



TOWN OF APPLE VALLEY TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** May 26, 2015
From: Christopher Moore, Housing and **Item No:** 13
 Community Development Specialist
 Community Development Department
Subject: PUBLIC HEARING #2 - CONSOLIDATED PLAN FOURTH-YEAR ACTION PLAN FOR
 THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND THE HOME
 INVESTMENT PARTNERSHIPS (HOME) PROGRAMS FOR FISCAL YEAR 2015-
 2016

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

RECOMMENDED ACTION

1. Open public hearing.
2. Close public hearing.
3. That the Town Council approve the Community Development Citizen Advisory Committee recommendations for funding proposed projects under the 2015-2016 CDBG and HOME programs as part of the Town's Fourth-Year Action Plan, which is an integral component of the Consolidated Plan; approve the draft Action Plan and authorize the Town Manager to execute all necessary HUD documents on behalf of the Town.

SUMMARY

The purpose of this public hearing is to receive final comments on the proposed 2015-2016 Community Development Block Grant Program and the Home Investment Partnerships Program.

The draft Fourth-Year Action Plan has been developed for Fiscal Year 2015-2016. The purpose of this public hearing is to solicit public comment from interested citizens, public agencies, and other interested parties, regarding the proposed use of federal funds in the preparation of the Town's Consolidated Plan – Fourth-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) 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.

CONSOLIDATED PLAN SUMMARY

The 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 for five (5) Federal formula grant programs. It replaced the Comprehensive Housing Affordability Strategy (CHAS) and consolidated 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) and, most recently, the Neighborhood Stabilization Program (NSP).

The Consolidated Plan is composed of three (3) 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. 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 (5) years. 3). The 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

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 expanded economic activities, principally for persons of low- and moderate-income.

CDBG ANNUAL PROJECT FUNDING

The public notice, as required by HUD, appeared in the Apple Valley News on March 27, 2015. HUD published final funding allocations for 2015-2016 and these are incorporated into recommended project funding amounts.

The Town will receive an allocation of \$564,460 in CDBG grant funds for the period beginning July 1, 2015, and ending June 30, 2016. A carry-over balance from prior fiscal years of \$27,161 will be reprogrammed for the 2015-2016 program year into CDBG projects. The available CDBG funding for 2014-2015 is \$591,621.

PROPOSED PROJECTS

The Town considered a total of twenty-four (24) CDBG eligible projects/programs this year. The Community Development Citizen Advisory Committee met to review the proposals and make recommendations for funding. A summary of the Committee's recommendations for the 2015-2016 CDBG program is provided below. Proposed projects administered directly by the Town will include James Woody Park-Walks and Ancillary Improvements, Mendel Park-Basketball Court and Exercise Equipment, Program Administration, Residential Rehabilitation Loan Program, Rehabilitation Administration 14H, Micro-Enterprise Business Assistance and Bus Stop Accessibility Improvements.

The Town's Community Development Citizen's Advisory Committee (CDCAC) voted: (1) To recommend approval of the following projects for fiscal year 2015-2016 for incorporation into the draft 2015-2016 Fourth-Year Action Plan. (2) The CDCAC recommends approval of all Town administered projects and HOME activities.

Public service projects comprise fifteen percent (15%) (\$84,669) of the proposed Fourth-Year allocation, the maximum amount allowable pursuant to CDBG regulations. A total of eleven (11) public service projects are recommended for funding.

Proposed Projects/Proposed CDBG projects for 2015-2016

Project 1516 #	15-16 CDBG Allocation- final 564,460			564,460			15-16 allocation	564460
	Less 20% Administration	112,892		451,568			Reprogrammed funds	27161
	Less 15% Public Service	84,669		366,899			Total CDBG Available	591621
	Reprogram CDBG balances from prior years	27,161		394,060	CDBG Balance available for in house/ construction			
	2015-2016 In House Proposals							
21	TOAV Park and Rec	James Woody Park- Walks and Ancillary Amenities	Sidewalks for walking paths, accessibility	65000				
23	TOAV Park and Rec	Mendel Park- Basketball Court and Exercise Equipment	Recreation/fitness improvements	30000				
24	Neighborhood Housing Services (NHSIE)	Crazy Horse SFR- Fire Rebuild and Resale	HOME funds		\$95,943			
25	TOAV Community Development	CDBG Program Administration	20% of allocation					
26	TOAV Community Development	Residential Rehabilitation Loan Program (RRLP)	Owner occupied single family residential repair	169060				
27	TOAV Community Development	Rehabilitation Administration 14H	Pays costs directly related to administration of rehabilitation programs	80000				
28	TOAV Economic Development	Micro-Enterprise Business Assistance	assist small business in return for job creation	20000				
29	TOAV Environmental and Transit Services	Bus Stop Accessibility Improvements	Sidewalks on south side of Hwy 18 between Bass Hill Rd and Albertsons	30000				
				394,060	0			

