



**Contra  
Costa  
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: May 10, 2016

Subject: Allocation of FY 2016/17 CDBG and ESG Funds and Approval of 2016/17 Action Plan

### **RECOMMENDATION(S):**

1. FIND that the FY 2016/17 Action Plan is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA guidelines; and
2. APPROVE the Family and Human Services Committee recommendations for the allocation of \$741,799 in FY 2016/17 Community Development Block Grant (CDBG) funds in the Public Service category and \$269,776 in Emergency Solutions Grant (ESG) funds (Attachment A); and
3. APPROVE the Finance Committee recommendations for the allocation of \$330,636 in FY 2016/17 CDBG funds in the Economic Development category (Attachment B-1); and the allocation of \$490,840 in FY 2016/17 CDBG funds in the Infrastructure/Public Facilities category (Attachment B-2); and
4. ADOPT and APPROVE the Draft FY 2016/17 Action Plan (Attachment D); and
5. DIRECT the Department of Conservation and Development Director to file a Notice of Exemption for the FY 2016/17 Action Plan with the County Clerk; and
6. 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
7. AUTHORIZE the Department of Conservation and Development Director, or

☒ APPROVE

☐ OTHER

☐ RECOMMENDATION OF CNTY ADMINISTRATOR

☒ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **05/10/2016** ☒ 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  
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 10, 2016

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

By: Stephanie Mello, Deputy

Contact: Gabriel Lemus,  
925-674-7882

cc: Lisa Driscoll, Enid Mendoza

designee, to execute the CDBG, HOME Investment Partnerships Act (HOME), and ESG program agreements as approved in the FY 2016/17 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 will be entering its forty-second 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, and Walnut Creek, that administer independent CDBG programs. Beginning FY 2016/17, the City of Richmond is a participating city in the County's CDBG Urban County program.

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 will be a member of the HOME Consortium beginning in FY 2017/18. 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 2016/17 Action Plan**

The Action Plan describes the projects and programs the County will undertake during the program year to address priority needs identified in the Contra Costa County FY 2015-2020 Consolidated Plan, and identifies the use of grant funds and program income received during the program year by activity, and proposed accomplishments. In order to begin the program year on time, the County's FY 2016/17 Action Plan must be approved by the Board of Supervisors and submitted to HUD by May 15, 2016.

On November 4, 2014, the Board of Supervisors 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 ESG categories
- Finance Committee – CDBG Economic Development (ED) and Infrastructure/Public Facilities (IPF) categories
- Affordable Housing Finance Committee – HOME and CDBG-Housing category

**Family and Human Services (FHS) Committee:** The FHS Committee met on April 11, 2016 to consider staff recommendations for FY 2016/17 Public Service (PS) and ESG projects. The meeting was noticed and project applicants were encouraged to attend and provide input into the allocation process. Approximately 24 persons representing various agencies attended the meeting. After discussion, the FHS Committee approved staff recommendations as shown in Attachment A.

**Finance Committee:** The Finance Committee met on April 14, 2016 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 Finance 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 February 9, 2016, 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 C). Because

several applicants for CDBG/HOME funds needed to submit their concept proposal to the State for Affordable Housing and Sustainable Communities funds by March 16, 2016, the AHFC's funding recommendations were approved by the Board on March 1, 2016. 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.

CONSEQUENCE OF NEGATIVE ACTION:

Because the County must submit its application for CDBG, HOME and ESG funding to HUD by May 15, 2016, delay in approving the recommendations by the Committees and the Action Plan may result in the County not submitting its application on time and jeopardize the County receiving its FY 2016/17 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.

CLERK'S ADDENDUM

***Speaker: Donald Gilmore, Community Housing Development Co-sponsor CHAC.***

ATTACHMENTS

Attachment A - Family & Human Services Recommendations

Attachment B-1 - Finance Committee: Economic Development Recommendations

Attachment B-2: Finance Committee IPF Recommendations

Attachment C: Affordable Housing Recommendations

Attachment D: Draft FY 2016/17 Action Plan