



Staff Report

File #: 24-0455

REQUEST FOR CITY COUNCIL ACTION

DATE: 06/05/2024

TO: Honorable Mayor and City Council Members

FROM: Community Services Department

SUBJECT:

PUBLIC HEARING FOR THE CITY COUNCIL CONSIDERATION OF THE 2024-2025 ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME INVESTMENT PARTNERSHIPS PROGRAMS

EXECUTIVE SUMMARY:

This staff report asks the City Council to approve the Action Plan for the United States Department of Housing and Urban Development Community Development Block Grant and HOME Investment Partnerships Programs for Fiscal Year 2024-2025. The Action Plan recommends funding for the Victoria Park Community Center, Code Compliance, and six Public Service Providers through the Community Development Block Grant program, and Tenant Based Rental Assistance Program through the HOME Investment Partnership program. In accordance with Housing and Urban Development regulations, the Fiscal Year 2024-2025 Action Plan has been prepared, and public notice has been placed in a newspaper of general circulation. The City's approved Action Plan must be submitted to the Department of Housing and Urban Development by July 5, 2024.

RECOMMENDED ACTION:

That the City Council:

- a. Approve the 2024-2025 Action Plan, inclusive of the anticipated allocation of funds to the Community Development Block Grant and HOME Investment Partnerships projects, and authorize the City Manager, or his designee, to submit these documents and any necessary amendments to the United States Department of Housing and Urban Development.
- b. Authorize the City Manager, or his designee, to adjust the Action Plan project and activity funding levels proportionally, as necessary, to conform with the final formula grant allocations announced by the United States Department of Housing and Urban Development and the total available Community Development Block Grant and HOME Investment Partnerships funds.

- c. Authorize the City Manager, or his designee, to prepare and process all necessary budgetary transactions to receive the funds included in the Housing and Urban Development Funding Approval Agreements.
- d. Authorize the City Manager, or his designee, to negotiate, execute, and amend contracts with sub-recipients, developers, contractors, or professional service providers as necessary to implement the Community Development Block Grant and HOME Investment Partnerships program activities using funds under the approved projects identified in the 2024-2025 Action Plan, and any ongoing projects identified in prior Action Plans.
- e. Authorize the City Manager, or his designee, to amend, and submit to the United States Department of Housing and Urban Development all plans and documents necessary to administer the 2024-2025 Community Development Block Grant and HOME Investment Partnerships projects and activities.
- f. Authorize the appropriation of any Community Development Block Grant program income receipts from loan payoffs received by the City to the Residential Rehabilitation Program, CIP 67133431, a Community Development Block Grant approved project, within the Community Development Block Grant Fund.
- g. Authorize the appropriation of any HOME Investment Partnerships program income receipts from loan payoffs received by the City to the Residential Rehabilitation Program, CIP 67133432, a HOME Investment Partnerships approved project, within the HOME Investment Partnership Fund.

BACKGROUND & HISTORY:

The City Council approved the 2020-2024 Five-Year Consolidated Plan for Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Funds on June 17, 2020. The 2020-2024 Consolidated Plan includes a comprehensive assessment of Corona housing, community, and economic development needs and provides a five-year strategy to address identified needs. Each year, the City Council adopts an Annual Action Plan that describes how CDBG and HOME Funds will be spent in the fiscal year in accordance with the strategies outlined in the Five-Year Consolidated Plan.

The United States Department of Housing and Urban Development (HUD) regulations allow 20 percent of CDBG funds to be used for administration and 15 percent to be used for public services that would serve and benefit eligible City residents. The remaining balance of CDBG funds may be used for city housing activities and capital improvement projects. Activities funded by CDBG and HOME funds are to specifically serve persons of low and moderate incomes.

ANALYSIS:

The City's CDBG allocation is \$1,097,298 for the Program Year 2024-2025. In accordance with HUD regulations, the City will allocate 20 percent of the funds (\$219,459) to administration to perform, monitor, and provide annual reporting to HUD on the City's CDBG program, and recommends

allocating 15 percent of the funds (\$164,590) to service providers selected as part of the 2021-2024 four-year grant application process. The Program Year 2024-2025 public service grants will be the fourth and final year of the four-year commitment. The remaining balance of the CDBG allocation for FY 2024-2025 is \$713,249, which would go towards City capital improvement programs and projects.

The following information describes the projects and activities recommended for funding allocations in the Action Plan, including CDBG Capital Improvement Projects, CDBG Public Service activities, and HOME projects and activities.

CDBG Capital Improvement Projects Considered for Funding

City departments implementing housing and community development activities were requested to submit funding applications for programs or projects that would benefit low- and moderate-income residents, including those located within the CDBG target area. The Community Services Department received two grant applications from City departments for FY 2024-2025.

