



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: May 5, 2015

Subject: Allocation of FY 2015/16 CDBG and ESG Funds, and Approval of FY 2015-2020 Consolidated Plan and FY 2015/16 Action Plan

RECOMMENDATION(S):

1. APPROVE the Family and Human Services Committee recommendations for the allocation of \$602,201 in FY 2015/16 Community Development Block Grant (CDBG) funds in the Public Service category and \$265,324 in Emergency Solutions Grant (ESG) funds (Attachment A); and

2. APPROVE the Internal Operations Committee recommendations for the allocation of \$305,636 in FY 2015/16 CDBG funds in the Economic Development category (Attachment B-1); and the allocation of \$217,878 in FY 2015/16 CDBG funds in the Infrastructure/Public Facilities category (Attachment B-2); and

3. ADOPT and **APPROVE** the draft FY 2015-2020 Consolidated Plan (Attachment C); and

4. ADOPT and **APPROVE** the draft FY 2015/16 Action Plan (Attachment D); and

5. APPROVE the revised Citizen Participation Plan (Attachment E); and

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☒ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **05/05/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Candace Andersen, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Karen Mitchoff, District IV
Supervisor

ABSENT: Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: May 5, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Gabriel Lemus,
674-7882

cc:

6. APPROVE the designation of Gabriel Lemus, as the County's Certifying Officer for National Environmental Policy Act (NEPA) environmental reviews under the purview of U.S. Department of Housing and Urban Development (HUD) programs as of July 1, 2015; and

RECOMMENDATION(S): (CONT'D)

>

7. DETERMINE that the FY 2015-20 Consolidated Plan and the FY 2015/16 Action Plan are exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA guidelines; and

8. DIRECT the Department of Conservation and Development Director to file a Notice of Exemption for the FY 2015-20 Consolidated Plan and the FY 2015/16 Action Plan with the County Clerk; and

9. AUTHORIZE the Department of Conservation and Development Director, or designee, to execute the program certifications and applications (HDSF-424's) for transmittal to HUD; and

10. AUTHORIZE the Department of Conservation and Development Director, or designee, to execute the CDBG, HOME Investment Partnerships Act (HOME), and ESG program Agreements as approved in the FY 2015/16 Action Plan by the Board of Supervisors.

FISCAL IMPACT:

No General Fund impact. All funds are provided to the County on a formula basis through the U.S. Department of Housing and Urban Development.

Catalog of Federal Domestic Assistance Numbers:

Community Development Block Grant (CDBG) Program - 14.218

HOME Investment Partnerships Act (HOME) Program - 14.239

Emergency Solutions Grant (ESG) Program - 14.231

Housing Opportunities for Persons with AIDS (HOPWA) Program - 14.241

BACKGROUND:

The Community Development Block Grant (CDBG) Program is in its forty-first year. The primary objective of the CDBG program is the development of viable urban communities through the provision of decent housing, a suitable living environment, and economic opportunity. CDBG funds are allocated annually to eligible Entitlement Jurisdictions by the U.S. Department of Housing and Urban Development (HUD) on a formula basis. The County's Department of Conservation and Development administers CDBG funds on behalf of the Urban County. The "Urban County" includes the unincorporated County and all cities except Antioch, Concord, Pittsburg, Richmond, and Walnut Creek, who administer independent CDBG programs.

The purpose of the HOME Investment Partnerships Act (HOME) Program is to increase and maintain the supply of affordable housing for lower income households. Funds are allocated to eligible Participating Jurisdictions (PJs) and Consortia on a formula basis by HUD. The Contra Costa Consortium (Consortium) area consists of the unincorporated County plus all cities except the City of Richmond. The City of Richmond is an independent HOME PJ. As the Consortium representative, the County is responsible for administration and management of the HOME program for the Consortium area.

