



TOWN OF APPLE VALLEY

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** April 26, 2016

From: Christopher Moore, Housing and **Item No:** 12
Development Specialist
Community Development

Subject: PUBLIC HEARING #2 - CONSOLIDATED PLAN FIFTH-YEAR ACTION
PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) AND THE HOME INVESTMENT PARTNERSHIPS (HOME)
PROGRAMS FOR FISCAL YEAR 2016-2017

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 2016-2017 CDBG and HOME programs as part of the Town's Fifth-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 2016-2017 Community Development Block Grant Program and the Home Investment Partnerships Program.

The draft Fifth-Year Action Plan has been developed for Fiscal Year 2016-2017. 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 – Fifth-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 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), 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; and 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 25, 2016. An amended public notice was published on April 15, 2016. HUD published final funding allocations for 2016-2017 and these are incorporated into recommended project funding amounts.

The Town will receive an allocation of \$559,270 in CDBG grant funds for the period beginning July 1, 2016, and ending June 30, 2017. A carry-over balance from prior

fiscal years of \$18,598 will be reprogrammed for the 2016-2017 program year into CDBG projects. Also, a reduction will be made to the 2015-2016 Microenterprise Business Assistance activity in the amount of \$2,500 and added to the 2016-2017 James Woody Park Community Center-Gymnasium/Auditorium Wooden Floor Refurbishing project. The available CDBG funding for 2016-2017 is \$580,368.

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 2016-2017 CDBG program is provided below. Proposed projects administered directly by the Town will include Thunderbird Park- Accessible Restroom Facility, James Woody Park Community Center- Gymnasium/Auditorium Wooden Floor Refurbishing/Roof Repair, Program Administration, Residential Rehabilitation Loan Program and Rehabilitation Administration 14H. Also considered is an additional rehabilitation program- Victor Valley Community Services Council- Senior/Adult Disabled Emergency Repairs (\$400-\$2,000). This project will assist senior and adult disabled homeowners with repairs not covered in their small emergency repair program or the Town's Residential Rehabilitation Loan Program (RRLP).

The Town's Community Development Citizen's Advisory Committee (CDCAC) voted (1) To recommend approval of the following projects for Fiscal Year 2016-2017 for incorporation into the draft 2016-2017 Fifth-Year Action Plan; and (2) The CDCAC recommends approval of all Town administered projects and HOME activities.

Public service projects comprise fifteen percent (15%) (\$83,891) of the proposed Fifth-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 2016-2017

Project 1617 #	16-17 CDBG Allocation-final 559270			559,270			16-17 allocation	559,270
21	Less 20% Administration	111,854		447,416			Reprogrammed	21,098
	Less 15% Public Service	83,891		363,526			Total CDBG	580,368
	Reprogram CDBG balances from prior years	21,098		384,624	CDBG Balance available for in house & construction	Balance		
	2016-2017 Non-Profits- not under public service cap							
4	Set Free Church of the High Desert	Faith, Hope and Love	New Construction Homeless Shelter	Suggest letter of support, not funding				
13	Victor Valley Community Services Council	CDBG Senior/Adult Disabled Emergency Repairs	Medium repairs (\$400-\$2,000) to gap VVCSC and TOAV repair programs	20,000	364,624			
	2016-2017 In House Proposals							
14	TOAV Park and Rec	CDBG Thunderbird Park Restroom Project	Permanent accessible facility	100,000	264,624			
31	TOAV Park and Rec	James Woody Community Center Gym and Auditorium	Wood Floor Refurbishment/ Roof Repair	22,500	242,124			
22	TOAV Community Development	CDDBG Rehabilitation Administration 14H	Pays costs directly related to administration of rehabilitation programs	80,000	162,124			
23	TOAV Community Development	CDBG Residential Rehabilitation Loan Program (RRLP)	Owner occupied single family residential repair	162,124	0			