Proposed CDBG Capital Grant Requests	Amount Requested
Code Compliance Program	\$100,000
Park Projects - Year 3	\$613,249
Total Amount Requested	\$713,249
Amount of Funding Available	\$713,249

Code Compliance Program

The Code Compliance Program managed by the Planning and Development Department provides funding equivalent to one (1) full-time City Code Compliance position to focus efforts in the CDBG residential target area. The contribution of funds is a cost savings to the General Fund. Grant funding ensures the City can dedicate resources for residential dwellings inspection and enforcement to ensure safe and sanitary housing and to preserve aging housing units occupied by low- and moderate-income persons.

Park Projects

During the Consolidated Plan planning process, residents voiced concern about conditions in parks. In response to this feedback, staff prepared a 3-year Park Projects Plan that will provide access to passive recreational activities and programming and improve amenities for residents in underserved areas who may not have the means of accessing other parks within the city. The planned improvements will provide fair and equitable access to all Corona residents and youth. To date, the City Council has approved Year 1 and Year 2 Park Project funding. Staff is seeking approval for Year 3 to complete the 3-year park plan. Below is a summary and update for each project.

Year 1 Project (CDBG Program Year 2022-2023):

- Victoria Park (Splash Pad): The use of open space at the site location includes the installation of a splash pad with water features, sprayers, and other historic-themed decorative features.

- Progress Update: Design plans, construction drawings, and procurement documents are nearly complete. This project is anticipated to go out to bid in August/September 2024 and will take 120 days to complete.

Year 2 Project (CDBG Program Year 2023-2024):

- Sheridan Park (Playground & Lighting): Replace the aged play structure with a new unit. This provides inclusive Americans with Disabilities Act (ADA) accessible features and provides play experiences for all.
- Progress Update: The park playground theme, Solar System, was reviewed by the Parks Commission, and staff hosted four days of outreach at Sheridan Park to ask area residents, parkgoers, and YMCA daycare families to select between two design options. Staff is in the process of ordering equipment for the playground that received the highest votes and is preparing procurement documents for construction design services for the demolition and installation.

Year 3 Project (CDBG Program Year 2024-2025):

- Victoria Park (Community Center Improvements): Proposed improvements include removing interior walls to create a larger and open transitional functional space, adding restroom facilities, and repainting. If the budget allows, additional security lighting may be added.
- Progress Update: CDBG funds are typically utilized on 'shovel-ready' projects to prevent expenditure delays. Therefore, in anticipation of this funding, staff is preparing a Request for Proposal (RFP) for design services to ensure the project moves forward within the allotted timeframe.

Staff recommends that the Code Compliance Program continue to be funded by CDBG for \$100,000 and that the remaining balance of \$613,249 be allocated to Year 3 of the Park Project Plan.

CDBG Public Service Grant Activities Funding

The City issued a Notice of Funding Availability (NOFA) for CDBG Public Service Activities on February 10, 2021, and distributed it directly to 200 non-profit public service providers, advertised in the Sentinel Weekly, and posted on the City's social media platforms. The City received 11 grant applications from public service providers. The six non-profits listed below represent the highest-scoring applications that were awarded a four-year commitment of funds based on performance. Each non-profit continues to perform in accordance with the contract obligations. Therefore, staff recommends providing the final year of FY 2024-2025 funding, as noted in the table below.

Proposed CDBG Public Service Grants	Amount Recommended
ABC Hopes, Inc.: (dis)ABILITIES Fitness + Life Skill Support	\$26,318
Big Brothers Big Sisters: Bigs with Badges Mentoring Program	\$26,318
Fair Housing Council of Riverside County: Fair Housing	\$33,000

Starting Over, Inc.: Path to SEED	\$26,318
Peppermint Ridge: Nursing Services	\$26,318
Voices for Children: Court-Appointed Special Advocate Program	\$26,318
Total Amount Recommended	\$164,590
Amount of Funding Available	\$164,590

The following is a brief description of the programs selected.

ABC Hopes, Inc.: (dis)ABILITIES Fitness + Life Skill Support

This program activity benefits Corona residents with intellectual disabilities and their families through a fitness program and a life skills wrap-around support program. The program focuses on the participant’s physical well-being through partnerships with local gyms and wellness centers, and life skills. Through these activities, participants gain opportunities for social interaction, money management skills, and valuable life skills. This program assists approximately 126 Corona residents each Fiscal Year.

Big Brothers Big Sisters: Bigs with Badges Mentoring Program

This program activity provides high school students with mentors in law enforcement from the Corona Police Department to focus on career exploration and life skills development. This mentorship program seeks to transform police and community relations while providing life-changing opportunities for youth dealing with incarcerated parents, poverty, and gangs. This program assists approximately 16 Corona residents each Fiscal Year.

