



Legislation Details (With Text)

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**Title:** Actions pertaining to the City of Fresno 2017-2018 Annual Action Plan:  
1. HEARING to obtain public comments regarding implementation of the City’s proposed activities with federal grant funding; and  
2. RESOLUTION - Adopting the 2017-2018 Annual Action Plan; approving submission to the U.S. Department of Housing and Urban Development (HUD) for application of Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With Aids/HIV (HOPWA) Program Funds; and providing for sub recipient agreements.

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**Attachments:** 1. EXHIBIT A-Resolution, 2. EXHIBIT B-2017-2018 Revised Draft Annual Action Plan (Public Comment Period June 29-July 14, 2017), 3. EXHIBIT C-2017-2018 REDLINE Revised Draft Annual Action Plan, 4. EXHIBIT D-CDBG Agreement, 5. EXHIBIT E-ESG Agreement, 6. EXHIBIT F-HOPWA Agreement, 7. EXHIBIT G-HOME Agreement, 8. EXHIBIT H- 2017-18 Revised Draft AAP

Date	Ver.	Action By	Action	Result
7/12/2017	1	Housing and Community Development Commission	approved as amended	Pass

**REPORT TO THE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION**

**July 12, 2017**

**FROM:** JENNIFER CLARK, Director  
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**THROUGH:** KELLI FURTADO, Assistant Director  
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**SUBJECT**

Actions pertaining to the City of Fresno 2017-2018 Annual Action Plan:  
1. HEARING to obtain public comments regarding implementation of the City’s proposed activities with federal grant funding; and  
2. RESOLUTION - Adopting the 2017-2018 Annual Action Plan; approving submission to the U.S. Department of Housing and Urban Development (HUD) for application of Community

Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With Aids/HIV (HOPWA) Program Funds; and providing for sub recipient agreements.

## RECOMMENDATIONS

Staff recommends:

1. the Housing and Community Development Commission obtain the views and comments from interested persons regarding implementation of the City's proposed activities with federal grant funding; and
2. make a recommendation to the Fresno City Council for the 2017-2018 Annual Action Plan; and authorizing the City Manager to sign all implementing documents and subrecipient agreements required by HUD as approved to form by the City Attorney.

## EXECUTIVE SUMMARY

City staff committed to timely preparation of the Annual Action Plan and began a comprehensive citizen engagement action planning process in January 2017 that would allow the City to meet its original May 15, 2017 submission deadline. However, the uncertainty surrounding the federal budget and the delay in HUD's announcement of entitlement jurisdiction funding levels resulted in the City's Draft 2017-2018 Annual Action Plan (Draft Action Plan) including contingency provision language. The City fulfilled its citizen participation obligation and published the Draft Action Plan for public review from April 2, 2017 through May 4, 2017.

On May 5, 2017 an appropriations bill for the continuing resolution was signed, announcing HUD Community and Planning and Development programs would be funded at the same or similar levels as the prior year. On May 11, 2017, the City Council conducted a public hearing related to the Draft Action Plan and continued the item for future consideration pending HUD's announcement of exact allocations.

On June 14, 2017 HUD announced Fiscal Year 2017-2018 (FY 2018) allocations. In an effort to ensure transparency and community engagement, the City committed to producing a Revised Draft FY 2018 Annual Action Plan (Revised Draft Action Plan), including a redline version, that eliminates contingency provision language and uses exact allocation figures. The Revised Draft Action Plan has been properly published and made available for public comment from June 29, 2017 through July 14, 2017.

A PowerPoint presentation will be provided to the City Council to summarize projects outlined in the Revised Draft Action Plan. If approved by Council, the Revised Draft Action Plan will be submitted to HUD for approval, which may take up to 45 days to receive.

## BACKGROUND

In order to qualify for and receive federal grant funding through HUD the City is required to prepare a Consolidated Plan every five years, an Annual Action Plan detailing the housing, community, and economic development activities proposed for funding through the CDBG, HOME, ESG, and HOPWA programs, and a Consolidated Annual Performance Evaluation Report capturing results each year. The development of the Annual Action Plan occurs through a needs hearing, a citizen participation process, an application period, and a program budgeting process.

