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Final FY 2013-2014 Annual Action Plan

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Attachments: 1. FINAL Table 1 for FY13-14 Action Plan, 2. PowerPoint 3A Public Hearing 2013 0506.pdf

Date	Ver.	Action By	Action	Result
5/6/2013	1	City Council	Received and Filed	

Staff Report for City of San Leandro U.S. Department of Housing and Urban Development (HUD)
Final FY 2013-2014 Annual Action Plan

RECOMMENDATIONS

Staff recommends that the City Council hold a second public hearing and then adopt the resolution approving the FY 2013-2014 Annual Action Plan and authorizing the execution of all related documents by the City Manager and submission of the Action Plan to HUD.

The Action Plan has been available for thirty (30) days for public comment since April 5, 2013. Upon adoption by the City Council, the Plan will be combined with the Alameda County HOME Consortium's plans (for the County and each Consortium member city) and forwarded to HUD.

BACKGROUND

Consolidated (or Annual) Action Plan

The FY 2013-2014 Annual Action Plan implements the FY 2010-2014 Consolidated Plan strategies by undertaking activities during the program year that utilize two HUD grants: Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME).

The Draft FY 2013-2014 Annual Action Plan was presented to the City Council at a public hearing on April 1, 2013. The Council directed staff to make the plan available for public comment for a 30-day period from April 5th through May 6th, 2013. The draft plan was available for public review at City Hall (City Clerk's office and Community Development Department), at the Main Library, and on the City's website. To date, there have been no comments received.

Analysis

Proposed Changes to the Draft of the FY 2013-2014 Annual Action Plan

Congress and the White House have not yet approved a federal budget (the final HUD budget) for the coming fiscal year, and therefore, the City's FY 2013-2014 CDBG entitlement grant amount is unknown. Per HUD's guidance and recommendation, staff is reducing the CDBG entitlement grant amount by five percent (5%) from last year's grant of \$560,739. Consequently, the projected total available CDBG funds for projects and activities in FY 2013-2014 has been reduced to \$532,702.

Another change from the Draft Action Plan presented on April 1st is the elimination of \$69,192 in unallocated CDBG funds that staff anticipated in carrying over to the upcoming fiscal year 2013-2014. These funds were allocated to capital improvement projects in this current FY 2012-2013 Annual Action Plan. As a result, there will be no CDBG funds carried over from FY 2012-2013 to FY 2013-2014.

The following are the proposed changes to the first draft of the FY 2013-2014 Annual Action Plan due to the decrease in CDBG funding.

1. Funding for public services shall be reduced from \$84,000 to \$79,900. At their February 26, 2013 public commission meeting, the Human Services Commission (HSC) previously made their final funding recommendations for the original \$84,000 for the public services agencies under the FY 2013-2015 Community Assistance Grant Program (CAP) for FY 2013-2015. The list below reflects the reduced funding recommendations for public services agencies due to the projected 5% reduction in funding. The HSC approved the reduced funding amounts at their April 24, 2013 meeting.
 - CALICO - *Child Abuse Intervention Project* - \$9,500
 - Davis Street Family Resource Center - *Basic Needs Program* - \$38,000
 - Family Emergency Shelter Coalition (FESCO) - *Emergency Shelter* - \$9,500
 - SOS/Meals on Wheels - *Senior Support Services (Meal Delivery)* - \$13,400
 - Spectrum Community Services - *Senior Nutrition Program* - \$9,500
2. Funding for General Administration shall be reduced from \$102,147 to \$96,540.
3. Under "Public Facilities and Improvements", the proposed \$55,000 for the ADA Transition Plan for City Facilities shall be decreased to \$20,168, and the proposed \$82,690 for City-wide handicap accessible curb cuts shall be reduced to \$30,000. The City's \$206,094 repayment to HUD for its Section 108 loan will remain the same as it is a contractual obligation.

HOME funds are also similarly projected to be reduced by 5%. As a result, the City's HOME grant amount for FY 2013-2014 shall be decreased from \$141,817 to \$134,726. HOME administration funds decreases from \$8,463 to \$8,040 and HOME funds available for project expenditures decreases from \$1,045,633 to \$1,038,542. This includes the \$650,000 in HOME funds committed to the Cornerstone at San Leandro Crossings by Council last summer.

Current City Council Policy

Current Council Policy is defined by the FY 2010-2014 Consolidated Plan, adopted by Resolution No. 2010-038 on April 19, 2010.

Previous City Council Action(s)

A public hearing was held on April 1, 2013, to consider the proposed FY 2013-2014 Annual Action Plan, receive public comments, start the 30-day public comment period for the plan, and set a second public hearing date for May 6, 2013 to consider public comments and adopt the plan.

Applicable General Plan Policies

The Consolidated Plan addresses the goals of the Housing Element of the General Plan, such as increasing the supply of affordable for-sale and rental housing, providing opportunities for home ownership, preserving and rehabilitating existing affordable owner-occupied and rental housing, and addressing special needs populations.

Environmental Review

National Environmental Protection Act (NEPA) and California Environmental Quality Act, the latter when applicable, review will be conducted for each project or activity approved by the City Council. Neither CEQA nor NEPA apply to the FY 2013-2014 Consolidated Annual Action Plan.

Summary of Public Outreach Efforts

In accordance with the City's Citizen Participation Plan, which is required under the Consolidated Plan, notices of both public hearings (with partial translations in Spanish and Chinese) have been published in the newspaper *Daily Review* and sent to a CDBG mail list of interested parties. Copies of the Draft FY 2013-2014 Action Plan has been available for review at City Hall (City Clerk's office and Community Development Dept.), at the Main Library, and on the City's website (www.sanleandro.org/depts/cd/housing/plans.asp) for a 30-day comment period from April 5th - May 6th, 2013.

Fiscal Impacts

HUD will enter into contract with the City for the grant amount. The grant is on a reimbursement basis with funds being reimbursed by HUD after expenditure by the City for activities designated in the FY 2013-2014 Annual Action Plan.

Budget Authority

Budget authority for CDBG funds is derived from Title I of the Housing and Community Development Act of 1974 (24 CFR 570 et seq.). Budget Authority for HOME funds is derived from the Federal Home Investment Partnerships (HOME) Program (under Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended).

ATTACHMENTS

- Attachment A - Summary of the FY 2013-2014 proposed activities and funding amounts

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