The County receives Emergency Solutions Grant (ESG) funds on an entitlement basis for use in funding renovation, major rehabilitation, or conversion of buildings for use as emergency shelters for the homeless; provision of essential services for the homeless; emergency shelter operations and related services; and homelessness prevention and rapid re-housing activities. The County administers ESG funds on behalf of the Urban County.

The County also receives Housing for Persons with AIDS (HOPWA) funds, as a sub-grantee of the City of Oakland, to provide localities with resources and incentives to devise long term strategies for meeting the housing needs of persons with acquired immunodeficiency syndrome (AIDS) or related diseases and their families. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs. These include, but are not limited to, the acquisition, rehabilitation, or new construction of housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. The County administers HOPWA funds on behalf of the Consortium and the City of Richmond.

FY 2015-2020 Consolidated Plan

The Consortium must submit a strategic plan – the Consolidated Plan – every five years to HUD that identifies local needs and how these needs will be addressed. The Consolidated Plan must also demonstrate how the Consortium will meet national goals set by the U.S. Congress to develop viable communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of extremely-low, very-low, and low incomes.

The preparation of the FY 2015-2020 Consolidated Plan began with holding four focus group meetings and one service provider group meeting during the months of April, May, and June 2014. Individuals and representatives of various public agencies, community organizations, and service providers throughout the County were invited to attend these meetings. These focus group meetings covered various topics, including but not limited to:

- Persons with disabilities;
- Single parents/female-headed households;
- Homeless;
- Economic Development (Business assistance and job creation/retention);

- Seniors; and
- Youth and Families

The Consortium also solicited input from community organizations, public agencies, and the general public through an on-line survey that was accessible beginning in the month of April through the end of July 2014. CDBG staff has been able to compile and analyze the survey data to come to the following conclusions:

1. Services to low-income individuals and families were high in demand, with support to “Special Needs Populations” (i.e. Victims of Domestic Violence, Persons with Disabilities, Seniors/Elderly) ranking the highest.
2. Services to the Homeless population or to those at Imminent Risk of Homelessness also ranked high for continued support.
3. Affordable Housing activities are viewed as very much in need. Of the different eligible activities for affordable housing, code enforcement in lower income areas, housing for “Special Needs Populations” (especially seniors/elderly), preservation of existing affordable housing, rehabilitation assistance to existing housing, and housing counseling rank the highest.
4. Job Training/Placement and Support to Small Businesses ranked the highest in regards to Economic Development services.
5. General Infrastructure and Public Facilities Improvements are in demand, with improvements and/or construction of streets and sidewalks, senior centers, youth/neighborhood centers, park and recreational centers, and childcare centers ranking the highest.

The draft FY 2015-2020 Consolidated Plan proposes priorities for the use of CDBG, HOME, ESG, and HOPWA funds in the following priority needs: **Affordable Housing** (AH-1 through AH-4), **Homelessness** (H-1 through H-2), **Non-Housing Community Development** and **Administration** (CD-1 through CD-7).

FY 2015/16 Action Plan

In addition to the five-year Consolidated Plan, the County must submit an annual Action Plan that specifies what actions and investments will be carried out in the coming year to implement the Consolidated Plan.

On November 4, 2014, the Board of Supervisors (Board) amended its funding guidelines, originally adopted in 1993 and revised in 2006, for use of CDBG funds as follows: Housing 45 percent; Public Services 17 percent; Economic Development 10 percent; Infrastructure/Public Facilities 8 percent; and Program Administration 20 percent. Funding recommendations are made by the following Committees:

- Family and Human Services Committee – CDBG Public Service and Emergency Solutions Grant categories
- Finance Committee or Internal Operations Committee – Economic Development and Infrastructure/Public Facilities categories
- Affordable Housing Finance Committee – Housing category

Family and Human Services (FHS) Committee: The FHS Committee met on April 13, 2015 to consider staff recommendations for FY 2015/16 Public Service (PS) and Emergency Solutions Grant (ESG) projects. The meeting was noticed and project applicants were encouraged to attend and provide input into the allocation process. Various agencies attended the meeting and most thanked the Committee and the Board of Supervisors for their support. After discussion, the FHS Committee approved staff recommendations as shown in Attachment A.