The Revised Draft Action Plan covers the period from July 1, 2017 through June 30, 2018, and is the third year of the current Consolidated Plan. It has been prepared to meet the HUD grant funding requirements and provides details on the City's proposed use of CDBG, HOME, ESG, and HOPWA Programs.

City staff committed to timely preparation of the Annual Action Plan and began a comprehensive citizen engagement action planning process in January 2017 that would allow the City to meet its original May 15, 2017, deadline to submit its plan. However, the uncertainty surrounding the federal budget and the delay in HUD's announcement of entitlement jurisdiction funding levels contributed to the City's development of the City's Draft Action Plan that including contingency provision language, explaining how the City would adjust proposed plans to match actual allocations, once announced. The City fulfilled its citizen participation obligation and published the Draft Action Plan for public review from April 2, 2017 through May 4, 2017.

On May 5, 2017 an appropriations bill for the continuing resolution was signed, announcing that HUD Community and Planning and Development programs were to be funded at the same or similar levels as the prior year. However, entitlement jurisdictions were still required to await the announcement of exact allocations prior to submitting plans.

The Housing and Community Development Commission (HCDC) conducted a public hearing related to the Draft Action Plan on May 10, 2017. There were three public comments made and the HCDC recommended the City Council continue the item for future consideration once allocations had been announced by HUD. On May 11, 2017, the City Council conducted a public hearing related to the Draft Action Plan and continued the item for future consideration pending HUD's allocation announcement.

The City's annual deadline to submit the Action Plan to HUD is on May 15<sup>th</sup> and can be no later than August 16<sup>th</sup>. Given the uncertainty surrounding the allocation announcement, HUD issued a notice stating that entitlement jurisdictions would be allowed additional time to submit their action plans because HUD requires that allocations be announced prior to plan submission.

On June 14, 2017, HUD announced FY 2018 allocations. In an effort to ensure transparency and community engagement, the City developed a Revised Draft Action Plan that eliminates contingency provision language and instead uses exact allocation amounts. The City also produced a redline version comparing changes from the Draft Action Plan to the Revised Draft Action Plan. The Revised Action Plan was properly published and made available for public comment from June 29, 2017 through July 14, 2017 pursuant to HUD's reduction of the required 30-day public comment period to 14 days.

The HCDC is scheduled to conduct an additional public hearing on July 12, 2017, related to the Revised Draft Action Plan and a verbal update on public comments received and HCDC's recommendation will be provided by staff to the City Council on July 20, 2017.

If approved by Council, the Revised Draft Action Plan will be submitted to HUD for approval, which may take up to 45 days to receive.

## **Citizen Participation**

City staff began preparation of the Action Plan in December, 2016 through a public notice of the entitlement funding, and a Public Needs Hearing on housing and community development needs held on January 25, 2017. The HCDC and the City Council held public hearings and considered the approval of the Draft Action Plan on May 10<sup>th</sup> and May 11<sup>th</sup>, respectively. Given that the allocations had not been announced, the hearings were conducted, but the action of the item was continued for future consideration. The HCDC and City Council have scheduled additional public hearings and will consider the adoption of the Revised Draft Action Plan on July 12, 2017, and July 20, 2017, respectively.

The table below summarizes the citizen participation component of the Annual Action planning process. It is important to note the City provided notices and various communication in three languages: English, Hmong and Spanish.

