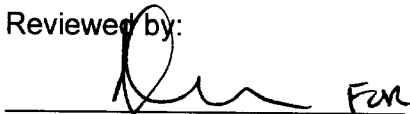
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EUNICE GRAY

Program Coordinator III

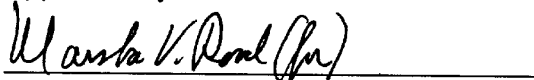
Reviewed by:



GREGORY ROBINSON

Housing Administrator

Approved by:



WILLIAM C. REYNOLDS, Director

Housing and Development Department

Reviewed by:



MICHAEL ESTRADA

Assistant City Attorney/

Assistant General Counsel



JAY M. GOLDSTONE

Director of Finance/Treasurer