



Legislation Details (With Text)

File #: ID17-620 **Version:** 1 **Name:**

Type: Action Item **Status:** Continued in Council

File created: 4/20/2017 **In control:** City Council

On agenda: 5/11/2017 **Final action:** 5/11/2017

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 FY2018 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; providing for sub recipient agreements; and authorizing the City Manager to sign all implementing documents required by HUD as approved to form by the City Attorney.

Sponsors: Planning and Development Department

Indexes:

Code sections:

Attachments: 1. A-FY18 Action Plan Resolution, 2. B-City Council Draft 2017-2018 Annual Action Plan, 3. C-Subrecipient Agreement CDBG, 4. D-Subrecipient Agreement ESG, 5. E-Subrecipient Agreement -HOPWA, 6. F-Subrecipient Agreement -HOME TBRA

Date	Ver.	Action By	Action	Result
5/11/2017	1	City Council		continued as noted

REPORT TO THE CITY COUNCIL

May 11, 2017

FROM: JENNIFER CLARK, Director
Development and Resource Management

THROUGH: KELLI FURTADO, Assistant Director
Development and Resource Management

BY: THOMAS MORGAN, Housing Manager
Housing and Community Development Division

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 FY2018 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; providing for sub recipient agreements; and authorizing the City Manager to sign all implementing documents required by HUD as approved to form by the City Attorney.

RECOMMENDATIONS

Staff recommends:

1. the Fresno City Council obtain the views and comments from interested persons regarding implementation of the City's proposed activities with federal grant funding;
2. continuing the FY 2017-2018 Annual Action Plan pending outcome of the federal 2017 budget appropriations; and authorize the City Manager to sign all implementing documents and sub recipient agreements required by HUD as approved to form by the City Attorney.

EXECUTIVE SUMMARY

At the time of drafting this report, Congress has not completed the appropriations process for HUD and the announcement of 2017-2018 allocations is pending. Staff is anticipating action by close of day May 4, 2017 on a spending omnibus bill. Given the uncertainty, HUD has not announced the City's FY2017 - 2018 CDBG, HOME, ESG and HOPWA allocations. HUD's standard deadline to submit the Action Plan is May 15, 2017. However, in light of the uncertainty, the City will be allowed additional time to submit the Annual Action Plan. Once funding has been announced, staff will submit a redlined version of the Annual Action Plan reflecting the announced allocations, public comments, and staff recommended activities.

The 2017-2018 Annual Action Plan ("Action Plan") has been prepared to meet the HUD grant funding requirements and provides details on the City's proposed use of the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Solution Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Programs. City staff has committed to timely preparation of the Action Plan and began the comprehensive citizen engagement action planning process in January 2017. The Draft Action Plan was published on April 3, 2017, and the public comment period ended on May 4, 2017.

The City has fulfilled its citizen participation obligation while waiting for HUD to announce the allocations by estimating funding amounts similar to the prior year funding levels. By including contingency provision language in the Action Plan, and explaining how the City will adjust proposed plans to match actual allocations; the City will not need to make significant revisions to the plan beyond incorporating final allocation amounts once they are known, and incorporating Council direction. Once the allocation amounts are finalized staff may submit the Action Plan to HUD within the appropriate deadline.

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.

This Action Plan covers the period from July 1, 2017, through June 30, 2018, and is the third year of the current Consolidated Plan. The development of the Annual Action Plan occurs through a needs hearing, a citizen participation process, an application period, and a program budgeting process.

Citizen participation

City staff began preparation of the Action Plan in December, 2016 through a public notice of the entitlement funding anticipated to be received by the City and a Public Needs Hearing on housing and community development needs held on January 25, 2017. The next step in the annual action planning process will include a briefing on any public comments and recommended changes to the draft Annual Action Plan on May 10, 2017 at the City’s Housing and Community Development Commission (HCDC) and on May 11, 2017, during the regularly scheduled City Council meeting, along with staff’s recommendation to the City Council to consider adopting the 2017-2018 Annual Action Plan. The table below summarizes the citizen participation component of the annual action planning process. It is important to note the City provided notices 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 st Action Plan Community Workshop - West Fresno Family Resource Center	Jan.10, 2017
2 nd 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
Notice of HCDC Public Hearing and Scoring of CDBG applications; Notice of Funding Availability (NOFA) published in the Fresno Bee, Vida en el Valle and the California Advocate	Feb. 19, 2017 (Bee) Feb. 22, 2017 (Vida) Feb. 24, 2017 (Advocate)
NOFA outreach included: community centers, public libraries, e-mail distribution list of 500+ addresses, web posting,	Feb. 10, 2017
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

Public Comment Period Ends	May 4, 2017
HCDC Meeting - Draft Annual Action Plan	May 10, 2017
City Council Public Hearing and Consideration of Annual Action Plan	May 11, 2017

FY 2017-2018 Entitlement Program Funding

The City has estimated an allocation of approximately \$9.5 million in new federal funds and approximately \$3 million in program income and reprogrammed funds during the upcoming program year. Entitlement grants primarily address the 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 will be reflected in the City’s Budget to be adopted in June.

