

# Agenda Report

May 10, 2010

**TO:** Honorable Mayor and City Council

**FROM:** Housing Department

**SUBJECT: JOINT PUBLIC HEARING: APPROVAL OF THE FIVE-YEAR CONSOLIDATED PLAN (2010-2015), THE ANNUAL ACTION PLAN (2010-2011) AND RELATED FUNDING ALLOCATIONS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM; EMERGENCY SHELTER GRANT PROGRAM; HOME INVESTMENT PARTNERSHIP ACT (HOME); AND HUMAN SERVICES ENDOWMENT FUND**

## **RECOMMENDATION:**

It is recommended that upon close of the joint public hearing the City Council and Pasadena Community Development Commission adopt a resolution:

(a) Approving the Five-Year Consolidated Plan (2010-2015) and the Annual Action Plan (2010-2011) as an application to the U. S. Department of Housing and Urban Development for funding under the federal Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) and Home Investment Partnership Act (HOME) programs;

(b) Approving an application for CDBG Entitlement funds in the amount of \$2,471,427; the allocation of the CDBG current year program income of \$200,000; the reprogramming of CDBG carryover funds in the amount of \$117,239 for a total of \$2,788,666 for the 2010-2011 CDBG program activities;

(c) Approving an application for ESG funds in the amount of \$98,459 and the appropriation of \$50,000 from the proceeds of the Casa Maria real property transaction and a portion of CDBG funds in the amount of \$48,459 as the required local match for a total of \$196,918 for 2010-2011 ESG funded activities;

(d) Approving an application HOME Entitlement funds in the amount of \$1,291,937 for 2010-2011 HOME Program activities;

(f) Approving an allocation from the City of Pasadena's Human Services Endowment Fund (HSEF) interest earnings of \$115,000 for HSEF funded public/ human service projects;

(g) Authorizing the City Manager to execute, and the City Clerk to attest, the Five-Year Consolidated Plan (2010-2015), the Annual Action Plan (2010-2011), the grant agreements, the sub-recipient agreements, and any and all other documents deemed necessary by HUD to obtain the allocation of the aforementioned federal CDBG/ ESG/ HOME funds.

### **ADVISORY COMMISSION RECOMMENDATIONS**

On April 29, 2010 the Northwest Commission finalized recommendations for City Council consideration for Non-Public Service Projects in the amount of \$515,000 (Exhibit A).

On April 14, 2010 the Human Services Commission finalized recommendations for City Council consideration for Public/ Human Service Projects in the amount of \$664,146 (Exhibit B).

On April 14, 2010 the Community Development Committee's (CDC) Housing Sub-Committee reviewed the Five Year Consolidated Plan (2010-2015) and the Annual Action Plan (2010-2011) for recommendation to the full CDC.

On April 22, 2010 the Community Development Committee reviewed and recommended the Five-Year Consolidated Plan (2010-2015) and the Annual Action Plan (2010-2011) for City Council approval.

### **BACKGROUND**

#### **Five-Year Consolidated Plan (2010-2015):**

The Five-Year Consolidated Plan (2010-2015) is a comprehensive planning document that addresses both long-term and short-term strategies to meet housing and community development needs. The Draft Five-Year Consolidated Plan was available for public review and comment from April 8, 2010 to May 10, 2010. No comments were received.

#### **Annual Action Plan (2010-2011):**

The Annual Action Plan sets forth the projected use of funds for the coming year. The Action Plan addresses the available resources for program/project implementation, activities to be undertaken, program guidelines, monitoring etc. The Plan addresses the goals and objectives as outlined in the City's Strategic Plan included in the City's Five Year Consolidated Plan (2010-2015). The Draft Annual Action Plan was available for public review and comment from April 8, 2010 to May 10, 2010. No comments were received.

**Community Development Block Grant (CDBG) Recommendations:**

Annually, the City distributes CDBG funds to the Community for non-public services. The projects being recommended for CDBG (non-public service) funding are identified in Exhibit A. The total being recommended for CDBG non-public service projects is \$515,000.

