



Agenda Report

File #: 19-0483

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 6/5/2019

TO: Honorable Mayor and City Council Members

FROM: Community Development Department

SUBJECT:

Public Hearing for City Council consideration of approval of the 2019-20 Action Plan for the Community Development Block Grant and HOME Investment Partnerships Programs.

RECOMMENDED ACTION:

That the City Council:

1. Conduct a public hearing to receive comments concerning the 2019-20 Action Plan.
2. Approve the 2019-20 Action Plan, inclusive of the allocation of funds to the Community Development Block Grant and HOME Investment Partnerships projects, and authorize the City Manager, or his designee to submit the plan and any necessary amendments to the plan to the United States Department of Housing and Urban Development.
3. Authorize the Administrative Services Director to prepare and process all necessary budgetary transactions as required based on the final formula grant allocations of Community Development Block Grant and HOME Investment Partnerships funds released by the United States Department of Housing and Urban Development and included in the Housing and Urban Development Funding Approval Agreements.
4. Authorize the City Manager, or his designee to negotiate, execute, and amend contracts with sub-recipients, developers or professional service providers receiving CDBG and HOME funds to implement the approved 2019-20 projects identified in the 2019-20 Annual Action Plan, and any ongoing projects identified in prior Annual Action Plans.
5. Authorize the City Manager, or his designee to execute, amend, and submit to the United States Department of Housing and Urban Development all plans and documents necessary to administer the 2019-20 Community Development Block Grant and HOME Investment Partnerships programs.

6. Authorize the Administrative Services Director to appropriate any CDBG program income receipts from loan payoffs received by the City to the Residential Rehabilitation Program, CIP 67133431, a CDBG approved project, within the Community Development Block Grant Fund.
7. Authorize the Administrative Services Director to appropriate any HOME program income receipts from loan payoffs received by the City to the Residential Rehabilitation Program, CIP 67133432, a HOME approved project, within the HOME Investments Partnership Fund.

ANALYSIS:

Federal regulations require the City of Corona to prepare an Annual Action Plan (Action Plan) in order to receive Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds from the United States Department of Housing and Urban Development (HUD). To meet this requirement, the City prepared its Action Plan and placed the draft document on public review for a period of 30 days. The public review period affords the public an opportunity to comment on the Action Plan prior to City Council approval and submission to HUD. The Action Plan is attached to this report as Exhibit A.

For the 2019-2020 program year, the City will receive \$1,197,231 of CDBG funds and \$446,458 of HOME funds from HUD. The CDBG allocation is approximately 1.49 percent lower than the 2018-2019 allocation and the HOME allocation is approximately 5.6 percent lower. When combined with available prior year resources, the Action Plan proposes appropriations of \$1,301,137 of CDBG funds and \$446,458 of HOME funds.

CDBG Projects

1. Big Brothers Big Sisters: Preventing Violence Against Girls	\$21,675
2. Corona-Norco Family YMCA: Childcare Enriched with Fine Arts Education	\$21,675
3. Corona-Norco United Way: Children and Youth Services	\$21,675
4. Corona-Norco United Way: Children's Wellness Program	\$21,675
5. Council on Aging Southern California: Ombudsman Program	\$14,775
6. Inspire Life Skills Training: Meaningful Engagements	\$24,630
7. Peppermint Ridge: Activity Center	\$21,675
8. Fair Housing Council of Riverside County: Fair Housing Services	\$24,630
9. City of Corona: Graffiti Removal	\$7,150
10. City of Corona: Code Enforcement	\$100,000
11. City of Corona: Residential Rehabilitation Program	\$152,132
12. Habitat for Humanity Riverside: A Brush With Kindness	\$10,000
13. City of Corona: Public Facilities and Infrastructure	\$600,000
14. Foundation for CSUSB: Corona Business Assistance	\$20,000

HOME Projects

15. City of Corona: Residential Rehabilitation Program	\$334,844
16. Community Housing Development Organization Project	\$66,969

Program Administration Projects

17. CDBG Program Administration	\$239,445
18. HOME Program Administration	\$44,645

Each of the proposed projects included in the Action Plan are designed to meet specific measurable goals established in the City's 2015-19 Consolidated Plan submission to HUD that was approved by the City Council on April 15, 2015.

CDBG Public Service projects 1-7 represent proposed grants to be awarded under the City's competitive Notice of Funding Availability ("NOFA") for three-year CDBG Public Service Grants Program. These grants provide each public service provider with a stable source of funding for a three-year period, with renewals based on meeting pre-determined performance goals and complying with CDBG program rules. After the three-year period of July 1, 2018 through June 30, 2021, the public service providers will not be eligible to apply for future CDBG funds unless their application is for a new service, a new program or constitutes a quantifiable increase above and beyond the level of service already provided (inclusive of 2018-20 CDBG).

Project 8 represents an agreement with the Fair Housing Council of Riverside County to assist the City in meeting its obligations under HUD rules to affirmatively further fair housing choice through the provision of landlord-tenant mediation, fair housing discrimination services and educational workshops for residents, prospective residents and housing providers. Projects 9-16 represent housing, community and economic development projects to be implemented by City Departments, developers and nonprofit providers to address high priority needs identified in the Consolidated Plan. Projects 17-18 include funds necessary to administer, implement and monitor the performance of the CDBG and HOME programs in compliance with HUD regulations.

Citizen Participation

A public notice of availability of the draft Action Plan for review and of the Public Hearing before the City Council was published in the *Sentinel Weekly News* on May 3, 2019. The draft Action Plan is available for public review at the City Clerk's Office, Corona Public Library, Community Development Department and online at www.coronaca.gov/cdbg.

COMMITTEE ACTION:

The proposed CDBG and HOME appropriations were presented at the April 3, 2019 Public Services Committee meeting. The Committee received a presentation including details about the activities recommended for funding in the Action Plan.

STRATEGIC PLAN:

Approval of the proposed CDBG and HOME appropriations for the projects noted above aids the City to meet Strategic Plan *Goal # 4a*. As noted in the Strategic Plan, *Goal #4 - Actively Engage in Public and Private Partnerships to Provide Services and Amenities, a - Seek creative partnership opportunities to allow private agencies to provide programs and services for youth, senior and special needs groups within the City*.

Specifically, the City achieves the goal through funding seven programs in partnership with six local service providers noted in the Analysis Section of this report under CDBG Projects 1-7 and detailed

in the 2019-20 Action Plan.

FISCAL IMPACT:

There will be no impact to the General Fund. The Action Plan allocates \$1,301,137 of new and prior year unspent CDBG funds and \$446,458 of new HOME funds to eligible projects. The funding will be appropriated during the City's annual budget process. And, as noted in the Recommended Action, CDBG program income receipts from loan payoffs received by the City shall be appropriated to the Residential Rehabilitation Program, CIP 67133431 and HOME program income receipts from loan payoffs received by the City shall be appropriated to the Residential Rehabilitation Program, CIP 67133432.

ENVIRONMENTAL ANALYSIS:

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

PREPARED BY: CLINT WHITED, CDBG CONSULTANT

REVIEWED BY: CYNTHIA LARA, ADMINISTRATIVE SERVICES MANAGER II

REVIEWED BY: KIM SITTON, FINANCE MANAGER III

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

REVIEWED BY: MICHELLE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: MITCHELL LANSDELL, ACTING CITY MANAGER

Attachment:

1. Annual Action Plan FY 2019-2020