



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** May 08, 2012

From: Emily Wong **Item No:** 9
Interim Economic Development
and Housing Manager

Subject: FINAL PUBLIC HEARING – DRAFT FY 2012-2016 CONSOLIDATED
PLAN FIRST-YEAR ACTION PLAN AND ANALYSIS OF IMPEDIMENTS
TO FAIR HOUSING CHOICE

T.M. Approval: _____ **Budgeted Item:** Yes No N/A

RECOMMENDED ACTION:

1. That the Town Council approve the 2012-2016 Draft Consolidated Plan to include the First Year Action Plan containing recommendations for 2012-2013 funding; and authorize the Town Manager to execute all necessary HUD documents on behalf of the Town for submission to HUD.
2. That the Town Council adopt the 2012-2016 Draft Analysis of Impediments to Fair Housing Choice

SUMMARY:

The purpose of this public hearing is to receive final comments on the Draft FY 2012-2016 Consolidated Plan and the proposed First Year Action 2012-2013 Community Development Block Grant and Home Investment Partnerships Programs.

The Draft FY 2012-2016 Consolidated Plan and the proposed First-Year Action Plan is now in the process of development for Fiscal Year 2012-2013. The purpose of the public hearing is to solicit public comment from interested citizens, public agencies, and other interested parties, regarding the development of the Five Year Consolidated Plan and proposed use of federal funds in the preparation of the First-Year Action Plan. Once the Town Council takes action, the Plan will be submitted to the U.S. Department of Housing and Urban Development (HUD) for final approval.

The Town of Apple Valley participates in a consortium with the City of Victorville in order to meet the threshold of obtaining Home Investment Partnerships Program (HOME)

funds entitlement status with the U.S. Department of Housing and Urban Development (HUD). The successful formation of the consortium has resulted in an annual allocation of HOME funds to both communities. The consortium identifies the Town of Apple Valley as the lead agency and the City of Victorville as a participating jurisdiction

BACKGROUND:

CONSOLIDATED PLAN SUMMARY - The Draft Consolidated Plan is a comprehensive five-year strategy (2012-2016) that addresses the use of Federal grant/entitlement funds for the purpose of meeting the goals of providing decent housing, a suitable living environment, and expanded economic opportunities, principally for low- and moderate-income persons.

The Consolidated Plan combines the application and reporting requirements of four Federal formula grant programs. It replaces the Comprehensive Housing Affordability Strategy (CHAS) and consolidates the applications for the Community Development Block Grant (CDBG), Home Investment Partnerships Act (HOME), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).

The Consolidated Plan is composed of three parts: 1). The first section of the Consolidated Plan evaluates the Housing and Community Development needs of the Consortium. This includes an assessment of housing needs for extremely low, very low, and low- and moderate-income families, including the needs of homeless individuals and families. The Consortium held consultation meetings, made surveys available and continuously requested input from the community for a 90-day period. 2). Based on this information, a five-year strategic plan was developed which includes priorities for assisting categories of residents by income level, objective statements, proposed programs, as well as accomplishments that are expected to be achieved in the next five years. As a result, the following priorities were identified for the Draft FY 2012-2016 Five-Year Consolidated Plan;

1. Preserve the existing housing stock
2. Expand the supply of affordable housing
3. Assist in reducing housing costs of extremely low- and low- income households
4. Assist special needs persons with reducing housing costs and with meeting their rehabilitation needs
5. Increase affordable homeownership opportunities
6. Eliminate blighted conditions and substandard housing through enhanced code enforcement activities and demolition
7. Provide shelter and related services to meet the needs of the homeless population and support the development of a continuum of care system on a region-wide basis
8. Affirmatively further fair housing to ensure equal access to housing for lower income, ethnic minorities and special needs groups
9. Coordinate public and private efforts to reduce lead based paint hazards and protect young children

10. Create safer, more attractive and more accessible neighborhoods and stimulate economic growth through the improvement of infrastructure
11. Provide public facilities and park improvements commensurate with identified need.
12. Eliminate substandard and blighted conditions through demolition
13. Address public service needs
14. Expand the economic base and promote greater employment opportunities for residents

3). An annual Action Plan provides a one-year investment plan, which outlines the intended use of resources, descriptions of activities to be undertaken, and the specific objectives and priority needs to be addressed.

