



Legislation Text

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**AGENDA REPORT  
REQUEST FOR CITY COUNCIL ACTION**

DATE: 6/21/2017

TO: Honorable Mayor and City Council Members

FROM: Community Development Department

**SUBJECT:**

Public Hearing for City Council consideration of approval of the 2017-18 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 2017-18 Action Plan.
2. Approve the 2017-18 Action Plan, inclusive of the allocation of funds to the Community Development Block Grant and HOME Investment Partnerships projects, and authorize the City Manager 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 to be 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 2017-18 projects identified in the 2017-18 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 2017-18 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 prior to June 30, 2017 to the Residential Rehabilitation Program, CIP 67133432, a HOME approved project, within the HOME Investment 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 prior to the June 21, 2017 City Council Meeting. 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 2017-18 Fiscal Year, the City estimates that it will receive \$1,133,716 of CDBG funds and \$296,986 of HOME funds from HUD. When combined with available prior year resources, the Action Plan proposes appropriations of \$1,220,203 of CDBG funds and \$778,056 of HOME funds.

**CDBG Projects**

1. Corona-Norco Family YMCA: Bringing the Arts to Low Income Children	\$16,870
2. Corona-Norco United Way: General Education Diploma Training	\$22,000
3. Corona-Norco United Way: Family Wellness Program	\$22,000
4. Community Connect: Emergency Rental Assistance Program	\$22,000
5. Inspire Life Skills Training: Inspiring Hope	\$22,200
6. Peppermint Ridge: Hospital Support for the Ridgers	\$16,000
7. City of Corona: Graffiti Removal	\$15,000
8. City of Corona: Code Enforcement	\$100,000
9. City of Corona: Residential Rehabilitation Program	\$127,390
10. Habitat for Humanity Riverside: A Brush With Kindness	\$10,000
11. Affordable Housing, Public Facilities and Infrastructure	\$600,000
12. Foundation for CSUSB: Corona Business Assistance	\$20,000

## HOME Projects

13. Affordable Housing Development and Preservation	\$662,740
14. Community Housing Development Organization Set-Aside	\$44,548

## Program Administration Projects

15. CDBG Program Administration	\$208,743
16. HOME Program Administration	\$70,768
17. Fair Housing Council of Riverside County: Fair Housing Services	\$18,000

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 1-6 represent the first of two possible renewals of grants awarded under the City's competitive Notice of Funding Availability ("NOFA") for three-year CDBG Public Service Capacity Building Grants. 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, 2015 through June 30, 2018, 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 2015-17 CDBG).

Projects 7-14 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 15-16 include funds necessary to administer, implement and monitor the performance of the CDBG and HOME programs in compliance with HUD regulations. Project 17 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.

## 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 19, 2017. The draft Action Plan was available for public review from May 22, 2017 to June 21, 2017 at the City Clerk's Office, Corona Public Library, Community Development Department and online at [www.discovercorona.com/cdbg](http://www.discovercorona.com/cdbg).

## COMMITTEE ACTION:

The proposed CDBG and HOME appropriations were considered at the April 12, 2017 Public Services Committee meeting. The Committee received a presentation including details about the activities recommended for funding in the Action Plan. The Committee discussed the proposed 2017-18 CDBG and HOME appropriations and did not recommend any changes.

**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 six programs in partnership with five local service providers noted in the Analysis Section of this report under CDBG Projects 1-6 and detailed in the 2017-18 Action Plan.

**FISCAL IMPACT:**

There will be no impact to the General Fund. The Action Plan allocates \$1,220,203 of new and prior year unspent CDBG funds and \$778,056 of new and prior year unspent 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 prior to June 30, 2017 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:** JOANNE COLETTA, COMMUNITY DEVELOPMENT DIRECTOR

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

**REVIEWED BY:** MICHAEL E. ABEL, CHIEF OF POLICE AND ASSISTANT CITY MANAGER

**SUBMITTED BY:** DARRELL TALBERT, CITY MANAGER

**Attachment:**

1. Annual Action Plan FY 2017-2018