



County of Monterey

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

Board Report

File #: 22-084, Version: 1

- a. Accept public comments and close the public comment period for the First Substantial Amendment to the Monterey Urban County 2021-2022 Community Development Block Grant (CDBG) Annual Action Plan;
- b. Adopt and authorize the Housing and Community Development Director to submit the First Substantial Amendment to the 2021-2022 Annual Action Plan to the U.S. Department of Housing and Urban Development;
- c. Authorize the Housing and Community Development Director to execute a Subrecipient Agreement in the amount \$80,500.00 with the Veterans Transition Center, including making minor changes as necessary, subject to review and approval by County Counsel, to implement the First Substantial Amendment to the 2021-2022 Annual Action Plan; and,
- d. Direct the Auditor-Controller to amend the FY2021-22 Housing and Community Development (HCD) Adopted Budget to increase appropriations and revenue for Community Development Grant (013-3100-8546-HCD005) by \$202,800, financed by CDBG funds from prior years to implement the First Substantial Amendment to the 2021-2022 Annual Action Plan.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Accept public comments and close the public comment period for the First Substantial Amendment to the Monterey Urban County 2021-2022 Community Development Block Grant (CDBG) Annual Action Plan;
- b. Adopt and authorize the Housing and Community Development Director to submit the First Substantial Amendment to the 2021-2022 Annual Action Plan to the U.S. Department of Housing and Urban Development;
- c. Authorize the Housing and Community Development Director to execute a Subrecipient Agreement in the amount \$80,500.00 with the Veterans Transition Center, including making minor changes as necessary, subject to review and approval by County Counsel, to implement the First Substantial Amendment to the 2021-2022 Annual Action Plan; and,
- d. Direct the Auditor-Controller to amend the FY2021-22 Housing and Community Development (HCD) Adopted Budget to increase appropriations and revenue for Community Development Grant (013-3100-8546-HCD005) by \$202,800, financed by CDBG funds from prior years to implement the First Substantial Amendment to the 2021-2022 Annual Action Plan.

SUMMARY:

The Board of Supervisors is being asked to take public comment and close the 30-day public comment period on the Monterey Urban County's First Substantial Amendment to the 2021-2022 Community Development Block Grant (CDBG) Annual Action Plan. The Urban County, for purposes of this plan, includes the County of Monterey and the cities of Del Rey Oaks, Gonzales, Greenfield, and Sand City. The recommended actions will fund the three back-up projects approved as part of the 2021-2022 Annual Action Plan but in different amounts than originally contemplated.

DISCUSSION:

On May 11, 2021, the Board of Supervisors approved the 2021-2022 Annual Plan for the Urban County. The Annual Plan included three back-up projects that would be funded if there were unused funds remaining from

the 2020-2021 general administration and public services allocations when those activities were closed out. The three projects and the recommended funding for each was: sidewalk improvements at the North County Recreation and Park District's Castroville Recreation Center (\$60,000); HVAC remediation in transitional and permanent housing operated by the Veterans Transition Center (50% of all amounts after the first \$60,000); and, augmenting the funding for the San Lucas, Curb, Gutter and Sidewalk Construction Project (50% of all amounts after the first \$60,000).

The Urban County finished 2020-2021 with \$202,800 available to allocate to the three backup projects. After conducting site reconnaissance, the Department of Public Works, Facilities and Parks is recommending that \$110,000 be allocated to the Castroville sidewalk project. Staff is further recommending that the Veteran's Transition Center receive \$80,500 as requested in their initial application for funding. Funding VTC at this level will allow them to completely rehabilitate a duplex in Hayes Park to provide additional transitional and permanent housing for homeless veterans. The remaining \$12,300 is recommended to augment the San Lucas Curb, Gutter, and Sidewalk project, bringing total funding for this project to \$894,140.

The public comment period opened on December 18, 2021, and ran through January 25, 2022, following publication of the public comment period by the South County Newspaper Group, Monterey Weekly, and El Sol. The notice was also posted to the County's website. No public comments had been received regarding the proposed First Substantial Amendment to the 2021-2022 Annual Action Plan as of the time this staff report was prepared.

OTHER AGENCY INVOLVEMENT:

The Board of Supervisors Urban County Committee considered and concurred with the revised funding recommendations. On November 28, 2021 the Budget Committee considered and concurred with increasing CDBG appropriations by \$1,697,375. The Board's action will only increase appropriations for projects contained in the FY 2021-2022 Urban County Action Plan. A separate action will be brought forward later to increase appropriations for the balance of the funding. County Counsel has reviewed the draft First Substantial Amendment to the 2021-2022 Annual Action Plan as to form.

FINANCING:

The recommended action will increase appropriations and revenues in Fund 13, Unit Code 8546 (Community Development Grants), Appropriation Code HCD005. The increases are financed by CDBG funds remaining after all 2020-2021 projects and services were completed. These funds may only be used for new CDBG eligible affordable housing, infrastructure or public facilities and may not be used for additional public services. The recommended actions will have no impact on the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Authorizing the Urban County to adopt the First Substantial Amendment to the 2021-2022 Annual Action Plan will make an additional \$202,800 available to construct and repair sidewalks in underserved communities and to create additional transitional and permanent housing for homeless veterans.

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Erik Lundquist AICP, Director, HCD

The following attachment is on file with the Clerk of the Board:

Attachment A - Draft First Substantial Amendment to the 2021-2022 Urban County Annual Action Plan