



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: October 22, 2019

Subject: Substantial Amendment to the County's FY 2019/20 CDBG Action Plan - CDBG Funds for Relocation
Costs: Richmond Neighborhood Housing Services, Inc.

RECOMMENDATION(S):

APPROVE an Amendment to the County's FY 2019/20 Community Development Block Grant (CDBG) Action Plan to award up to \$95,000 for relocation costs associated with the rehabilitation of Richmond Neighborhood Housing Services housing units, that are rented to low/moderate-income households in the City of Richmond, as recommended by the Affordable Housing Finance Committee.

FISCAL IMPACT:

There is no fiscal impact to the County General Fund. Community Development Block Grant (CDBG) funds are federal funds provided to the County on a formula allocation basis through the U.S. Department of Housing and Urban Development.

Catalog of Federal Domestic Assistance #14.218

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **10/22/2019** ☒ 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

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: October 22, 2019

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

By: June McHuen, Deputy

Contact: Gabriel Lemus,
925-674-7882

cc:

BACKGROUND:

Richmond Neighborhood Housing Services, Inc. (RNHS), is a nonprofit housing organization dedicated to promoting and maintaining affordable housing to low/moderate-income households in the City of Richmond. RNHS was awarded \$280,000 in FY 2017/18 and \$151,000 in FY 2018/19, to rehabilitate up to eight single-family housing units within RNHS's low/moderate-income housing portfolio. At the time of award, temporary relocation of households was not anticipated; however, it became apparent that temporary relocation would be necessary for some, as complete project scopes commenced.

County CDBG staff recommends up to \$95,000 in additional CDBG funds for temporary relocation costs associated with the rehabilitation of RNHS's housing units in order to properly and adequately relocate and temporarily house the households currently residing in the units proposed for rehabilitation. Although, temporary relocation can be costly for a project and an inconvenience for a household, it is recommended in order to ensure households are adequately and properly temporarily housed during the time of construction, with none of the relocation costs paid by the households. In most cases when federal or state funds are involved with the rehabilitation of housing units, relocation has a specific process to follow and the costs of relocation is not the responsibility of the affected households. In addition, temporarily relocating a household allows the rehabilitation work to be performed in a much timelier and efficient manner as it eliminates any scheduling conflicts with the tenants.

The additional \$95,000 in CDBG funds would pay for a relocation consultant and for the costs associated with relocating a household (move-out/move-in costs, storage, temporary lodging, etc.). The consultant's obligation would be to ensure that the required relocation process under the Uniform Relocation Act takes place, which will include preparation and dissemination of relocation notices, preparation of relocation plans for each affected household, and collecting/preparing documentation indicating that the proper steps for relocation took place. In addition, the consultant would work with each household to ascertain the proper and adequate temporary housing that each household would require, and then find and secure the temporary housing for each household.

Available CDBG Funds: The \$95,000 of CDBG funds are available due to a cancellation of a project that was unable to move forward after it was determined to be ineligible. Therefore, the funds for that cancelled project are available to allocate to other eligible activities.

Affordable Housing Finance Committee Meeting: County CDBG staff presented their recommendation to the County's Affordable Housing Finance Committee on October 4, 2019. After staff's presentation, the Affordable Housing Finance Committee recommended to allocate up to \$95,000 of CDBG funds for relocation costs associated with the rehabilitation of RNHS's housing units that are rented out to low/moderate-income households in the City of Richmond.

CONSEQUENCE OF NEGATIVE ACTION:

Not approving the additional CDBG funds would delay or prevent the rehabilitation of RNHS's housing units, which would prevent the preservation of existing affordable housing to low/moderate-income households.

CHILDREN'S IMPACT STATEMENT:

The activity/project supports the preservation of affordable housing, which supports the Children's Report Card by helping families become economically self-sufficient and enables families to be safe, stable and nurturing.