The Northwest Commission made the award to Pasadena Neighborhood Housing Services (PNHS) contingent upon the agency’s submission of a sustainability plan that details the structural changes necessary to comply with the terms and conditions of a sub-recipient agreement. The City has become aware that PNHS is experiencing financial and organizational challenges. The City met with the agency and is requiring PNHS to submit a plan of action, detailing structural changes that will stabilize the agency’s long term operational and fiscal viability, by May 15, 2010. If the City does not receive a satisfactory plan of action by that date, the City in cooperation with the Northwest Commission will reprogram the CDBG funds for other non-public service uses. In making the award contingent, the goal of both the Northwest Commission and the City was to offer the agency the technical assistance it needed to continue to be a viable housing resource to the community.

**Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) and Human Services Endowment Fund (HSEF) Recommendations:**

Annually, the City distributes CDBG, ESG and HSEF funds to the Community for public services. The City is eligible to use up to 15% of its CDBG funds for public/human services. The projects being recommended for CDBG (public service), ESG and HSEF funding are identified in Exhibit B. The total amount recommended for public/human service projects is \$664,146 and is broken down in the chart below.

<b>Funding Sources</b>	<b>Amount</b>
CDBG- Annual Entitlement	\$ 370,687
CDBG- Program Income	\$ 30,000
Emergency Shelter Grant Program (ESG)	\$ 98,459
ESG Match Funds (local) The remainder of the ESG match to come from CDBG public service entitlement funds in the amount of \$48,459.	\$ 50,000*
Human Services Endowment Funds	\$ 115,000
<b>TOTAL</b>	<b>\$ 664,146</b>

\* Local ESG Match from the Casa Maria real property transaction.

**City Set-Aside Recommendations:**

Annually, the City Council sets aside CDBG funds in a sufficient amount to fund eligible City projects recommended by the City Manager. The projects being recommended are City administered activities that are required or vital to the City such as code enforcement and MASH, as identified in Exhibit C. The total amount recommended for City-Set Aside projects is \$1,432,285.

**HOME Investment Partnership Act (HOME) Recommendations:**

HOME Investment Partnership Act (HOME) funds of \$1,291,937 are available for the housing categories identified in Exhibit D as part of the proposed 2010-2011 HOME program project.

**Debt Service Obligations:**

Annually the City has debt service obligations that utilize CDBG funds for repayment. The debt service obligation for 2010-2011 is identified in Exhibit E. The total amount for these obligations is \$440,694.

The table below summarizes the federal/ local funding sources totaling \$4,344,062 that are available for allocation to sub-recipients for the provision of proposed project services/ activities identified in the attached exhibits:

**Funding Availability (2010-2011)**

	<b>Funding Sources</b>	<b>Amount</b>
1	CDBG- Annual Entitlement	\$ 2,471,427
2	CDBG- Program Income	\$ 200,000
3	CDBG Reprogrammed Carryover Funds	\$ 117,239
4	HOME Annual Entitlement	\$ 1,291,937
6	Emergency Shelter Grant Program (ESG)	\$ 98,459
7	ESG Match Funds (local)	\$ 50,000
8	Human Services Endowment Funds	\$ 115,000
	<b>TOTAL</b>	\$ 4,344,062

**COUNCIL POLICY CONSIDERATION**

This proposed action supports the City Council Strategic Planning Three-Year Goals specifically in the areas of improving, maintaining and enhancing public facilities and infrastructure, supporting the quality of life and maintaining fiscal responsibility and stability.

**FISCAL IMPACT**

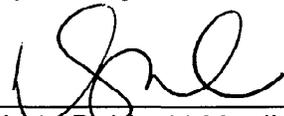
Approval of the Five-Year Consolidated Plan (2010-2015) and the Annual Action Plan (2010-2011) by the City Council/PCDC and subsequent approval by HUD will provide an allocation of \$4,344,062 million (\$4,179,062 federal and \$165,000 local) for housing/ community development activities.

Approval of the Five-Year Consolidated Plan and Annual Action Plan also enables the City to be eligible for other federally funded programs requiring consistency with an adopted Five-Year Consolidated Plan/Annual Action Plan.

