



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: June 21, 2022

Subject: Allocation of FY 2022/23 CDBG, HOME, and ESG Funds and Approval of FY 2022/23 Action Plan

RECOMMENDATION(S):

(1) FIND that the FY 2022/23 Annual Action Plan is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA guidelines;

(2) APPROVE and ADOPT the Draft FY 2022/23 Annual Action Plan (Attachment A);

(3) APPROVE the Family and Human Services Committee recommendations for the allocation of \$849,500 in FY 2022/23 Community Development Block Grant (CDBG) funds in the Public Services (PS) category (Attachment B-1) and \$368,077 Emergency Solutions Grant (ESG) funds (Attachment B-2);

(4) APPROVE the Finance Committee recommendations for the allocation of \$334,250 in FY 2022/23 CDBG funds in the Economic Development (ED) category (Attachment C-1) and the allocation of \$264,141 in the Infrastructure/Public Facilities (IPF) category (Attachment C-2);

(5) APPROVE the Affordable Housing Finance Committee recommendations for the

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☒ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **06/21/2022** ☒ 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 21, 2022

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Daniel Davis,
925-655-2884

cc:

allocation of \$1,900,000 in FY 2022/23 CDBG funds in the Housing category, and \$3,300,000 in HOME Investment Partnerships Program (HOME) funds (Attachment D); (6) DIRECT the Department of Conservation and Development (DCD) Director, or designee, to file a CEQA Notice of Exemption for the FY 2022/23 Annual Action Plan with the County Clerk;

(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 CDBG and ESG program agreements with the recommended organizations for the FY 2022/23 Annual Action Plan approved and adopted by the Board of Supervisors.

FISCAL IMPACT:

There is no General Fund impact. All funds are provided to Contra Costa County on a formula basis through HUD. Catalog of Federal Domestic Assistance Numbers: CDBG Program - 14.218, HOME Program - 14.239, and ESG Program - 14.231.

BACKGROUND:

Contra Costa County receives CDBG, HOME, and ESG funds each year from the federal government for housing and community development activities. To receive these annual awards of federal funds, the County must submit a strategic plan – the Consolidated Plan – every five years to HUD that identifies local needs and how these needs will be addressed, as well as an Annual Action Plan that specifies what actions and investments will be carried out to execute the Consolidated Plan. Contra Costa County is currently completing the second year of the 2020-2025 Consolidated Plan; this one-year Action Plan for FY 2022/23 covers the third year of the current Consolidated Plan.

The CDBG Program will be entering into its forty-eighth year. The primary objective of the CDBG Program is to assist in the development of viable urban communities through the provision of decent housing, a suitable living environment, and economic opportunity principally for persons of low income. 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/towns except Antioch, Concord, Pittsburg, and Walnut Creek. Those cities administer independent CDBG programs.

The purpose of the HOME Program is to expand the supply of decent, safe, sanitary, and affordable housing for very-low and low-income households. HOME funds are allocated by HUD to eligible participating jurisdictions and HOME Consortia on a formula basis. The Contra Costa HOME Consortium (Consortium) consists of the Urban County and the cities of Antioch, Concord, Pittsburg, and Walnut Creek. As the Consortium representative, DCD is responsible for the administration and management of the HOME Program for the Consortium.

The County receives ESG Program funds on an entitlement basis for use in funding renovation, major rehabilitation, or conversion of building 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-rehousing activities. DCD administers ESG funds on behalf of the Urban County.

FY 2022/23 Annual Action Plan Process and Funding Recommendations

On November 4, 2014, the Board of Supervisors (Board) adopted funding guidelines for use of CDBG funds as follows: Housing 45%; Public Services (PS) 17%; Economic Development (ED) 10%; Infrastructure/Public Facilities (IPF) 8%; and Program Administration 20%. Funding recommendations are made by the following Committees:

- Family and Human Services Committee - CDBG PS category and ESG Program funds
- Finance Committee - CDBG ED and IPF categories
- Affordable Housing Finance Committee - CDBG Housing category and HOME Program funds

On October 7, 2021, County staff held the annual "Kick-Off" Meeting, a meeting to announce the County's CDBG/HOME/ESG Notice of Funding Availability (NOFA) and to meet with various private/public non-profit organizations and agencies. The application portal opened that day and closed on December 6, 2021. County staff reviewed applications, interviewed project applicants, and determined staff funding recommendations from December 2021 through April 2022.

The Family and Human Services (FHS) Committee met on May 23, 2022, to consider staff recommendations for the FY 2022/23 CDBG PS and ESG programs/projects. The meeting was noticed, and project applicants were encouraged to attend and provide input into the allocation process. After discussion, the FHS Committee approved staff recommendations as shown in Attachment B-1 and B-2.

The Finance Committee met on June 6, 2022, to consider staff recommendations for the FY 2022/23 CDBG-ED programs and IPF projects. The meeting was noticed, and project applicants were encouraged to attend and provide input into the allocations process. After discussion, the Finance Committee approved staff recommendations as shown in Attachment C-1 and C-2.

The Affordable Housing Finance Committee (AHFC) is a Board-appointed advisory committee that makes funding recommendations for the Board concerning the allocation of CDBG Housing category and HOME funds for affordable housing development. The AHFC held a public meeting via Zoom on April 21, 2022, to consider staff funding recommendations for CDBG Housing and HOME applications. Following discussion and comment on each project application, the AHFC recommended funding allocations shown in Attachment D.

CEQA: The Action Plan is exempt from CEQA review. However, individual projects may be subject to further review, which will be undertaken by the project's lead agency. The County is a responsible agency for most housing projects. A CEQA recommendation will be made to the Board when the housing project's legal documents are submitted for approval.

National Environmental Policy Act (NEPA): All CDBG, HOME, and ESG projects/programs are subject to NEPA and 24 CFR Part 58 review. The NEPA review for each project will be completed prior to entering into project agreements or other legal documents for that project.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action will prevent the Action Plan from being submitted by the deadline and will jeopardize the County's receipt of its allocation of FY 2022/23 CDBG, HOME, and ESG funds.

CHILDREN'S IMPACT STATEMENT:

The recommendation supports one or more of the following children's outcomes:

- (1) Children Ready for and Succeeding in School;
- (2) Children and Youth Healthy and Preparing for Productive Adulthood;
- (3) Families that are Economically Self Sufficient;
- (4) Families that are Safe, Stable and Nurturing; and
- (5) Communities that are Safe and Provide a High Quality of Life for Children and Families.

ATTACHMENTS

Attachment A – FY 2022/23 Annual Action Plan (Public Review Draft)

Attachment B-1 – FY 2022/23 FHS Recommendations (PS)

Attachment B-2 – FY 2022/23 FHS Recommendations (ESG)

Attachment C-1 – FY 2022/23 Finance Comm. Recommendations (ED)

Attachment C-2 – FY 2022/23 Finance Comm. Recommendations (IPF)

Attachment D – FY 2022/23 AHFC Recommendations (HSG)