



Legislation Details (With Text)

**File #:** 15-0570      **Version:** 1      **Name:** DS - FY 16 Action Plan  
**Type:** Contract      **Status:** CCIS  
**File created:** 6/4/2015      **In control:** City Council  
**On agenda:** 6/23/2015      **Final action:** 6/23/2015  
**Title:** Recommendation to approve the Fiscal Year 2016 Action Plan and the Second Substantial Amendment to the Fiscal Year 2015 Action Plan for the expenditure of Community Development Block Grant, Home Investment Partnership Grant, and Emergency Solutions Grant Funds; and  
 Authorize City Manager, or his 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)  
**Sponsors:** Development Services  
**Indexes:** Agreement for Funding, Amendments, Grant  
**Code sections:**  
**Attachments:** 1. 062315-R-13sr&att.pdf

Date	Ver.	Action By	Action	Result
6/23/2015	1	City Council	approve recommendation	Pass

Recommendation to approve the Fiscal Year 2016 Action Plan and the Second Substantial Amendment to the Fiscal Year 2015 Action Plan for the expenditure of Community Development Block Grant, Home Investment Partnership Grant, and Emergency Solutions Grant Funds; and

Authorize City Manager, or his 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 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 2012, and is valid from October 1, 2012, through September 30, 2017. 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 Consolidated Plan as approved. The Fiscal Year 2015-2016 (FY 16) Action Plan will be the fourth Action Plan developed under the current Consolidated Plan.

The following table describes the HUD funding proposed for the FY 16 Action Plan.

FY 16 Action Plan Budget				
Available Funds	CDBG	ESG	HOME	TOTAL

New Entitlement	\$5,641,153	\$509,063	\$2,099,457	\$8,249,673
Program Income	\$120,000	\$0	\$1,000,000	\$1,120,000
<b>Total Available Funds</b>	<b>\$5,761,153</b>	<b>\$509,063</b>	<b>\$3,099,457</b>	<b>\$9,369,673</b>

The attached FY 16 Action Plan and Second Substantial Amendment (Amendment) to the FY 15 Action Plan (Exhibit A) describe in detail the proposed programs and services to be funded during the period of October 1, 2015, through September 30, 2016.

The FY 16 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 an Amendment, for different programs in line with the Consolidated Plan, and continue to be accounted for and spent under the amended FY 15 Action Plan. As a result of this new rule, FY 16 Action Plan resources for CDBG, HOME and ESG may only come from new entitlement allocations and future Program Income. The table below shows the reallocation of remaining FY 15 funds contained in the Amendment.

**Second Substantial Amendment to the FY 15 Action Plan: Resource Reallocation**

Program	Reduced Amount	Program	Increased Amount
Tool Rental Assistance	(\$27,839)	Home Improvement Rebate	\$47,280
Neighborhood Resource Center	(\$6,792)	ED/Infrastructure Improvement	\$59,566
Technical Business Assistance	(\$563,793)	Sidewalk Improvement Program	\$168,195
Program Administration	(\$193,641)	Neighborhood Business Investment	\$149,743
		Business Revitalization Program	\$367,281
<b>Total Reallocated</b>	<b>(\$792,065)</b>	<b>Total</b>	<b>\$792,065</b>

To comply with CDBG regulation, the FY 16 Action Plan has identified a designated area where CDBG funded code enforcement activities can be focused (Exhibit B). In line with the City’s Five-year Consolidated Plan and CDBG regulations, the FY 16 Action Plan will continue to address issues relating to the aging housing stock through CDBG funded code enforcement and rehabilitation activities, as well as other neighborhood improvement projects.

On April 15, 2015, the Long Beach Community Investment Company (LBCIC) conducted a Public Hearing to solicit public comment on the development of the FY 16 Action Plan. A second Public Hearing was conducted on June 17, 2015, to solicit public comment on the FY 16 Action Plan and on the Second Substantial Amendment to the FY 15 Action Plan. Notices regarding the 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. An advertisement was 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. At the conclusion of the Public Hearing, the LBCIC Board voted to recommend that the City Council approve the draft FY 16 Action Plan and Amendment to the FY 15 Action Plan.

This matter was reviewed by Deputy City Attorney Richard Anthony on June 1, 2015, and Budget Management Officer Victoria Bell on June 4, 2015.

City Council action is requested on June 23, 2015, as the FY 16 Action Plan must be submitted to HUD no later than August 15, 2015, forty-five days prior to the beginning of the new fiscal year.

In FY 16, the City will receive \$8,249,673 in CDBG, HOME, and ESG entitlement funds and an estimated \$1,120,000 in Program Income. These funds will be budgeted in the Community Development Grants Fund (SR 150) in the Department of Development Services (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 135 jobs within the community.

Approve recommendation.

AMY J. BODEK, AICP  
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

PATRICK H. WEST  
CITY MANAGER