Citizen Participation	Date
Public Notice initiating the Annual Action Plan process in the Fresno Bee and Vida en el Valle	Dec. 23, 2016 (Bee) Dec. 28, 2016 (Vida)
Flyers developed in 3 languages and provided to community centers, public libraries, e-mail distribution list of 500+ addresses, web posting, social media including Facebook and Twitter, and various radio stations.	Dec. 30, 2016 - Jan. 25, 2017
1 <sup>st</sup> Action Plan Community Workshop - West Fresno Family Resource Center	Jan.10, 2017
2 <sup>nd</sup> Action Plan Community Workshop - Pinedale Community Center	Jan. 17, 2017
Public Needs Hearing: Community Development Needs held at Housing and Community Development Commission Meeting	Jan.25, 2017
NOFA outreach included: community centers, public libraries, e-mail distribution list of 500+ addresses, web posting,	Feb. 10, 2017
Notice of HCDC Public Hearing and Scoring of CDBG applications; Notice of Funding Availability (NOFA) published in the Fresno Bee (daily publication), Vida en el valle (weekly publication) and the California Advocate (monthly publication)	Feb. 19, 2017 (Bee) Feb. 22, 2017 (Vida) Feb. 24, 2017 (Advocate)
HCDC Public Hearing and scoring of CDBG applications	March 22, 2017
Draft Annual Action Plan published - Minimum 30 day public review period began (outreach again included e-mail distribution, social media, web posting, community centers, library, etc.)	April 3, 2017
Draft Action Plan Public Comment Period Ends	May 4, 2017
HCDC Meeting - Public Hearing and Draft Annual Action Plan	May 10, 2017
City Council - Public Hearing and Draft Annual Action Plan (continued)	May 11, 2017

Revised Draft Action Plan published - Minimum 14 day - and Notice of HCDC and City Council Public Hearings published in the Fresno Bee (daily publication), Vida en el Valle (weekly publication). The deadlines for the California Advocate, a monthly publication, did not allow for timely publication.	June 27, 2017 (Bee) June 28, 2017 (Vida)
Revised Draft Action Plan public review period began (outreach again included e-mail distribution, social media, web posting, community centers, library, etc.)	June 29, 2017
HCDC Meeting - Public Hearing and Recommendation to Council related to Revised Draft Action Plan	July 12, 2017
Revised Draft Action Plan Public Comment Period Ends	July 14, 2017
City Council Public Hearing and Consideration of Revised Draft Action Plan	July 20, 2017

### FY 2017-2018 Entitlement Program Allocation

The City has been allocated \$9,638,303 for FY 2018. This represents an increase of \$162,594 over FY 2017 allocations as detailed below:

FISCAL YEAR ALLOCATIONS	CDBG	HOME	HOPWA	ESG	TOTAL
<b>2017-2018 Allocation (Current Year)</b>	<b>\$6,422,423</b>	<b>\$2,204,672</b>	<b>\$441,305</b>	<b>\$569,903</b>	<b>\$9,638,303</b>
2016-2017 Allocation (Prior Year)	\$6,330,331	\$2,192,795	\$387,290	\$565,293	\$9,475,709
DIFFERENCE	\$92,092	\$11,877	\$54,015	\$4,610	\$162,594

Entitlement funds primarily address housing and community development needs of low-and moderate-income households, and as such the limited resources are prioritized to meet the greatest need. Activities that are multi-year in nature such as planning activities, infrastructure improvements and rehabilitation programs that generally take more than one year to complete may be carried over into the next fiscal year, and several have been reflected in the City’s FY 2018 Budget. It is important to note that for timeliness reasons, it is essential that projects utilizing entitlement funds be implemented efficiently and effectively.

The Revised Draft Action Plan includes investments in capital projects such as street infrastructure, parks and community facilities as well as new investment in public services administered by local nonprofit agencies. The Revised Draft Action Plan also incorporates recommendations of the HCDC, public input received at the January Public Need Hearing, input received through various public hearings, Council Districts and the Mayor’s Office, as well as City staff related to capacity to implement proposed projects. A summary of the activities listed in the Revised Draft Action Plan are included in the attached PowerPoint presentation.

### ENVIRONMENTAL FINDINGS

This is not a project for purposes of CEQA pursuant to CEQA Guidelines Section 15378.

### **LOCAL PREFERENCE**

Local preference is not applicable because of the use of federal funding.

### **FISCAL IMPACT**

Adoption of the FY 2017-2018 Annual Action Plan will allow the City to receive approximately \$9.6 million of new entitlement funding.

#### Attachments:

- A - FY18 Action Plan Resolution
- B - Revised Draft 2017-2018 Annual Action Plan
- C - Revised Draft 2017-2018 Annual Action Plan (Redline Version)
- D - Subrecipient Agreement - CDBG
- E - Subrecipient Agreement - ESG
- F - Subrecipient Agreement - HOPWA
- G - Subrecipient Agreement - HOME TBRA
- H - PowerPoint Presentation