FEDERAL GRANT PROGRAM DESCRIPTIONS AND FUNDING

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The Federal Housing and Community Development Act of 1974, as amended, provides Federal Community Development Block Grant funds for projects that promote the development of viable, urban communities by providing decent housing and suitable living environments and expanding economic activities, principally for persons of low- and moderate-income.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

The HOME program is authorized under Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, as amended. HOME funds may be used to develop and support affordable rental housing and homeownership affordability through acquisition (including assistance to home buyers), new construction, reconstruction or rehabilitation of non-luxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations; to provide tenant-based rental assistance, including security deposits; to provide payment of reasonable administrative and planning costs; and to provide for the payment of operating expenses of Community Housing Development Organizations (CHDOs).

CDBG ANNUAL PROJECT FUNDING

Proposed Funding: The Town expects to receive \$581,334 in CDBG grant funds for FY 2012-2013.

Proposed Projects: The Town received a total of 22 CDBG activity applications this year. Of the 22 applications submitted, one (1) applicant withdrew their application, one (1) applicant's proposal was deemed ineligible pursuant to HUD regulations, and one (1) application was submitted after the deadline. On March 22, 2012, the Community Development Citizen Advisory Committee met to review the balance of the 19 applications and make recommendations for

funding. A summary of the Committee's recommendations for the 2012-2013 CDBG program is provided on Exhibit 1

Public services projects comprise 15% or \$87,200 of the proposed first year allocation, the maximum amount allowable pursuant to CDBG regulations. A total of 8 out of 15 public service projects are recommended for funding.

Benefit: At least 70 percent of the total funds received each year must be involved in activities that benefit low- and moderate-income persons. The Town expects to spend 100 percent of its funds to benefit low- and moderate-income individuals during the 2012-2013 program year.

Past Use of Funds: Information on the current Fifth Year Consolidated Plan and the Town's past use of funds for the CDBG program may be reviewed at the Town of Apple Valley Economic Development Department web page at the Town's Website www.applevalley.org.

Displacement: No local public action is currently contemplated which would result in the displacement of low- and moderate-income households. If displacement occurs, the Town and/or the Consortium will implement and fully comply with State and Federal relocation and acquisition statutes.

HOME CONSORTIUM FUNDING

Apple Valley Proposed Funding: For the 2012-2013 fiscal year, the Apple Valley/Victorville Consortium anticipates receiving a total of \$513,588. Of that amount, Apple Valley and Victorville will receive \$215,476 and \$298,112 respectively.

Proposed Projects: Both the Apple Valley and Victorville proposed HOME projects for 2012-2013 are outlined on Exhibit 1. The CDCAC's recommendations were adjusted pro-rata to reflect a slight change in the respective funding formulas for each jurisdiction.

A minimum of 15% of the total HOME allocation must be reserved for activities carried out by Community Housing Development Organizations (CHDO). At this time, CHDO funds have not been committed to a specific activity.

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

HUD requires all entitlement jurisdictions that receive funding to provide an adopted Analysis of Impediments to Fair Housing (AI) Choice Study that is updated every five (5) years. The AI is usually conducted concurrent with the development of the Five Year Consolidated Plan. The AI review and analyzes the following types of information and issues/concerns:

1. Analysis of the community profile to include demographic profile, income distribution, housing stock characteristics, and access to public transportation to determine the development of housing patterns in relation to race, ethnicity, income and other characteristics.
2. Evaluation of fair housing complaints and violations to identify trends and patterns.
3. Analysis of public and private activities that may impede fair housing choices including, but not limited to housing brokerage services and financing assistance, public policies and actions affecting the construction of affordable housing, and administrative policies concerning community development and housing activities.
4. Assessment of current public and private fair housing programs and activities.
5. Provision of conclusions and recommendations to further fair housing choice.

A copy of the Draft FY 2012-2016 Consolidated Plan and the Analysis of Impediments to Fair Housing Choice is available for Council review at the Town's website: www.applevalley.org.

