



## Legislation Details (With Board Report)

**File #:** 13-1180      **Name:**

**Type:** General Agenda Item      **Status:** Passed

**File created:** 11/7/2013      **In control:** Board of Supervisors

**On agenda:** 12/3/2013      **Final action:** 12/3/2013

**Title:** a. Accept and ratify a Funding Approval/Agreement from HUD for an allocation of Urban County Community Development Block Grant funds for Fiscal Year 2013-14 in the amount of \$856,820;  
 b. Authorize the Auditor-Controller to increase revenue and appropriations in Fund 013, Organization 8200 (Community Development Grants) by \$56,820 for a total of \$856,820;  
 c. Authorize the Director of Economic Development to sign any and all documents necessary to undertake and report on the program in Fiscal Year 2013-14;  
 d. Authorize the Director of Economic Development to issue a Notice of Funding Availability for Fiscal Year 2014-15; and  
 e. Create an Ad Hoc Committee to convene and make recommendations to the Board of Supervisors in regard to the requests for funds received for the FY 2014-15 HUD allocation.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. FUNDING APPROVAL\_AGREEMENT.pdf, 2. Completed Board Order

Date	Ver.	Action By	Action	Result
12/3/2013	1	Board of Supervisors	approved	

a. Accept and ratify a Funding Approval/Agreement from HUD for an allocation of Urban County Community Development Block Grant funds for Fiscal Year 2013-14 in the amount of \$856,820;  
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 e. Create an Ad Hoc Committee to convene and make recommendations to the Board of Supervisors in regard to the requests for funds received for the FY 2014-15 HUD allocation.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Accept and ratify a Funding Approval/Agreement from HUD for an allocation of Urban County Community Development Block Grant funds for Fiscal Year 2013-14 in the amount of \$856,820;
- b. Authorize the Auditor-Controller to increase revenue and appropriations in Fund 013, Organization 8200 (Community Development Grants) by \$56,820 for a total of \$856,820;
- c. Authorize the Director of Economic Development to sign any and all documents necessary to undertake and report on the program in Fiscal Year 2013-14;
- d. Authorize the Director of Economic Development to issue a Notice of Funding Availability for Fiscal Year 2014-15; and
- e. Create an Ad Hoc Committee to convene and make recommendations to the Board of Supervisors in

regard to the requests for funds received for the FY 2014-15 HUD allocation.

**SUMMARY:**

The U.S. Department of Housing and Urban Development (HUD) qualified Monterey County together with the Cities of Del Rey Oaks and Gonzales as an Urban County for entitlement purposes. As required, the County submitted a Consolidated Plan, including an Annual Action Plan, and an Analysis of Impediments to Fair Housing Choice to HUD for approval. The Annual Action Plan was based on an estimated annual funding of \$800,000. HUD notified the County on July 17, 2013 that the Action Plan had been approved and confirmed that the funding of the grant would be \$856,820. On August 13, 2013, HUD issued a Funding Approval/Agreement for the CDBG program. It is recommended that the Board ratify the HUD Agreement, take steps to recognize the increased funding, undertake the program in FY 2013-14, and begin the process of soliciting and recommending funding for the FY 2014-15 program year. The HUD grant is a five (5) year agreement, funded annually. If the County complies with the grant, the County may elect to continue to receive annual entitlement funding, subject to the federal budget process.

**BACKGROUND:**

On June 19, 2012, the County of Monterey approved the submittal of an application to HUD to become a direct entitlement Urban County along with the cities of Del Rey Oaks and Gonzales. On November 1, 2012, the County received HUD approval as an Urban County. On November 26, 2012, a Notice of Funding Availability (NOFA) was issued for future CDBG funds. On February 12, 2013, the Board of Supervisors conducted a public hearing and created an Ad Hoc Committee to review and recommend funding for County projects and programs. On March 19, 2013, the Board of Supervisors approved the funding recommendations of the CDBG Ad Hoc Committee. On May 7, 2013, the Fiscal Year 2013-17 Consolidated Plan, including the Annual Action Plan, and the Analysis of Impediments to Fair Housing Choice were approved by the Board of Supervisors and submitted to HUD. On July 17, 2013, HUD notified the County that the Action Plan had been approved. On August 13, 2013, HUD issued a Funding Approval/Agreement for the CDBG program.

**DISCUSSION:**

In order to proceed with the FY2013-2014 Urban County Program, the County must take action to accept and ratify the increased grant funding and authorize the Auditor-Controller to increase revenue and appropriations to recognize the final funding. The Director of Economic Development will oversee the program including entering into agreements with subgrantees and reporting as required by HUD.

The process of identifying and selecting projects and programs for funding in FY 2014-15 must begin now in order to meet deadlines for including them in the Annual Action Plan submitted to HUD in May. The process begins with the issuance of the NOFA. Funding recommendations will be presented to the Board in March of 2015. As part of last year's process, the Board created an Ad Hoc Committee to make recommendations to the Board. Ad Hoc Committees are created for a specific purpose and have a limited term. The Ad Hoc Committee for the past year has met its purpose and fulfilled its term. It is requested that the Board create a new Ad Hoc Committee to review and make recommendations in regard to 2014-2015 projects and programs.

**OTHER AGENCY INVOLVEMENT:**

The Cities of Del Rey Oaks and Gonzales have partnered with the County to become a HUD designated Urban County. The CDBG Ad Hoc Committee made recommendations in regard to funding of programs and projects on March 6, 2013. The Housing Advisory Committee (HAC) reviewed the CDBG Ad Hoc Committee recommendations on April 10, 2013. Based upon the increased HDU funding and authority provided by the Board of Supervisors in the Action Plan, the CDBG Ad Hoc Committee made final funding recommendations in regard to programs and projects on June 24, 2013. For the 2014-2015 year, the participating cities will make recommendations for projects located in their jurisdictions. With regard to programs (services), city and county

staff collaborate to make recommendations to the Ad Hoc Committee.

**FINANCING:**

\$800,000 of the grant is currently budgeted in the FY 2013-14 recommended budget in Fund 13, Unit Code 8200 (Community Development Grants), Appropriation Code DEO 003 which was based on the estimated grant award. Because the actual funding award is \$856,820, an increase in revenue and appropriations is necessary. There is no impact on the General Fund.

Prepared by: Jane Royer Barr, Housing Programs Manager, Ext. 5389

Approved by: David L. Spaur, CEcD, EDFP, Economic Development Director, Ext. 5387

**Attachments:**

Funding Approval/Agreement