Town of Apple Valley					
Submitted Proposals- Public Service Projects					3/14/2016
2016-2017 CDBG/HOME Application Evaluation Sheet					
1617 #	Public Service Projects				CDCAC Group Funding Recommendations
Project #	Name of Organization	Project Title	Description	Fund Amount Requested	
1	AV PAL	AV PAL	Boxing Program	12,600	10,000
5	Assistance League of Victor Valley	Operation School Bell	Clothing for School Kids	20,000	10,000
18	High Desert Homeless Services	Shelter Services	Shelter and support	25,000	10,000
11	Moses House Ministries/ Rose of Sharon	Resources and Referrals for Families	Single mother w/ children under six- assistance/services	22,338	6,200
17	Church for Whosoever	CFW Literacy Center	At risk youth, K - 2nd	8,732	4,000
7	S B County Library	Adult Literacy Services	Adult learners 17+, not in school, literacy	10,000	0
3	Victor Valley Domestic Violence	A Better Way Shelter and Outreach	Transitional housing and services	10,000	8,691
12	Victor Valley Community Services Council	Senior/Adult Disabled Needs Program	Small home repairs, transportation, homebound/ care facility visits	15,000	10,000
6	Lutheran Social Services of So Cal	Our Children Project	Service to child abuse victims and family	5,000	5,000
10	Moses House Ministries	Employment Development Program	Job training at Moses House thrift store	7,132	0
19	Orenda Foundation	Orenda Transportation and Program Services (TAPS)	Transportation services to homeless/ transitional housing veterans	67,360	5,000
2	Catholic Charities San Bernardino	Emergency Food, Shelter and Utility Assistance	Emergency Food, Shelter and Utility Assistance	25,000	0
9	Family Assistance Program	Transitional Living- Domestic Violence	Utility expenses for transitional housing	10,000	5,000
16	Feed My Sheep Ministries	Project Life Sustain II	Food Pantry Services	5,000	0
8	Inland Fair Housing and Mediation Board	Fair Housing Services	Anti-Discrimination and Landlord/Tenant	25,000	10,000
15	St. John of God Health Care Services	Homeless Prevention and Intervention Services	One time assistance payment for utilities/rent	20,000	0
			Total Public Service Funding Requested	288,162	83,891
			Public Service Maximum	83,891	

CDBG Annual Project Funding (Continued)

Benefit: At least seventy percent (70%) 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 2016-2017 program year.

Past Use of Funds: Information on the current Fourth-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 \$535,507 for the period beginning July 1, 2016, and ending June 30, 2017. Of that amount, Apple Valley estimates receiving \$225,181 and Victorville estimates receiving \$310,826. The public notice, as required by HUD, appeared in the Apple Valley News on March 25, 2016. HOME funds match waiver (0%) and percentage share (AV=39%; VV=61%) are determined by HUD formula allocation and annually reviewed. At this time, the percentage share for 2016 had not been published; an estimate is provided based on 2015 rate. As lead agency, Apple Valley is allocated 50% of the Victorville portion of program administration.

Proposed Apple Valley Projects: Proposed HOME projects for 2016-2017 are outlined below:

Residential Rehabilitation Loan Program (RRLP)	156,636
Program Administration	37,218
Community Housing Development Organization (CHDO)	31,327
Total	<hr/> \$225,181
Additional Project: Prior Year Reprogrammed HOME Funds- Coachella Valley Housing Coalition CHDO Project	<hr/> 200,000

Proposed Victorville Projects: Proposed HOME projects for 2016-2017 are outlined below:

HOME Administration	16,333
Senior Home Repair Program (SHRP)	244,994
Community Housing Development Organization (CHDO)	48,999
Total	<hr/> \$310,326
Additional Project: Prior Year Reprogrammed HOME Funds- National Core CHDO Project, Multi-Family Roof Rehabilitation	<hr/> \$800,000

A copy of the draft Consolidated Plan – Fifth-Year Action Plan for 2016-2017 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 2016-2017 Fifth Year Action Plan for Apple Valley and Victorville.

FISCAL IMPACT:

None