Based upon the foregoing, staff recommends approval of the recommendations submitted by the Community Development Citizen's Advisory Committee as well as approval and adoption of the 2012-2016 Consolidated Plan and the Analysis of Impediments to Fair Housing Choice.

FISCAL IMPACT:

N/A

ATTACHMENT:

1. Exhibit 1

EXHIBIT 1

CDCAC RECOMMENDATIONS FOR FUNDING			
FY 2012-2013 COMMUNITY DEVELOPMENT BLOCK GRANT PROPOSALS			
March 22, 2012			
PUBLIC SERVICE PROJECTS			
Agency	Requested Amount	Funded Amount	Revised
1 High Desert Homeless Services, Inc.	\$20,000	14716.00	
2 Victor Valley Domestic Violence	\$12,000	0.00	
3 High Desert Communities Food Bank	\$16,000	0.00	
5 Catholic Charities	\$25,000	10716.00	
6 Assistance League of Victor Valley	\$20,000	14716.00	
7 Inland Fair Housing & Mediation Board - Fair Housing	\$13,033	13033.00	
8 Inland Fair Housing and Mediation Board - Landlord/Ten	\$8,008	8008.00	
9 Moses House Ministries	\$4,000	0.00	
10 Feed My Sheep Ministries	\$10,000	8000.00	
11 San Bernardino County Library	\$5,000	5000.00	
12 Legal Aid Society of San Bernardino	\$10,000	0.00	
13 Victor Valley Community Services Council	\$18,000	13011.00	
14 Community Investment Corporation	\$50,000	0.00	
15 The Church for Whosoever - Literacy	\$4,000	0.00	
16 The Church for Whosoever - Park Outreach	\$4,000	0.00	
4 Real Estate Recover Mission - app withdrawn	\$46,900	0.00	
17 A/V PAL-late submission after deadline	\$29,850	0.00	
18 City Sourced.com - ineligible	\$11,000	0.00	
TOTAL PUBLIC SERVICE REQUESTS	\$ 219,041.00		
TOTAL AMOUNT AVAILABLE FOR FUNDING	\$87,200.10	\$87,200.00	
TOWN ADMINISTERED PROJECTS			
Project Name	Requested Amount	Funded Amount	
19 Residential Rehabilitation Loan Program	\$100,000.00	\$100,000.00	
20 Thunderbird Park Improvements	\$54,000.00	\$54,000.00	
21 Village Neighborhood Improvement Street Improvements	\$139,520.00	\$139,520.00	
22 Rehabilitation Administration	\$84,348.00	\$84,348.00	
23 Program Administration	\$ 116,266.00	\$ 116,266.00	
TOTAL TOWN ADMINISTERED PROJECTS	\$494,134.00	\$494,134.00	
Sub Total for Public Services		\$87,200.00	
TOTAL CDBG ALLOCATION	\$581,334.00	\$581,334.00	
FISCAL YEAR 2012-2013			
HOME INVESTMENT PARTNERSHIP PROGRAM PROPOSALS			
March 22, 2012			
Project Name	Requested Amount	Funded Amount	
Town of Apple Valley			
HOME Administration 10%	\$ 35,669.00	\$ 35,669.00	
Community Development Housing Organization (CHDO)	\$ 29,968.00	\$ 29,968.00	
Residential Rehabilitation Loan Program	\$ 149,839.00	\$ 149,839.00	
TOTAL APPLE VALLEY REQUESTS	\$ 215,476.00	\$ 215,476.00	
City of Victorville			
VV Home Administration	\$ 15,690.00	\$15,690.00	
Owner Occupied Rehabilitation	\$ 100,000.00	\$100,000.00	
Mortgage Assistance Program	\$ 35,352.00	\$35,352.00	
Senior Housing Repair Program (SHRP)	\$ 100,000.00	\$100,000.00	
CHDO	\$ 47,070.00	\$47,070.00	
TOTAL VICTORVILLE REQUESTS	\$ 298,112.00	\$ 298,112.00	
TOTAL HOME ALLOCATION	\$ 513,588.00	\$513,588	