The Draft Action Plan available for public comment (Attachment B) 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 Action Plan reflects the recommendations of the HCDC* and public input received at the January Public Need Hearing. A summary of the activities listed in the draft are as follows:

- Affordable housing and related initiatives, as follows:
 - Housing Rehabilitation - \$1,000,000 (CDBG and HOME)
 - Senior Paint Program - \$199,777 (CDBG)*
 - Community Revitalization -Inspections - \$832,400 (CDBG)
 - Minor Code Compliance Program - \$150,000 (CDBG)
 - CHDO Set Aside - \$590,406 (HOME)
 - Tenant Based Rental Assistance - \$665,718 (HOME)
 - HOME Development - \$1,420,500 (HOME)

Note: Housing Rehabilitation Administration (\$210,000, CDBG) and the Lead Paint Abatement Program (\$263,000, CDBG) will be included in a proposed Substantial Amendment to the FY 2016-2017 Action Plan.

- All or a portion of the street/streetscape and street lighting projects in existing and planned neighborhood revitalization target areas totaling up to \$1,948,003 with CDBG, as follows (note that project estimates exceed \$1,948,003):
 - Addams, Slater, and Highway City Lighting
 - Hamilton & Winery Avenue Street
 - Hidalgo Neighborhood
 - Jefferson Neighborhood
 - Pinedale Neighborhood ADA
 - Pinedale and Fort Miller
 - Webster, Columbia, Winchell and King School

- Yosemite, Leavenworth, Hidalgo, and Jefferson Lighting
- Nonprofit public services to be funded with CDBG:
 - Boys and Girls Club (\$33,000)*
 - Fresno EOC Afterschool (\$39,443)*
 - Valley Caregivers (\$141,000)*
 - Stone Soup Fresno Job Training (\$135,681)*
 - Lowell CDC Tenant Education (\$22,000)*
- Homeless Programs
 - Emergency Shelter - \$ 347,068 (ESG and HOPWA)*
 - Homeless Prevention - \$73,830 (ESG and HOPWA)*
 - Rapid Re-Housing - \$454,421*
 - Homeless Management Information System - \$19,785 (ESG)*
 - Homeless Program Administration - \$6,684 (ESG and HOPWA)*
- City of Fresno Public Services to be funded with CDBG:
 - Senior Hot Meals (\$54,165)*
 - Parks After School Program (\$351,180)*

Note: Senior Hot Meals is proposed to receive an additional \$57,124 in CDBG funds pursuant to a Substantial Amendment to the FY 2016-2017 Action Plan

- Nonprofit public facilities to be funded with CDBG:
 - an ADA (elevator) project at 4974 E. Clinton Way by Helping Others Pursue Excellence (HOPE)(\$100,000) *
 - improvements at a Domestic Violence Homeless Shelter by the Marjaree Mason Center (\$92,600) *
 - the planting of 500 trees by Tree Fresno (\$190,000) *
 - the installation of replacement windows at 1388 - 1398 Bulldog Lane by the Westcare California, Inc. (\$40,614.20) *
 - solar panel installation as part of the Stone Soup Fresno El Dorado Park Job Development Pilot (\$42,635) *
- CDBG funds will be used to make capital improvements to parks and recreational facilities that serve predominantly low and moderate income residential areas. Parks projects to be funded with CDBG funds are as follows:
 - Holmes - 212 S First Ave (\$150,000)
 - Wills - 770 N San Pablo (\$297,900)
 - Romaine - 745 N First Avenue (\$60,000)
 - Pinedale - 7170 N San Pablo Ave (\$50,000)

The subrecipient agreements used for sub-granting of funds can be found in Attachment C, D, E and F.

The City's Housing and Community Development Commission (HCDC) is scheduled to conduct a public hearing on May 10, 2017, on the draft Action Plan. Because this is the evening prior to the

City Council meeting, a verbal update will be provided by staff to the City Council on May 11, 2017.

Substantial Amendment

In order to reprogram prior year funding, a Substantial Amendment is required by HUD. The City anticipates reprogramming approximately \$1.05 million in CDBG funds. These dollar amounts are described, but not included in the Action Plan. A Substantial Amendment will be presented separately to the City Council on June 15, 2017 after a 30-day public comment period. Once adopted by the City Council, the Substantial Amendment will be submitted to HUD for approval, which takes up to 45 days. Given the uncertainty of the federal budget allocation process, staff anticipates that the projects funded through the substantial amendment process will be handled in a more timely fashion. Those projects will be defined in detail through the amendment, and are proposed to include a Section 108 loan payment due August 1, 2017 as well as a portion of the Senior Meals Program and a Lead Paint Abatement Program.

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 \$9.5 million of forecasted new entitlement funding.

Attachments:

- A - FY18 Action Plan Resolution
- B - City Council Draft 2017-2018 Annual Action Plan
- C - Subrecipient Agreement - CDBG
- D - Subrecipient Agreement - ESG
- E - Subrecipient Agreement - HOPWA
- F - Subrecipient Agreement - HOME TBRA