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Title: Actions pertaining to the City of Fresno 2016-2017 Annual Action Plan:
1. CONTINUED HEARING regarding implementation of the City's proposed activities with federal grant funding; and (Public comment portion was heard on April 28, 2016 and closed)
2. RESOLUTION -Adopting The FY2017 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 (HOPWA) Program Funds; providing for subrecipient 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. FY17 Action Plan Resolution.pdf, 2. City Council Draft 2016-2017 Annual Action Plan.pdf, 3. HCDC Subrecipient Funding Recommendations.pdf, 4. Supplement - Agreement for File ID16-440.pdf, 5. 2016-17 Annual Action Plan PowerPoint.pdf

Date	Ver.	Action By	Action	Result
5/12/2016	1	City Council	approved as amended	Pass

REPORT TO THE CITY COUNCIL

May 12, 2016

FROM: JENNIFER CLARK, Director
Development and Resource Management

BY: KELLI FURTADO, Assistant Director
Development and Resource Management

SUBJECT

Actions pertaining to the City of Fresno 2016-2017 Annual Action Plan:

1. CONTINUED HEARING regarding implementation of the City's proposed activities with federal grant funding; and (Public comment portion was heard on April 28, 2016 and closed)
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implementing documents required by HUD as approved to form by the City Attorney

RECOMMENDATIONS

Staff recommends the Fresno City Council obtain the views and comments from interested persons regarding implementation of the City's proposed activities with federal grant funding; adopt the FY 2016-2017 Annual Action Plan; and authorize the City manager to sign all implementing documents and subrecipient agreements required by HUD as approved to form by the City Attorney.

EXECUTIVE SUMMARY

The 2016-2017 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 December, 2015. HUD's deadline to submit the Action Plan is May 15, 2016 and if approved, will be the first time the City of Fresno has met this deadline in recent memory.

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, 2016 through June 30, 2017 and is the second year of the current Consolidated Plan. The development of the Annual Action occurs through a needs hearing, a citizen participation process, a CDBG application period, and a program budgeting process.

Citizen participation

City staff began preparation of the Action Plan in December, 2015 through a public notice of the entitlement funding anticipated to be received by the City and a Public Hearing on housing and community development needs held on January 13, 2016.

The next step in the annual action planning process was to conduct a public hearing on the Draft 2016-2017 Annual Action Plan and provide a recommendation to the City Council. The table below summarizes the citizen participation component of the annual action planning process. It is important to note that the City provided notices in three languages, English, Hmong and Spanish.

Citizen Participation	Date
Public Notice initiating the Annual Action Plan process	December 7, 2015
Reminder notices emailed and posted at community center, public libraries and prior recipients	January 8, 2016

Second Public Notice of initiation	January 10, 2016
Public Hearing - Community Development Needs	January 13, 2016
Notice of Funding Availability (NOFA) published	February 5, 2016
NOFA sent to public and nonprofit mailing list	February 6, 2016
HCDC public meeting and scoring of CDBG applications	March 14, 2016
Draft Annual Action Plan published - Minimum 30 day public review period began	March 16, 2016
HCDC Public Hearing on Draft Annual Action Plan	April 27, 2016

The City's Housing and Community Development Commission (HCDC) is scheduled to conduct a public hearing on April 27, 2016, on the draft Action Plan. Because this is the evening prior to the City Council workshop, a verbal update will be provided by staff to the City Council on April 28, 2016.

FY 2016-2017 Entitlement Program Funding

The City has been allocated approximately \$9.46 million of federal funds during the upcoming program year, and estimates \$450,000 in program income. 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. In addition to the upcoming program year HUD allocation of \$9.46 million, the City anticipates reprogramming approximately \$3.5 million from prior years; the associated Substantial Amendment to the previous year's Annual Action Plan is scheduled to be heard by the City Council on May 12, 2016. 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 Action Plan (Attachment 2) includes substantial 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.

Some notable information regarding the proposed Action Plan includes the following:

- Over 30% of the total federal funding budget is sub-granted to agencies for services and housing including 10% of the recommended CDBG allocation;
- An additional 38% of the CDBG allocation is directed to streets, parks, youth programs, and senior meals while another 4% is set aside for direct housing rehabilitation;
- Nonprofit public services to be funded with CDBG are:
 - SMART Moves at Fink-White by the Boys and Girls Club of Fresno County for \$15,000;
 - Hope Builds, A Section 3 training program by Helping Others Pursue Excellence for \$12,000; and
 - the Transitional Living Center by Fresno Economic Opportunities Commission for \$38,000.
- Nonprofit public facilities to be funded with CDBG are
 - a shade structure at Dickey Park by the Lowell CDC for \$8,000;

- improvements at the Downtown Business HUB Incubator by the Fresno Hispanic Foundation for \$163,000;
 - construction of a new Highway City Community Center by the Highway City CDC and Silvercrest, Inc. for \$329,000; and
 - a Fulton Corridor Façade Grant program by the Downtown Partnership for \$100,000.
- Street projects to be funded with CDBG include street and sidewalk improvements in the neighborhood bounded by Kings Canyon, Alta, Willow and Adler; the neighborhood bounded by Fairmont, Santa Ana, Barcus, and Polk; the neighborhood bounded by Buckingham, Saginaw, Cedar and Ninth; and the neighborhood bounded by Floradora, McKinley, Fruit and Weber.
- Parks projects to be funded with CDBG include two new tot lots, rehabilitation of the learner swimming pool, replacement of the gymnasium floor, and replacement of the HVAC units at Romain Neighborhood Center.

The subrecipient agreement to be used for sub-granting of funds can be found in Attachment 3.

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 2016-2017 Annual Action Plan will allow the City to receive the \$9.46 million of entitlement funding.

Attachments:

FY17 Action Plan Resolution

City Council Draft 2016-2017 Annual Action Plan

HCDC Subrecipient Funding Recommendations

Subrecipient Agreement