Internal Operations (IO) Committee: Typically the Finance Committee considers staff's funding recommendations for Economic Development (ED) and Infrastructure/Public Facilities (IPF) projects; however, the Finance Committee was unable to meet within the CDBG program's public participation time-frame. Therefore, given this circumstance, the IO Committee met on April 13, 2015 to consider staff funding recommendations for ED and IPF projects. The meeting was noticed and project applicants were encouraged to attend and provide input into the allocation process. After discussion, the Internal Operations Committee approved the recommendations as listed in Attachments B-1 and B-2.

Affordable Housing Finance Committee (AHFC): The AHFC is a Board-appointed advisory committee that develops funding recommendations for the Board concerning the allocation of federal funds for affordable housing development. The AHFC met on March 16 and March 30, 2015 to consider staff funding recommendations for CDBG-housing and HOME projects. Members of the public, including project sponsors, were invited to attend and provide input into the allocation process. Following discussion and comment on each project, the AHFC developed recommendations for the allocation of CDBG and HOME funds for affordable housing programs and projects (Attachment F). Because several applicants for CDBG/HOME funds needed to submit their applications to the State for Affordable Housing and Sustainable Communities funds on April 20, 2015, the AHFC's funding recommendations were approved by the Board on April 14, 2015. The Board's approved funding recommendations in the Affordable Housing category are included again in this Board Order because they are part of the County's complete Action Plan to be submitted to HUD.

Citizen Participation Plan

The Citizen Participation Plan (CPP) sets forth the County's policies and procedures for citizen participation for the use of funds from HUD funding programs that are allocated to the County and administered by the County's Department of Conservation and

Development (DCD), including the CDBG, HOME, HOPWA, and ESG programs. The CPP provides an opportunity for the community to work in partnership with the County to identify needs and to allocate these funds. The CPP is revised periodically to reflect changes in the program. Following is a summary of the revisions in the attached CPP:

- The program priorities are revised to reflect the priorities in the FY 2015-2020 Consolidated Plan
- The DCD address/contact information is revised to reflect the most current address/contact information

Certifying Officer for National Environmental Policy Act Reviews

All CDBG, HOME, ESG, and HOPWA funded projects are subject to an environmental review under the National Environmental Policy Act (NEPA). The County, as the Responsible Entity for any environment review under the purview of NEPA for HUD funding programs allocated to the County, must designate a Certifying Officer that formally approves all NEPA reviews and represents the County for HUD NEPA matters. Gabriel Lemus has had 12 years experience with the County's federal programs and with completing and reviewing NEPA environment reviews for DCD. He is considered DCD's NEPA expert. It is recommended that, beginning July 1, 2015, Gabriel Lemus become the County's Certifying Officer for NEPA environmental reviews under HUD federal programs.

CONSEQUENCE OF NEGATIVE ACTION:

Because the County must submit its application for CDBG, HOME and ESG funding to HUD by May 15, 2015, delay in approving the recommendations by the Committees, the Consolidated Plan, and the Action Plan may result in the County not submitting its application on time and jeopardize the County receiving its FY 2015/16 CDBG, HOME, and ESG funds.

CHILDREN'S IMPACT STATEMENT:

Most of the projects and programs funded with CDBG, HOME, and ESG funds address at least one of the five community outcomes established in the Children's Report Card.

ATTACHMENTS

- Attachment A - FHS PS/ESG Recommendations
- Attachment B-1 - IOC ED Recommendations
- Attachment B-2 - IOC IPF Recommendations
- Attachment C - Draft Consolidated Plan
- Attachment D - Draft Action Plan
- Attachment E - Revised Citizen Participation Plan
- Attachment F - Approved Housing Recommendations