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**Title:** HEARING to obtain public comments regarding implementation of the City of Fresno's proposed activities with federal grant funding pertaining to the Fiscal Year 2020 Annual Action Plan

**Sponsors:** Planning and Development Department

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**Attachments:** 1. A - Draft Fiscal Year 2019-2020 Annual Action Plan

Date	Ver.	Action By	Action	Result
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**REPORT TO CITY COUNCIL**

**April 25, 2019**

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**THROUGH:** KELLI FURTADO, Assistant Director  
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**SUBJECT**

HEARING to obtain public comments regarding implementation of the City of Fresno's proposed activities with federal grant funding pertaining to the Fiscal Year 2020 Annual Action Plan

**RECOMMENDATIONS**

Staff recommends the City Council obtain the views and comments from interested persons regarding implementation of the City of Fresno's (City) proposed activities with federal grant funds from the U.S. Department of Housing and Urban Development (HUD).

## EXECUTIVE SUMMARY

City staff initiated a comprehensive citizen engagement and action planning process beginning in January 2019 to allow the City to meet its May 15, 2019, HUD submission deadline for the Fiscal Year 2020 Annual Action Plan (FY20 Action Plan). At the time of publication of the Draft FY20 Action Plan and preparation for the April 25, 2019, City Council staff report, HUD had yet to finalize allocations for 2019-2020. As such, this will be a public hearing only and staff will bring approval of the final action plan at a later meeting, tentatively May 2, 2019. Once adopted by Council, the FY20 Action Plan will be submitted to HUD for approval which may take up to forty-five days to be reviewed.

## BACKGROUND

In order to qualify for and receive federal grant funding through HUD, the City is required to prepare an Annual Action Plan detailing the housing, community, and economic development activities proposed for funding through the Emergency Solutions Grant (ESG), Housing Opportunities for Persons With AIDS/HIV (HOPWA), Community Development Block Grant (CDBG), and HOME Investment Partnership (HOME) Programs, and the benefits to low- and moderate- income persons. The development of the Annual Action Plan occurs through a needs hearing, citizen participation process, application period, and a program budgeting process.

The FY20 Action Plan covers the period from July 1, 2019, through June 30, 2020, and is the fifth and final year of the current Consolidated Plan. It has been prepared to meet HUD's grant funding requirements and provides details on the City's proposed use of ESG, HOPWA, CDBG, and HOME Programs.

City staff has committed to the timely submission of the FY20 Action Plan, and began a comprehensive citizen engagement action planning process in January 2019 to allow the City to meet the statutory May 15, 2019, deadline for submitting the FY20 Action Plan to HUD for approval. The HCDC conducted a public needs hearing on January 9, 2019, and a subrecipient funding application presentation and funding recommendation meeting on March 13, 2019. At the March 13, 2019, meeting, the HCDC provided funding recommendations for the ESG, HOPWA, and CDBG Programs. The City subsequently published the Draft FY20 Action Plan for public review on March 22, 2019, through April 22, 2019. Public comments may be found in the FY20 Action Plan Appendix A: Summary of Public Comments Received and City Response. Appendix A has been updated to reflect public comments received through April 10, 2109. A summary of any and all comments from the April 25, 2019, City Council Public Hearing will also be considered and included in the final FY20 Action Plan.

At the time of publication of the Draft FY20 Action Plan and preparation for the April 25, 2019, City Council staff report, HUD had yet to announce allocations for 2019-2020. As such, all of the funding amounts and allocations are considered estimates until the City receives notice from HUD on the final allocation. A summary of the City's estimated sources and uses is presented on page seven of the Draft FY20 Action Plan with more detailed information on estimated sources and expected uses in AP-15 Expected Resources (pages 27-31), AP-35 Projects (page 37) and AP-38 (pages 39-55).

Per HUD guidance, the City published a draft plan with funding contingencies, discussed on pages four through seven of the Draft FY20 Action Plan, in case the actual allocation is different than the

estimated amounts. In the event that the actual allocation is less than the estimated amount by ten percent or more, the City may hold additional public hearings and release an amended plan for additional public comment. Per HUD guidelines, the City will not submit a final plan to HUD until the actual allocations are announced.

