



County of Monterey

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

Board Report

File #: 15-1096, **Version:** 1

- 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 14-15;
- b. Approve the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 14-15 for submittal to the U.S. Department of Housing and Urban Development; and
- 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.

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 14-15;
- b. Approve the Urban County Community Development Block Grant Consolidated Annual Performance and Evaluation Report for FY 14-15 for submittal to the U.S. Department of Housing and Urban Development; and
- 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.

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 Consolidated Annual Performance and Evaluation Report (CAPER) is mandated by HUD for reporting and evaluating Urban County performance.

DISCUSSION:

The County was awarded \$865,067 by HUD for CDBG activities in FY 14-15. 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 \$169,501 from the County and Del Rey Oaks. Secondly, Program Income and interest earned during the year from previous State loans in the amount of \$37,166 was deposited. Finally, there were unused funds carried forward from FY 13-14 in the amount of \$48,250.

In July 2014, HUD accepted the Urban County's Annual Action Plan for the FY 14-15 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 14-15 Action Plan allocated 68% of available funding for infrastructure and facility improvements, 12% for public services, and 20% for grant administration.

To implement CDBG funded programs, the County issued a Notice of Funding Availability, selected

Subrecipients for funding, completed the National Environmental Quality 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 14-15, 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 seven homes owned by low/moderate income households.
- Affordable Rental Housing - one grant to MidPen Housing to purchase and rehabilitate 11 units of rental housing in Castroville.
- Public Facilities - four grants to the Urban County jurisdictions to make improvements to public facilities including: Americans with Disabilities Act improvements to the Monterey County Courthouse in Monterey, Porter Vallejo Mansion Community Center in Pajaro, Del Rey Oaks City Hall, and curbs and sidewalks in Gonzales; one grant for brownfield clean-up of the San Lucas library site, and one grant for installation of an artificial turf field for community use at Chualar Elementary School.
- 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 one grant to Monterey County Food Bank to distribute food to seniors in Castroville and Prunedale.

By June 30, 2015, \$740,407 (66% of the FY 14-15 allocation, Program Income, and carry forward funds) had been spent. An additional \$230,197 (21% of the FY 14-15 allocation) is expected to be spent by late 2015. The remainder of \$134,113 (12% of the allocation) was unspent and will be carried forward to be spent in early FY16-17 on previously approved projects.

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 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.

OTHER AGENCY INVOLVEMENT:

The Cities of Del Rey Oaks and Gonzales are partners with the County in the HUD designated Urban County.

FINANCING:

The HUD grant is a three year agreement which is funded annually. The County has just completed the second year of the agreement. HUD funding in the amount of \$865,067 was awarded for FY 14-15. The grant was included in the department's FY 14-15 in Appropriations Unit DEO003, Fund 013, Budget Unit 8200 (Community Development Grants). There is no impact to the General Fund.

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

Attachments:
Urban County - HUD Consolidated Annual Performance and Evaluation Report
(Attachments are on file with the Clerk of the Board)