Fair Housing Council of Riverside County: Fair Housing

Fair Housing Council of Riverside County is the City’s current provider of fair housing services. Fair housing assistance is a mandatory HUD requirement under CDBG and HOME programs to ensure funds affirmatively further fair housing choices. The program includes landlord-tenant mediation services, anti-discrimination services, workshops, seminars, presentations, and enforcement actions in partnership with HUD, the Department of Fair Employment and Housing, or private attorneys. The Fair Housing Council serves over 1,500 Corona residents each Fiscal Year.

Starting Over, Inc.: Path to SEED

Starting Over assists formerly incarcerated and convicted people in finding employment, which is an essential first step to reentering society, maintaining housing, and remaining out of jail or prison. Studies show that work reduces reoffending, and the sooner ex-offenders are employed, the less likely they will commit future crimes. Path to SEED helps participants address typical barriers like background checks, employer policies and practices, discrimination, and lack of employment skills. Starting Over provides pre-employment readiness training and other resources through agreements maintained with employers, employment agencies, local businesses, consultants, and other community stakeholders. This program assists approximately 126 Corona residents each fiscal Year.

Peppermint Ridge: Nursing Services

Peppermint Ridge uses CDBG public service funds to address a gap in client care for 30 men and women living in the Ridge’s three “satellite” licensed Community Care homes separate from the main

Peppermint Ridge campus located on Magnolia Avenue in Corona. The program provides nursing care from a registered nurse 32 hours per month to provide assessments, complete wellness checks, and review medical discharge orders from the hospital or emergency room. Additionally, the nurse serves as an advocate for developmentally disabled residents when interacting with medical professionals. This program serves approximately 30 Corona residents each Fiscal Year.

Voices for Children: Court-Appointed Special Advocate Program (CASA)

This program involves volunteers who advocate for children in foster care (ages birth to 21) in court, at school, and throughout the community to ensure their needs are best represented in an overburdened foster care system. CASA commits to serving an individual child or sibling group for of at least 18 months and will spend 10-15 hours per month getting to know the case child(ren), identifying necessary services and resources, and advocating on their behalf in court, at school, and in the community. This program serves approximately 14 Corona residents each Fiscal Year.

City HOME Projects Considered for Funding Recommendation

The City’s allocation of HOME funds is \$405,215; 10% (\$40,521) is set aside for city administrative costs, and 15% is set aside mandatorily for projects undertaken by Community Housing Development Organizations (CHDO). The remaining 75% of the HOME allocation is recommended for Tenant-Based Rental Assistance (TBRA) to be used in furtherance of the Homeless Strategies to house homeless or at-risk households. Staff is recommending the following FY 2024-2025 funding under the HOME Program.

Proposed HOME Activities	Amount
Tenant-Based Rental Assistance	\$303,912
CHDO Reserve (HUD requirement)	\$60,782
HOME Program Planning and Administration	\$40,521

Public Participation for the CDBG/HOME FY 2024-2025 Action Plan

This item is a public hearing on the CDBG and HOME funding recommendations for the FY2024-2025 Action Plan. The Action Plan was made available for public review for a period of 30 days prior to the public hearing. The public review draft of the FY2024-2025 Action Plan is included as Exhibit 1 and available on the City’s website at www.coronaca.gov/government/departments-divisions/cdbg.

FINANCIAL IMPACT:

There will be no negative impact to the General Fund because of the planned projects to be funded with annual grants of CDBG and HOME funds from HUD.

FY2024-2025 CDBG Activities

1. Peppermint Ridge \$26,318
2. Voices for Children \$26,318
3. Starting Over \$26,318

4. Big Brother Big Sister \$26,318
5. ABC HOPES \$26,318
6. Fair Housing Council of Riverside County \$33,000
7. Code Compliance \$100,000
8. Community Facilities & Infrastructure - Park Project Phase III \$613,249
9. CDBG Administration \$219,459

2024-2025 HOME Activities

1. Tenant-Based Rental Assistance (TBRA) \$303,912
2. CHDO Reserve (HUD requirement) \$60,782
3. HOME Program Planning and Administration \$40,521

ENVIRONMENTAL ANALYSIS:

The creation of required plans and the allocation of CDBG and HOME funds is an administrative activity exempt under 24 CFR Part 58, Section 58.34 of the National Environmental Policy Act of 1969, as amended. Additionally, these activities are not considered to be a "project" under the California Environmental Quality Act.

PREPARED BY: FRANK PEREZ, CDBG CONSULTANT & CYNTHIA LARA, COMMUNITY ASSISTANCE MANAGER

REVIEWED BY: DONNA FINCH, COMMUNITY SERVICES DIRECTOR

Attachment:

1. Exhibit 1 - Draft 2024-2025 Action Plan for CDBG and HOME Investments Partnership Programs.