



Legislation Details (With Board Report)

File #: AR 16-001 **Name:** Block Grant Consolidated Annual Performance & Evaluation Report

Type: General Agenda Item **Status:** Consent Agenda

File created: 9/29/2016 **In control:** Advance Reports Over 50 Pages

On agenda: 9/30/2016 **Final action:**

Title: a. Conduct a Public Hearing to take comments on the draft Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 15-16;
b. Approve the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 15-16 for submittal to the U.S. Department of Housing and Urban Development;
c. Authorize the Director of the Economic Development Department to make minor changes to the report as needed or in response to comments from HUD; and,
d. Amend the Citizen Participation Plan to comply with U.S. Department of Housing and Urban Development regulations for public noticing requirements.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Draft Urban County Consolidated Annual Performance and Evaluation Report, 3. Draft Urban County Citizen Participation Plan - Redline, 4. Draft Urban County Citizen Participation Plan - Clean

Date	Ver.	Action By	Action	Result
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- a. Conduct a Public Hearing to take comments on the draft Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 15-16;
- b. Approve the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 15-16 for submittal to the U.S. Department of Housing and Urban Development;
- c. Authorize the Director of the Economic Development Department to make minor changes to the report as needed or in response to comments from HUD; and,
- d. Amend the Citizen Participation Plan to comply with U.S. Department of Housing and Urban Development regulations for public noticing requirements.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Conduct a Public Hearing to take comments on the draft Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 15-16;
- b. Approve the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 15-16 for submittal to the U.S. Department of Housing and Urban Development;
- c. Authorize the Director of the Economic Development Department to make minor changes to the report as needed or in response to comments from HUD; and,
- d. Amend the Citizen Participation Plan to comply with U.S. Department of Housing and Urban Development regulations for public noticing requirements.

SUMMARY:

In November of 2012, the U.S. Department of Housing and Urban Development (HUD) approved the formation of an Urban County consisting of the cities of Del Rey Oaks and Gonzales and the unincorporated portions of Monterey County. This designation allows the Urban County to receive Community Development Block Grant (CDBG) program funds directly from HUD. The County is required to prepare an Annual Action Plan. It is further required to report annually to HUD on its implementation of the Plan and its progress in achieving it as well as the long-term goals contained in the Consolidated Plan. The Board is asked to approve the Consolidated Annual Performance and Evaluation Report (CAPER), which is mandated by HUD for reporting and evaluating Urban County performance.

Additionally, the Board is asked to approve proposed amendments to the Citizen Participation Plan that will make the County's CPP consistent with HUD regulations and guidelines.

DISCUSSION:

The County was awarded \$896,616 by HUD for CDBG activities in FY 15-16. Additionally, other funds were deposited to the Urban County account. There was a one-time transfer of State CDBG non-revolving Program Income in the amount of \$53,000 by the City of Del Rey Oaks. Secondly, Program Income and interest earned during the year from previous State loans in the amount of \$32,029 was deposited.

In July 2015, HUD accepted the Urban County's Annual Action Plan for the FY 15-16 CDBG program. Pursuant to the Action Plan, CDBG grant funds were allocated for projects and programs in the unincorporated areas of the County and in the cities of Del Rey Oaks and Gonzales. The FY 15-16 Action Plan allocated 65% of available funding for infrastructure and facility improvements, 10% for public services, 5% for affordable housing, and 19% for grant administration.

To implement CDBG funded programs, the County issued a Notice of Funding Availability, selected Subrecipients for funding, completed the National Environmental Policy Act (NEPA) review process, and entered into Agreements for seven projects and eight service programs. The County's Urban County accomplishments are summarized for the Board in this report.