Town of Apple Valley						
Public Service Projects						3/3/2015
2015-2016 CDBG/HOME Application Evaluation Sheet						
1516 #	Public Service Projects				Total Score	CDCAC Group Funding Recommendations
Project #	Name of Organization	Project Title	Description	Fund Amount Requested		
1	AV PAL	AV PAL	Boxing Program	12,000	572	10000
2	Assistance League of Victor Valley	Operation School Bell	Clothing for School Kids	18,000	573	10000
3	Catholic Charities	Public Service Needs-Food, Shelter and Utility Assistance	Public Service Needs-Food, Shelter and Utility Assistance	25,000	490	0
4	High Desert Homeless Services	Shelter Services	Shelter and support	25,000	584	10000
5	Family Assistance Program	Transitional Living	Utility expenses for transitional housing	10,000	511	5000
6	Inland Fair Housing and Mediation Board	Fair Housing Services	Anti-Discrimination and Landlord/Tenant	23,000	541	10000
7	St. John of God Health Care Services	Housing Stability Case Management	Counseling, life and job skills, GED	20,000	563	7000
8	Feed My Sheep Ministries	Bagged Groceries	Food Pantry Services	6,500	518	0
9	Victor Valley Community Services Council	Senior/Adult Disabled Needs Program	Home repairs, transportation, homebound/ care facility visits	15,000	530	10000
10	Victor Valley Domestic Violence	A Better Way Shelter and Outreach	Transitional housing and services	10,000	546	7500
11	Lutheran Social Services of So Cal	Our Children Project	Service to child abuse victims and family	5,000	462	0
12	Moses House Ministries/ Rose of Sharon	Resources and Referrals for Families	Single mother w/ children under six-assistance/services	20,853	534	6000
13	United Hope Housing	Motel Voucher Program	Emergency housing for homeless youth 18-24	22,500	415	0
14	Victor Valley Family Resource Center	Transitional Housing	Assist clients in applying for HEAP program- utility assistance	10,000	438	0
15	Church for Whosoever	CFW Literacy Center	At risk youth, K - 2nd	5,000	537	4000
16	Orenda Foundation	Orenda Foundation Veterans Project	Housing, food, utilities, job skills, counseling	13,460	465	0
17	S B County Library	Adult Literacy Services	Adult learners 17+, not in school, literacy	10,000	566	5169
			Total Public Service Funding Requested	251,313		84669

CDBG Annual Project Funding (Continued)

Benefit: At least seventy (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 one hundred (100) percent of its funds to benefit low- and moderate-income individuals during the 2015-2016 program year.

Past Use of Funds: Information on the current Third-Year Consolidated Plan and the Town's past use of funds for the CDBG program may be reviewed at the Town of Apple Valley Community 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 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).

HOME CONSORTIUM FUNDING

The Apple Valley HOME Consortium, consisting of the jurisdictions of Apple Valley and Victorville, will receive a total allocation of \$501,578 for the period beginning July 1, 2015, and ending June 30, 2016. Of that amount, Apple Valley estimates receiving \$210,914 and Victorville estimates receiving \$290,664. The public notice, as required by HUD, appeared in the Apple Valley News on March 27, 2015. HOME funds match waiver (0%) and percentage share (AV=39%; VV=61%) are determined by HUD formula allocation and annually reviewed. As lead agency, Apple Valley is allocated fifty percent (50%) of the Victorville portion of program administration.

Proposed Apple Valley Projects: Proposed HOME projects for 2015-2016 are outlined below:

Residential Rehabilitation Loan Program (RRLP)	146,712
Program Administration	34,860
Community Housing Development Organization (CHDO)	29,342
Total	<u>\$210,914</u>
Prior Year CHDO Funds- Crazy Horse SFR, Acq/Rehab/Resale	95,943

Proposed Victorville Projects: Proposed HOME projects for 2015-2016 are outlined below:

HOME Administration	15,298
Senior Home Repair Program (SHRP)	229,472
Community Housing Development Organization (CHDO)	45,894
Total	<u>\$290,664</u>

A copy of the draft Consolidated Plan – Fourth-Year Action Plan for 2015-2016 is available for review at the Town’s website: www.applevalley.org.

Based upon the foregoing, staff recommends, subsequent to the closure of the public hearing, approval and adoption of the recommendations submitted by the Community Development Citizen’s Advisory Committee as outlined above. Staff further recommends the approval and adoption of the 2015-2016 Fourth-Year Action Plan for Apple Valley and Victorville.

FISCAL IMPACT

None