Respectfully submitted,

  
William K. Huang  
Housing Director

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Concurred by:

  
Patricia A. Lane  
Director  
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Approved by:

  
MICHAEL J. BECK  
City Manager

Attachments:

- Attachment A – CDBG Non-Public Service Funding Recommendations
- Attachment B – CDBG, ESG and HSEF Public/ Human Services Funding Recommendations
- Attachment C – City Set-Aside Recommendations
- Attachment D- HOME Recommended Funding Allocation
- Attachment E- Debt Service Allocation

Drafts of the Five Year Consolidated Plan (2010-2015) and the Annual Action Plan are available in the City Clerk's Office.

## CITY OF PASADENA

**Community Development Block Grant (CDBG) Program  
2010-2011 Non-Public Service Projects  
Northwest Commission Recommendations**

#	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
<b>ECONOMIC DEVELOPMENT</b>			
1.	Institute of Popular Education of Southern California (IDEPSCA) <i>Pasadena Street Vendors Association</i>	\$ 132,500	\$ 80,000
2.	Pasadena Development Corp. <i>Small Business Assistance</i>	\$ 250,000	\$ 60,000
<b>Sub-Total</b>			<b>\$ 140,000</b>
<b>HOUSING</b>			
3.	Pasadena Neighborhood Housing Services Inc. <i>Neighborhood Impact Program</i>	\$ 256,200	\$ 207,000**
<b>Sub-Total</b>			<b>\$ 207,000</b>
<b>PLANNING &amp; ADMINISTRATION</b>			
4.	Housing Rights Center <i>Fair Housing Program</i>	\$ 63,000	\$ 63,000*
<b>Sub-Total</b>			<b>\$ 63,000</b>
<b>PUBLIC FACILITIES &amp; IMPROVEMENTS (CAPITAL IMPROVEMENTS)</b>			
5.	Door of Hope <i>Window Replacement Energy Efficiency</i>	\$ 40,000	\$ 40,000
6.	NATHA <i>Community Center Rehabilitation Project</i>	\$ 100,000	\$ 40,000
7.	Rosemary Children's Services <i>Non-Public School Building Improvements</i>	\$ 32,025	\$ 25,000
<b>SUBTOTAL</b>			<b>\$105,000</b>
<b>TOTAL FUNDING RECOMMENDATION</b>			<b>\$ 515,000</b>

\* The Fair Housing Program award is paid out of "Planning and Administration" costs

\*\* The award is conditional upon the agency's submission of a sustainability plan that details the structural changes necessary to comply with the terms and conditions of a sub-recipient agreement.

**CITY OF PASADENA**  
**Community Development Block Grant (CDBG)/Emergency Shelter Grant (ESG)/**  
**Human Services Endowment Fund**  
**Public/Human Services Projects- 2010-2011**

Recommended by Human Services Commission April 14, 2010

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
<b>COMMUNITY VIOLENCE AND SAFETY</b>			
1.	Peace Over Violence <i>(Personal Safety &amp; Violence Prevention)</i>	\$ 25,000	\$ 0
2.	Western Justice Center <i>(Parenting Peacebuilding Project)</i>	\$ 25,000	\$ 0
<b>SUBTOTAL</b>		<b>\$ 120,000</b>	<b>\$ 0</b>
<b>EDUCATION</b>			
3.	El Centro de Accion Social, Inc. <i>(Youth Education Programs)</i>	\$ 50,000	\$ 25,000
4.	Lake Avenue Community Foundation <i>(STARS)</i>	\$ 44,800	Not Eligible \$ 0
5.	Mothers' Club Community Center <i>(Mothers' Club Family Learning Center)</i>	\$ 50,000	\$ 25,000
6.	Public Works Group <i>(Learning Works! Serving High School Dropouts)</i>	\$ 43,900	\$ 0
7.	YWCA Pasadena-Foothill Valley <i>(TECHGirls Program)</i>	\$ 35,000	\$ 25,000
<b>SUBTOTAL</b>		<b>\$ 233,700</b>	<b>\$ 75,000</b>
<b>EMPLOYMENT AND TRAINING</b>			
8.	Child Care Information Service (CCIS) <i>Workforce Development &amp; Quality Improvement</i>	\$ 100,000	\$ 0
9.	Outward Bound Adventures, Inc. <i>(Rose Bowl Recycling Employment Program)</i>	\$ 58,526.40	\$ 0
10.	Pasadena Youth Center <i>(Career Path Program)</i>	\$ 79,200	\$ 0
<b>SUBTOTAL</b>		<b>\$237,726.40</b>	<b>\$ 0</b>
<b>FOOD &amp; NUTRITION</b>			
11.	Foothill Unity Center <i>(Nutrition Assistance Project)</i>	\$ 94,500	\$ 56,110
12.	Pasadena Senior Center <i>(Project Reach Out)</i>	\$ 60,578	\$ 0
<b>SUBTOTAL</b>		<b>\$ 155,078</b>	<b>\$ 56,110</b>

