



Legislation Details (With Text)

File #:	18-0599	Version:	1	Name:	DS - FY 19 Action Plan
Type:	Contract	Status:	CCIS		
File created:	7/5/2018	In control:	City Council		
On agenda:	7/17/2018	Final action:	7/17/2018		
Title:	<p>Recommendation to approve the Fiscal Year 2019 (FY 19) Action Plan, and Substantial Amendments to the FY 18, FY 17, FY 16, and FY 15 Action Plans for the expenditure of Community Development Block Grant, Home Investment Partnership Grant, and Emergency Solutions Grant Funds; and</p> <p>Authorize City Manager, or designee, to execute all necessary documents with the United States Department of Housing and Urban Development to receive these funds and execute agreements necessary to implement and comply with related federal regulations. (Citywide)</p>				
Sponsors:	Development Services				
Indexes:					
Code sections:					
Attachments:	1. 071718-R-14sr&att.pdf, 2. 071718-R-14 PowerPoint.pdf				

Date	Ver.	Action By	Action	Result
7/17/2018	1	City Council	approve recommendation	Pass

Recommendation to approve the Fiscal Year 2019 (FY 19) Action Plan, and Substantial Amendments to the FY 18, FY 17, FY 16, and FY 15 Action Plans for the expenditure of Community Development Block Grant, Home Investment Partnership Grant, and Emergency Solutions Grant Funds; and

Authorize City Manager, or designee, to execute all necessary documents with the United States Department of Housing and Urban Development to receive these funds and execute agreements necessary to implement and comply with related federal regulations. (Citywide)

The United States Department of Housing and Urban Development (HUD) requires the City to develop and submit a Five-Year Consolidated Plan (Consolidated Plan), and an annual Action Plan that furthers the goals established in the Consolidated Plan, for the use of Community Development Block Grant (CDBG), Home Investment Partnership Grant (HOME), and Emergency Solution Grant (ESG) funds. The current Consolidated Plan was approved by the City Council and HUD in 2017, and is valid from October 1, 2017 through September 30, 2022. HUD requires that the City Council review and approve an annual Action Plan that describes how HUD funds will be used to support programs and services, which principally benefit low- and moderate-income residents, consistent with the approved Consolidated Plan.

The attached FY 19 Action Plan, and FY 18, FY 17, FY 16, and FY 15 Action Plan Amendments (Exhibit A), describe in detail the proposed programs and services to be funded during the period of October 1, 2018 through September 30, 2019. The following table summarizes the funding proposed for the FY 19 Action Plan:

FY 19 Action Plan Entitlement Funding Level

Available Funds	CDBG	ESG	HOME	TOTAL
New Entitlement	\$6,099,577	\$496,583	\$3,011,176	\$9,607,336
Program Income	\$60,000	\$0	\$1,500,000	\$1,560,000
Total Available Funds	\$6,159,577	\$496,583	\$4,511,176	\$11,167,336

The FY 19 Action Plan, as required by HUD's recent directives, will not include unspent reprogrammable funds from previous years' Action Plans. These funds will be reallocated through Action Plans Amendments, and continue to be accounted for and spent under the amended FY 18, FY 17, FY 16, and FY 15 Action Plans. Because of this new rule, as shown in the table above, FY 19 Action Plan resources for CDBG, HOME and ESG may only come from new entitlement allocations and Program Income. The table below shows the reallocation of remaining FY 18, FY 17, FY 16, and FY 15 funds contained in the Amendments.

FY 18, FY 17, FY 16, and FY 15 Action Plan Substantial Amendments

FY	Program	Reduced Amount	Program	Increased Amount
2015	Unspent Funds from Various Activities	(\$182,784)	Home Improvement Rebate Program	\$182,784
2016	Unspent Funds from Various Activities	(\$329,087)	Business Revitalization Program (Corridor)	\$329,087
2017	Unspent Funds from Various Activities	(\$402,024)	Code Enforcement	\$402,024
2018	Unspent Funds from Various Activities	(\$404,265)	Acquisition for Affordable Housing Project	\$404,265
	Total	(\$1,318,160)	Total	\$1,318,160

The FY 19 budget for the four activities listed above and described below comes from reallocated unspent amounts as well as new FY 19 Action Plan entitlement funds:

- Home Improvement Rebate Program provides rebates of up to \$2,000 for exterior improvements to residential properties (some restrictions apply).
- Business Revitalization Program (Corridor) provides rebates to businesses along

designated corridors within CDBG areas for storefront façade improvements.

- Code Enforcement program is a comprehensive program to eliminate blight in the CDBG Code Enforcement Target Areas in conjunction with the Home Improvement Rebate and Business Revitalization Program.
- Funding is set aside to acquire a property to be used for a homeless permanent housing facility. Due to the overall cost of this potential project, other funding sources may be used.

On April 18, 2018, the Long Beach Community Investment Company (LBCIC) conducted a Public Hearing to solicit public comment on the development of the FY 19 Action Plan. A second Public Hearing was conducted by the LBCIC on June 20, 2018, to solicit public comment on the FY 19 Action Plan and on the Substantial Amendments. Notices regarding this second public hearing and the availability of the draft Action Plans were posted on the City website for public review 30 days prior to the second public hearing. Advertisements were published in the *Press-Telegram*, *Impacto USA*, and *Khmer Post* announcing the availability of the draft Action Plans and details of the public hearing. In addition, several hundred stakeholders received an email notice about the public hearing and the availability of the draft Action Plans for review and comment. Additionally, staff conducted three meetings in different CDBG area neighborhoods to discuss the draft Action Plan. At the conclusion of the public hearing, the LBCIC Board voted to recommend that the City Council approve the draft FY 19 Action Plan and Amendments to the FY 18, FY 17, FY 16, and FY 15 Action Plans.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on June 26, 2018 and by Budget Analysis Officer Julissa José-Murray on June 28, 2018

City Council action is requested on July 17, 2018, as the FY 19 Action Plan and various fiscal year amendments must be submitted to HUD no later than August 15, 2018, 45 days prior to the beginning of the new fiscal year.

In FY 19, the City will receive \$9,607,336 in CDBG, HOME, and ESG entitlement funds and an estimated \$1,560,000 in Program Income. These funds will be budgeted in the Community Development Grants Fund (SR 150) in the Development Services Department (DV) through the annual budget process. These grant funds generate a broad, positive impact on job creation and retention within the community. Based on a HUD formula for job creation, the direct infusion of entitlement funds into programs that support local businesses, and spur infrastructure and housing improvements will generate an estimated 223 jobs within the community.

Approve recommendation.

LINDA F. TATUM, AICP
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

PATRICK H. WEST
CITY MANAGER