During FY 15-16, the Urban County used CDBG funds to address the priorities and specific objectives identified in its strategic plan and gave special attention to the highest priority activities. The Urban County used CDBG funds to meet community needs in five areas as follows:

- Affordable Housing - one grant to GRID Alternatives to subsidize installation of solar electric systems on six homes owned by low/moderate income households.
- Public Facilities - five grants to the Urban County jurisdictions to make improvements to public facilities including: Americans with Disabilities Act (ADA) improvements to the Monterey County Courthouse in Monterey, ADA improvements to Del Rey Oaks City Hall, ADA path of travel improvements at Gonzales' municipal pool, installation of new MST bus shelters in Castroville and Las Lomas, and traffic calming improvements in Del Rey Oaks. The Urban County also committed additional CDBG funds to the Chualar Athletic Field project.
- Fair Housing - two grants, one to Legal Services for Seniors and one to Project Sentinel, to provide fair housing counseling services, investigate fair housing complaints, and educate the public and government officials on fair housing issues.
- Homeless Services - two grants, including one to Shelter Outreach Plus to provide outreach and referral services to the homeless, and one to Rancho Cielo to provide counseling services to youth and young adults at-risk of homelessness.
- Other Services - two grants, one to the Boy and Girls Club and one to Girls Inc., to provide supportive

and educational afterschool programs in Gonzales and Castroville; one grant to Central Coast YMCA to provide adult and youth programs at Pajaro Park; and two grants to Monterey County Food Bank and Meals on Wheels of the Salinas Valley to improve food security for seniors in Castroville, Gonzales and Prunedale.

By June 30, 2016, \$740,407 (66% of the FY 15-16 allocation, Program Income, and carry forward funds) had been spent. An additional \$364,310 (34% of the FY 15-16 allocation) is committed to FY 15-16 projects that are expected to be complete by late 2016.

The purpose of the public hearing is to receive final comments on the CAPER for the Urban County's FY 15-16 CDBG program. In the absence of evidence and testimony to the contrary, it is recommended that the Board of Supervisors take action to approve and authorize Economic Development Department staff to submit the CAPER to HUD. A final copy of the CAPER will be made available to each participating jurisdiction for posting on their websites and a hard copy will be available at the Economic Development Department immediately thereafter.

Citizen participation in the Urban County program is managed according to the Citizen Participation Plan (CPP). During the process of adding the cities of Greenfield and Sand City and dropping the city of Del Rey Oaks from the Urban County two issues were identified.

The first issue is the reference to "participating jurisdictions" throughout the CPP. This reference caused confusion within the Urban County as HUD uses this phrase in a different context to the one in which it was being applied to the Urban County. To correct this situation, it is recommended that the phrase "participating jurisdictions" be replaced with "participating units of local government" throughout the CPP. This is consistent with the regulatory language used by HUD when describing the members of the Urban County.

The second issue is that the CPP required updating to reflect the current composition of the Urban County. Because participating units of local government may opt in or out of the Urban County annually, references to specific cities made in the CPP may be overlooked during these transitions. To correct this situation it is recommended that the CPP be considered to be automatically updated to amend the list of participating units of local government either (1) at the time the Board of Supervisors approves Memorandums of Understanding with new participating units of local government or (2) a unit of local government formally notifies the County in writing that it is withdrawing from the Urban County.

OTHER AGENCY INVOLVEMENT:

The Cities of Del Rey Oaks and Gonzales were partners with the County in the FY 15-16 HUD designated Urban County. The City of Del Rey Oaks has opted not to continue with the Urban County in FY 16-17. The cities of Greenfield and Sand City have joined the Urban County for FY 16-17.

FINANCING:

The HUD Urban County CDBG grant is a three-year agreement which is funded annually. The County has just completed the third year of the agreement. HUD funding in the amount of \$896,616 was awarded for FY 15-16. The grant was included in the Economic Development Department's FY 15-16 budget in Appropriations Unit DEO003, Fund 013, Budget Unit 8200 (Community Development Grants). There is no impact to the General Fund by approval of the CAPER or by approval of amendment to the Citizen Participation Plan.

Prepared by: _____
Darby Marshall, RHO Project Analyst II, Ext. 5391

Approved by: _____
Nick Chiulos, Assistant County Administrative Officer, Ext. 5145

Attachments:

Draft Urban County Consolidated Annual Performance and Evaluation Report (CAPER)

Draft Urban County Citizen Participation Plan - Redline

Draft Urban County Citizen Participation Plan - Clean

(Attachments are on file with the Clerk of the Board)