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
<b>HEALTH CARE SERVICES</b>			
13.	Community Health Alliance of Pasadena (CHAP) <i>(Health Improvement Project)</i>	\$ 50,000	\$ 0
14.	Pasadena Mental Health Association <i>(Center &amp; Outreach Counseling Program)</i>	\$ 50,000	\$ 25,000
15.	Pasadena Unified School District (PUSD) <i>(Health Services for NW Pasadena)</i>	\$ 100,000	\$ 73,270
16.	The Wellness Community <i>(Psychosocial Services for Cancer Patients)</i>	\$ 25,000	\$ 0
17.	URDC Human Services Corp. <i>(Family Access to Health Prevention &amp; Treatment)</i>	\$ 49,890	\$ 30,000
<b>SUBTOTAL</b>		<b>\$ 274,890</b>	<b>\$ 128,270</b>
<b>HOMELESSNESS</b>			
18.	Door of Hope <i>Case Management for Homeless Families</i>	\$ 40,000	\$ 37,766
19.	Ecumenical Council of Pasadena Area Churches <i>Emergency Homeless Response</i>	\$ 50,000	\$ 0
20.	Ecumenical Council of Pasadena Area Churches <i>Emergency Shelter Program</i>	\$ 25,000	\$ 25,000
21.	Elizabeth House <i>Case Management Services</i>	\$ 40,000	\$ 37,000
22.	Union Station Foundation <i>Emergency Overnight Shelter Program</i>	\$ 40,000	\$ 35,000
23.	Union Station Foundation <i>Meals Program</i>	\$ 60,000	\$ 0
24.	Union Station Foundation <i>Sources: Career Development Program</i>	\$ 65,000	\$ 60,000
<b>SUBTOTAL</b>		<b>\$ 320,000</b>	<b>\$ 194,766</b>
<b>SERVICES FOR YOUTH AND YOUNG ADULTS</b>			
25.	Armory Center for the Arts <i>(Armory Teen Initiative)</i>	\$ 56,912	\$ 25,000
26.	Day One <i>(Youth Advocate Program)</i>	\$ 50,000	\$ 0
27.	Five Acres-Boys & Girls Aid Society of LA County <i>Independent Living Program</i>	\$ 50,000	\$ 0
28.	Flintridge Operating Foundation <i>(Mustangs Mentoring Program)</i>	\$ 50,000	\$ 0
29.	Journey House <i>(Emancipated Foster Youth Services Project)</i>	\$ 78,365	\$ 35,000
30.	Outward Bound Adventures, Inc. <i>(Credit Recovery &amp; Graduation)</i>	\$ 47,495.80	\$ 0
31.	Pasadena City College Foundation <i>(Project LEAP)</i>	\$ 35,000	\$ 25,000
32.	YWCA Pasadena-Foothill Valley <i>(Just for Girls After School Program)</i>	\$ 40,000	\$ 25,000
<b>SUBTOTAL</b>		<b>\$ 407,772.80</b>	<b>\$ 110,000</b>

