



Legislation Text

File #: 23-287, **Version:** 1

Adopt a Resolution to Approve a Community Development Block Grant (CDBG) Minor Home Repair Grant Agreement for Fiscal Year 2023-2024 Between the City of San Leandro and Sub-Recipient Rebuilding Together Oakland-East Bay for \$150,000

COUNCIL PRIORITY

- Housing and Homelessness
- Race and Equity Initiatives

SUMMARY

This Community Development Block Grant (CDBG) Housing Activity project is authorized by the City Council as part of the City's FY 2023-2024 U.S. Department of Housing and Urban Development (HUD) Annual Action Plan approved on May 1, 2023. This grant provides up to \$5,000 to income qualified homeowners to improve and maintain their homes.

RECOMMENDATIONS

Staff recommends that the City Council adopt a resolution to approve the CDBG agreement with Rebuilding Together Oakland East Bay (RTO) for \$150,000 to administer the City's Housing Minor Home Repair Program from July 1, 2023, through June 30, 2024.

BACKGROUND

Since 1989, the City's Minor Home Repair Program (Housing Rehab Program) has been effective in assisting very low-income homeowners, especially fixed-income seniors, to improve and affordably remain in their homes and age in place. The Housing Rehab Program also contributes to the City's efforts to preserve its aging housing stock. These efforts advance the goals in the City's General Plan Housing Element.

The Minor Home Repair Program provides grants of up to \$5,000 to homeowners to improve and maintain their homes. The grants are available to eligible owner-occupants of single-family homes, duplexes, and mobile homes, and can pay for minor home repairs, mobile home repairs, accessibility upgrades, exterior paint, exterior yard clean-up, and seismic strengthening. Other rehabilitation projects could include sewer lateral replacements, water heater replacements, roof replacements and repairs, electrical repairs, plumbing repairs, installations of ADA compliant bathroom fixtures, mobile home leveling and new mobile home skirting. Eligibility is based on income. For example, the current annual income of a one-person household must not exceed \$60,000 and the annual income of a two-person household must not exceed \$68,000.

In 2003, due to limits in City staffing and technical capacity, the City started outsourcing this program's administration. In 2017, Rebuilding Together Oakland | East Bay (RTO) was selected to provide these services to San Leandro residents. Rebuilding Together is an affiliate of Rebuilding Together, Inc., which was formerly known as Christmas in April, a nonprofit working to preserve affordable homeownership and to revitalize communities.

Analysis

Rebuilding Together Oakland | East Bay (RTO) has the expertise and experience to administer San Leandro's Housing Rehabilitation Program. RTO staff have knowledge of construction standards. RTO is also well-versed in the regulations and requirements of HUD's CDBG program.

Since the dissolution of the City's Redevelopment Agency in 2012, the Housing Rehabilitation Program has been funded solely through federal Community Development Block Grant (CDBG) funds.

RTO will provide the following services:

- Reviewing prospective homeowners' applications for income-eligibility;
- Providing inspection services;
- Managing construction progress and completion; and
- Monitoring contractors for compliance with Federal CDBG regulations as well as local and State health, safety, and building laws

During the contract's one-year term, RTO is projected to award grants to approximately twenty (20) homeowners, typically fixed and lower income seniors. The \$150,000 budget allocates \$43,500 to RTO's administrative budget and the remaining \$106,500 for rehabilitation grants to repair the homes of qualified homeowners.

Current Agency Policies

- FY 2020-2024 Consolidated Plan, adopted by Resolution No. 2020-056 on June 15, 2020, to preserve affordable housing for low-income senior residents.
- General Plan Housing Element, which was most recently certified for 2023-2031 by the State Housing and Community Development Department in February 2023, addresses goals such as preserving, and rehabilitating existing affordable owner-occupied housing, and addressing special needs populations.

Previous Actions

The FY 2023-2024 Annual Action Plan was approved by City Council on May 1, 2023 for submittal to HUD.

Applicable General Plan Policies

- The General Plan Housing Element, which was most recently certified for 2023-2031 by the State Housing and Community Development Department in February 2023, addresses goals such as preserving, and rehabilitating existing affordable owner-occupied housing, and addressing special needs populations.

Environmental Review

National Environmental Protection Act (NEPA) environmental review of this program is complete.

Financial Impacts

This Council action will not impact fund balance because these are annual federal discretionary funds that come to the City from the US Department of Housing and Urban Development.

The City transacts all federal CDBG activity in a restricted discretionary revenue fund-Fund 165, the Community Development Block Grant Fund. The City restricts Fund 165 to transactions exclusively supporting CDBG activities as approved by City Council.

• CDBG Fund (Admin), Account 165-43-232-5120:	\$ 43,500
• <u>CDBG Fund (Grants), Account 165-43-232-8501:</u>	<u>\$106,500</u>
Total	\$150,000

ATTACHMENTS

- **Attachment A:** Resolution_HUD CDBG FY23-24 Minor Home Repair Grant Agreement
- **Attachment B:** Rebuilding Together Oakland East Bay Scope of Work and Budget

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