**Citizen Participation**

City staff began preparation of the Draft FY20 Action Plan in December 2018 through a public notice of the entitlement funding, and a Public Needs Hearing on housing and community development needs held on January 9, 2019. On April 10, 2019, HCDC held a public hearing regarding the proposed activities of the Draft FY20 Action Plan. The April 25, 2019, City Council public hearing will represent the second public hearing on the Draft FY20 Action Plan.

The table below summarizes the citizen participation component of the planning process. It is important to note the City provided notices and used various means of communication in multiple languages to notify citizens of the public participation process.

<b>Citizen Participation</b>	<b>Date</b>
Public Notice initiating the Annual Action Plan process in the Fresno Bee and Vida en el Valle	Dec. 9, 2018 (Bee) Dec. 12, 2018 (Hmong radio) Dec. 19, 2018 (Vida)
Flyers developed in 3 languages and provided to community centers, public libraries, e-mail distribution list of 500+ addresses, web posting, FresGo, social media including Facebook and Twitter, and various radio stations.	Dec. 12, 2018
1 <sup>st</sup> Action Plan Community Workshop - Boys and Girls Club	Jan.3, 2019
2 <sup>nd</sup> Action Plan Community Workshop - Paraclete Missionary Baptist Church	Jan. 7, 2019
Public Needs Hearing: Community Development Needs held at Housing and Community Development Commission Meeting	Jan. 9, 2019
NOFA outreach included: community centers, public libraries, e-mail distribution list of 500+ addresses, web posting,	Jan. 18, 2019
HCDC Meeting on Applicant Presentations and Funding Recommendations	March 13, 2019
Notice of Draft Fiscal Year 2019-20120 Annual Action Plan, Public Comment Period, and HCDC and City Council Public Hearings	Mar. 17, 2019 (Bee) Mar. 20, 2019 (Vida) Mar. 20-22, 2019 (Hmong radio)

Draft FY20 Action Plan published - Minimum 30 day public review period began (outreach again included e-mail distribution, social media, FresGo, web posting, community centers, library, etc.)	Mar. 22, 2019
HCDC Meeting - Public Hearing on Draft Annual Action Plan	April 10, 2019
Draft Action Plan Public Comment Period Ends	April 22, 2019
City Council - Public Hearing on Draft Annual Action Plan	April 25, 2019
City Council - Adoption of FY20 Annual Action Plan	May 2, 2019 (tentative)
Adopted FY20 Annual Action Plan due to HUD ( <i>Grantee may delay submission to HUD until 60 days after the date allocations are announced, or until August 16, 2019, whichever comes first</i> )	May 15, 2019

**FY 2019-2020 Entitlement Program Allocation**

HUD has yet to finalize allocations, the funding amounts are considered estimates based on the prior year allocation, with the exception of HOME funds estimated to be allocated at 8% less than prior year. The City estimates that it will be allocated \$10,908,234 for FY20. The estimated allocation is detailed below:

FISCAL YEAR ALLOCATIONS	CDBG	HOME	HOPWA	ESG	TOTAL
<b>2019-2020 Allocation (Current Year)</b>	<b>\$6,904,510</b>	<b>\$2,925,658</b>	<b>\$499,903</b>	<b>\$578,163</b>	<b>\$10,908,234</b>
2018-2019 Allocation (Prior Year)	\$6,904,510	\$3,180,063	\$499,903	\$578,163	\$11,162,639
DIFFERENCE	\$0	-\$254,405	\$0	\$0	-\$254,405

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. It is important to note that for timeliness reasons, it is essential that projects utilizing entitlement funds be implemented efficiently and effectively.

The Draft FY20 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 Draft FY20 Action Plan also incorporates funding recommendations of the HCDC, public input received at the January Public Needs 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 to be funded can be found in the attached Draft FY20 Action Plan under AP-38, Project Summary, pages 39-55.

## **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 FY20 Action Plan will allow the City to receive approximately \$10.9 million of new entitlement funding.

Attachment:

A - Draft Fiscal Year 2019-2020 Annual Action Plan