



Legislation Details (With Text)

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**Title:** Staff Report for Approving Community Development Block Grant (CDBG) Consulting Services Agreement Between the City of San Leandro and Neighborhood Solutions to Administer the City's Housing Rehabilitation Program in FY 2012-2013

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Staff Report for Approving Community Development Block Grant (CDBG) Consulting Services Agreement Between the City of San Leandro and Neighborhood Solutions to Administer the City's Housing Rehabilitation Program in FY 2012-2013

**SUMMARY AND RECOMMENDATIONS**

Staff recommends that the City Council adopt a resolution approving the Community Development Block Grant (CDBG) consulting services agreement with Neighborhood Solutions for \$90,000 to administer the City's Housing Rehabilitation Program for FY 2012-2013. This CDBG Housing Activity project was authorized by the City Council on April 16, 2012 in the FY 2012-2013 Consolidated Action Plan.

**BACKGROUND**

Since 1989, the City's Housing Rehabilitation Program has been a popular and effective program for assisting very low-income homeowners, including fixed-income seniors, affordably maintain or improve their homes which in turn preserves and improves the City's housing stock while also enhancing residential neighborhoods. The program's other goal of assisting seniors age in place in their present homes is identified in the City's most current 2010 Housing Element.

Since 2003 Redevelopment Housing Set Aside funds from the Redevelopment Agency of the City of San Leandro (Agency) funded this program which provided both loans and grants to single-family homeowners to improve and maintain their homes. The City has outsourced the administration of the program to Neighborhood Solutions due to inadequate City staffing capacity. Neighborhood Solutions is an experienced administrator of municipal rehabilitation programs that also administers the rehabilitation programs for the Cities of Pleasanton and Livermore.

With the official dissolution of the Agency on February 1, 2012 as the result of actions taken by the

California State Legislature, the program could no longer be funded with Redevelopment Housing Set-Aside funds. Consequently, beginning in FY 2012-2013, the City will primarily fund the program with federal Community Development Block Grant (CDBG) funds. Due to the limited amount of CDBG funds, the program will no longer be providing the low interest rehabilitation loans that the program offered in the past. Only housing rehabilitation grants will be provided.

### **Analysis**

The Housing Rehabilitation Program grants, which are available to eligible owner-occupants of single-family homes, duplexes, and mobile homes, are provided to pay for minor home repair, mobile home repair, accessibility, exterior paint, exterior yard clean-up and seismic strengthening. This FY 2012-2013 contract will allow Neighborhood Solutions to award grants to fifteen (15) homeowners. The \$90,000 budget allocates \$19,000 to Neighborhood Solutions' administrative budget and the remaining \$71,000 to the provision of the rehabilitation grants.

### **Current Agency Policies**

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

### **Previous Actions**

On April 16, 2012, City Council approved the FY 2012-2013 Consolidated Action Plan which included this housing activity program described above.

### **Applicable General Plan Policies**

Housing Element Policy 56.01, Rehabilitation of Owner-Occupied Housing -- undertake a range of programs that assist private property owners, particularly low- and moderate-income owners, in maintaining and improving the condition of their homes.

### **Environmental Review**

National Environmental Protection Act (NEPA) environmental review of this program has been completed.

### **Fiscal Impacts**

This Housing Rehabilitation Program will cost \$90,000 and be funded by FY 2012-2013 CDBG monies in account number 165-43-232.

### **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.).

### **ATTACHMENTS**

None.

**PREPARED BY:** Steve Hernandez, Housing Specialist, Community Development Department