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Title: Staff Report for a Resolution Approving the Community Development Block Grant (CDBG) Consulting Services Agreement for \$90,000 in FY 2014-2015 Between the City of San Leandro and Neighborhood Solutions - \$19,000 for Program Administration and \$71,000 for the Provision of Housing Rehabilitation Grants

Sponsors: Cynthia Battenberg

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Staff Report for a Resolution Approving the Community Development Block Grant (CDBG) Consulting Services Agreement for \$90,000 in FY 2014-2015 Between the City of San Leandro and Neighborhood Solutions - \$19,000 for Program Administration and \$71,000 for the Provision of Housing Rehabilitation Grants

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 2014-2015. This CDBG Housing Activity project was authorized by the City Council on May 5, 2014 in the FY 2014-2015 Consolidated Annual Action Plan.

BACKGROUND

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

Since 2003, 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 began outsourcing the administration of the program in FY 2003-04 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 Livermore and Pleasanton.

Because of the dissolution of the Agency on February 1, 2012, the program is no longer funded through Redevelopment Housing Set-Aside funds and is instead funded with federal Community Development Block Grant (CDBG) funds. Due to the limited amount of CDBG funds available, the program provides only housing rehabilitation grants.

Analysis

The Housing Rehabilitation Program grants, which are available to eligible owner-occupants of single-family homes, duplexes, and mobile homes, can pay for minor home repair, mobile home repair, accessibility, exterior paint, exterior yard clean-up, and seismic strengthening. This FY 2014-2015 contract will allow Neighborhood Solutions to award grants to approximately fifteen (15) homeowners. The \$90,000 budget allocates \$19,000 to Neighborhood Solutions' administrative budget and the remaining \$71,000 for rehabilitation grants directly to qualified homeowners.

Current Agency Policies

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

Previous Actions

On May 5, 2014, the City Council approved the FY 2014-2015 Consolidated Annual Action Plan that 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 2014-2015 CDBG monies in account number 165-43-232-5120.

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.).

ATTACHMENT

Attachment(s) to Resolution

- CDBG Consulting Services Agreement

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