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
<b>OTHER</b>			
33.	Armenian Relief Society of Western U.S.A. Inc. <i>(Community Assistance Program)</i>	\$ 51,670	\$ 25,000
34.	Child Care Information Service (CCIS) <i>(Children in Crisis)</i>	\$ 50,000	\$ 25,000
35.	El Centro de Accion Social, Inc. <i>(Senior Citizens Network Program)</i>	\$ 47,000	\$ 25,000
36.	Rose Bowl Aquatic Center <i>(Olympic Challenge – Learn to Swim Program)</i>	\$ 38,361.76	\$ 25,000
<b>SUBTOTAL</b>		<b>\$ 187,031.76</b>	<b>\$ 100,000</b>
<b>TOTAL</b>		<b>\$1,936,287.96</b>	<b>\$ 664,146</b>

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
<b>WAITING LIST</b>			
Below are proposed alternate projects that could be funded should additional money become available.			
1.	Five Acres-Boys & Girls Aid Society of LA County <i>(Independent Living Program)</i>	\$ 50,000	\$ 25,000
2.	Pasadena Senior Center <i>(Project Reach Out)</i>	\$ 60,578	\$ 25,000
3.	Pasadena Youth Center <i>(Career Path Program)</i>	\$ 79,200	\$ 25,000
4.	Outward Bound Adventures <i>(Credit Recovery and Graduation)</i>	\$ 47,495.80	\$ 25,000
<b>TOTAL</b>		<b>\$ 237,273.80</b>	<b>\$ 100,000</b>

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
<b>FUNDING ENHANCEMENTS</b>			
Below are proposed enhancements to project funding should additional money become available.			
1.	Pasadena Unified School District <i>(Health Services for NW Pasadena)</i>	\$ 100,000	+\$ 7,000
<b>TOTAL</b>		<b>\$ 100,000</b>	<b>+\$ 7,000</b>

**CITY OF PASADENA  
FUNDING RECOMMENDATION  
Community Development Block Grant (CDBG) Program  
City Set-Aside Activities - 2010-2011**

<b>No.</b>	<b>PROPOSER/PROPOSED PROJECT</b>	<b>FUNDING REQUEST</b>	<b>FUNDING RECOMMENDATION</b>
1.	Planning & Development Department <i>Code Enforcement (Inspections)</i>	\$ 277,967	\$ 248,000
2.	Planning & Development Department <i>Maintenance Assistance Services to Homeowners (MASH)</i>	\$ 722,000	\$ 603,000
3.	Housing Department <i>CDBG Program Administration</i>	\$ 494,249	\$ 471,285
4.	Human Services & Recreation Department <i>La Pintoresca Teen Education Center</i> <i>*reprogrammed funds already designated for the structure</i>	\$ 110,000	\$ 110,000
	<b>SUBTOTAL</b>	<b>\$1,604,216</b>	<b>\$1,432,285</b>

CITY OF PASADENA

Home Investment Partnership Act (HOME Program) 2010 - 2011

PROPOSED PROJECTS		FUNDING AMOUNTS
1.	American Communities Fund Reserves (FannieMae)	\$187,376
2.	CHDO Reserve (15%) (for rental rehab & development)	\$193,791 (2010-2011 Entitlement)
3.	Emergency Rental Assistance Deposit (ERAD)	\$85,000 (2010-2011 Entitlement)
4.	HOME Tenant-Based Rental Assistance Program (TBRA)	\$540,000 (2010-2011 Entitlement)
5.	Administration	\$129,194 (2010-2011 Entitlement)
6.	Homeownership Opportunities Program (HOP)	\$156,576
<b>TOTAL</b>		<b>\$1,291,937</b>

CITY OF PASADENA

Debt Service 2010 - 2011

No.	PROPOSER/PROPOSED PROJECT	FUNDING REQUEST	FUNDING RECOMMENDATION
1.	Housing Department <i>General Fund - Loan Repayment, the City loaned \$425,000 to the Episcopal Housing Alliance for the Mama's Hot Tamales Business Incubator to be paid back over a 5-year period.</i>	\$ 93,070	\$ 93,070
2.	Housing Department <i>Section 108 - Loan Repayment for the Fair Oaks Renaissance Plaza Shopping Center</i>	\$ 347,624	\$ 347,624
<b>TOTAL</b>		<b>\$ 440,694</b>	<b>\$ 440,694</b>