



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 23-745, Version: 1

- a. Conduct a required public hearing to obtain residents' views and respond to proposals and questions received during the preceding 30-day public comment period regarding the Urban County Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report (CAPER) for FY22/23;
- b. Receive and Accept the CAPER for FY22/23;
- c. Authorize the Interim Director of Housing and Community Development to submit the CAPER to the U.S. Department of Housing and Urban Development (HUD);
- d. Approve the Urban County Community Development Block Grant (CDBG) CAPER for FY22/23 for submittal to the U.S. Department of Housing and Urban Development (HUD); and,
- e. Authorize the Interim Director of Housing and Community Development to make minor changes to the CAPER as needed or in response to comments from HUD.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Conduct a required public hearing to obtain residents' views and respond to proposals and questions received during the preceding 30-day public comment period regarding the Urban County Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report (CAPER) for FY22/23;
- b. Receive and Accept the CAPER for FY22/23;
- c. Authorize the Interim Director of Housing and Community Development to submit the CAPER to the U.S. Department of Housing and Urban Development (HUD);
- d. Approve the Urban County Community Development Block Grant (CDBG) CAPER for FY22/23 for submittal to the U.S. Department of Housing and Urban Development (HUD); and,
- e. Authorize the Interim Director of Housing and Community Development to make minor changes to the CAPER as needed or in response to comments from HUD.

SUMMARY:

In 2012, the County of Monterey created a HUD Urban County Consortium to become a CDBG Entitlement community. To remain eligible for HUD CDBG funds, the County is required to conduct two public hearings annually on CDBG funding priorities and goals. The County adopts an Action Plan annually in May following a public comment period and public hearing. The 30-day public comment period began on August 24, 2023, and will conclude with this public hearing to consider the Consolidated Annual Performance and Evaluation Report, known as the CAPER. The CAPER being considered by the Board today summarizes accomplishments for the FY22/23 CAPER.

CDBG funds may be used to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services. As an Entitlement community, the County and its consortium members must prioritize activities which primarily benefit low- and moderate-income persons. Other eligible activities may aid in the prevention or elimination of slums or blight and activities that meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the

community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities which do not meet one of these national objectives.

In FY22/23, the County was allocated \$1,226,268 in regular CDBG funding and \$100,000 in funds from prior years projects that were unused. CDBG regulations cap the amount of grant funding that may be used for administrative costs to 20% or \$245,254 toward program administration based on the FY22/23 allocation and 15% or \$183,940 toward public service projects.

DISCUSSION:

The County's Consolidated Plan, which is prepared every 5-years and guides development of the AAPs, identified seven programmatic areas for CDBG funding priorities to primarily benefit low-moderate income communities. These programmatic areas are: Affordable Housing; Fair Housing; Homeless and Homeless Prevention Services; Infrastructure Improvements; Public Facilities; Public Services and General Program Administration. The Urban County's accomplishments in each of these areas during FY22/23 is summarized below.

The Consolidated Annual Performance and Evaluation Report (CAPER) closes the 2022-23 fiscal year, July 1, 2022-June 30, 2023, by summarizing the accomplishments and the progress the Urban County made towards the goals and objectives it established in its Annual Action Plan (AAP). The FY22/23 AAP was approved by the Board of Supervisors on May 24, 2022. The AAP allocated CDBG funds in the amount of \$797,078 for two public facility projects in South Monterey County and \$110,000 for one public facility project in North Monterey County; \$183,936 for nine public service activities; and, \$245,254 for general program administration.

Public Facilities - The Urban County allocated \$357,475 for Gonzales Community Center and \$439,603 for Greenfield Walnut Avenue Pedestrian improvements, and \$110,000 to Aromas community sidewalks. All three projects are still in progress and incomplete.

Public Services - During FY22/23, the Urban County allocated approximately \$183,936 to support a wide range of public services. Services included youth leadership development programs in Gonzales, Greenfield, and North County; providing food security and companionship in North County and the Salinas Valley; and programs to help maintain the independence and quality of life for the disabled and seniors. These services benefitted an estimated 2,365 primarily low-moderate income Monterey County residents last year.

Fair Housing - The Urban County retained the services of the Eden Council for Hope and Opportunity (ECHO Housing) and Legal Services for Seniors (LSS) to provide fair housing activities during FY22/23. Both agencies assisted approximately 662 people with fair housing services and tenant/landlord dispute resolution. The Tenant/Landlord Counseling Program provides information to tenants and landlords on their housing rights and responsibilities. Additionally, ECHO has trained mediators to assist in resolving housing disputes through conciliation and mediation. The primary objective of the program is to build awareness of housing laws and prevent homelessness.

The County budgets the maximum amount possible for general administration even if it may not need the full amount. Any unused public service or general administration funds may only be used for affordable housing, community facilities, or public facilities in a subsequent year. The Urban County will rollover approximately \$145,000 from FY22/23 from these sources and \$300,000 from prior year's sources to FY23/24. As approved by the Board when it adopted the 2023-2024 Annual Action Plan, these funds will be used to fund construction of solar streetlights in San Lucas in the amount of \$175,000 and sidewalk/pedestrian path in Las Lomas in the

amount of \$200,000.

OTHER AGENCY INVOLVEMENT:

The cities of Del Rey Oaks, Gonzales, Greenfield, and Sand City have partnered with the County to be designated as an Urban County.

FINANCING:

This action does not change the current FY2023-24 appropriations, revenues, or positions as it reports on outcomes for the prior fiscal year. The HUD grant is an annual agreement. If the County complies with grant requirements, the County may elect to continue to receive annual entitlement funding, subject to the federal budget process.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Authorizing the Urban County to submit the FY22/23 CAPER to HUD by September 30, 2023, is required to keep the Urban County in compliance with HUD CDBG requirements. Continued eligibility for the Urban County designation will allow the County to continue to receive the Entitlement Allocation of CDBG from HUD, approximately \$1.19 million annually.

Economic Development

Administration

Health & Human Services

Infrastructure

Public Safety

Prepared by: Dawn M Yonemitsu, Management Analyst II, x5387

Reviewed by: Darby Marshall, Redevelopment & Housing Analyst II, x5391

Approved by: Craig Spencer, Interim Director of Housing & Community Development, x5233

The following attachments are on file with the Clerk of the Board:

Attachment A - Draft CAPER for FY2022-23