



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: June 26, 2018

Subject: Allocation of FY 2018/19 CDBG, HOME and ESG Funds and Approval of 2018/19 Action Plan

RECOMMENDATION(S):

1. FIND that the FY 2018/19 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 \$769,375 in FY 2018/19 Community Development Block Grant (CDBG) funds in the Public Service Category (Attachment A-1) and \$340,595 in Emergency Solutions Grant (ESG) fund (Attachment A-2); and
3. APPROVE the Finance Committee recommendations for the allocation of \$409,792 in FY 2018/19 CDBG funds in the Economic Development category (Attachment B-1); and the allocation of \$693,872 in FY 2018/19 CDBG funds in the Infrastructure/Public Facilities category (Attachment B-2); and
4. APPROVE the Affordable Housing Finance Committee recommendations for the allocation of \$3,432,000 in CDBG funds in the Housing category and \$3,476,832 in HOME funds (Attachment C); and

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **06/26/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor

Candace Andersen, District II
Supervisor

Diane Burgis, 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: June 26, 2018

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

By: June McHuen, Deputy

Contact: 925-674-7882

Gabriel Lemus

cc:

5. ADOPT and APPROVE the FY 2018/19 Action Plan (Attachment D); and

RECOMMENDATION(S): (CONT'D)

6. DIRECT the Department of Conservation and Development (DCD) Director to file a Notice of Exemption for the FY 2018/19 Action Plan with the County Clerk; and

7. AUTHORIZE the DCD Director, or designee, to execute the program certifications and applications (SF-424's) for transmittal to the U.S. Department of Housing and Urban Development (HUD); and

8. AUTHORIZE the DCD Director, or designee, to execute the CDBG and ESG Program agreements as approved in the FY 2018/19 Action Plan by the Board of Supervisors.

FISCAL IMPACT:

There is no General Fund impact. All funds are provided to Contra Costa County (County) on a formula basis through the US Department of Housing and Urban Development (HUD).

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 Person with AIDS (HOPWA) Program - 14.241

BACKGROUND:

The CDBG Program will be entering its forty-fourth 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 HUD on a formula basis. The County's DCD 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. Those cities administer independent CDBG programs.

The purpose of the HOME Program is to increase and maintain the supply of affordable housing for lower income households. Funds are allocated to eligible participating jurisdictions and HOME consortia on a formula basis by HUD. The Contra Costa Consortium (Consortium) consists of the unincorporated County and all cities. As the Consortium representative, the County is responsible for administration and management of the HOME program for the Consortium.

The County, as an entitlement jurisdiction, receives ESG funds annually from HUD on a formula 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 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.

FY 2018/19 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 FY2018/19 Action Plan must be approved by the Board of Supervisors and submitted to HUD by June 29, 2018.

On November 4, 2014, the Board of Supervisors (Board) amended its funding guidelines originally adopted in 1993 and revised in 2006, for the 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 (PS) category and ESG Finance Committee – CDBG Economic Development (ED) and Infrastructure/Public Facilities (IPF) categories

Affordable Housing Finance Committee – HOME and CDBG-Housing category

Board of Supervisors-- The funding recommendations for HOPWA funds are within the Action Plan for Board approval.

Family and Human Services (FHS) Committee: The FHS Committee met on May 30, 2018, to consider staff recommendations for FY 2018/19 PS and ESG projects. The meeting was noticed and project applicants were encouraged to attend and provide input into the allocation process. Approximately 10 persons representing various agencies attended the meeting. After discussion, the FHS Committee approved staff recommendations as shown in Attachment A-1 and A-2.

Finance Committee: The Finance Committee met on June 5, 2018, 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.

Approximately 6 persons representing various agencies attended the meeting. 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 January 29 and April 5, 2018, 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).

CONSEQUENCE OF NEGATIVE ACTION:

Delay in approving the Committees recommendations and the Action Plan may result in the County not submitting its application on time and jeopardize the County receiving its FY 2018/19 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-1 - FHS PS Recommendations

Attachment A-2 - FHS Committee ESG Recommendations

Attachment B-1 - Finance Committee ED Recommendations

Attachment - B-2 - Finance Committee Recommendations

Attachment - C- AHFC Recommendations

Attachment - D - Draft FY 2018/19 Action Plan