



Town Council Agenda Report

Date: April 9, 2019 Item No. 5

To: Honorable Mayor and Town Council

Subject: SUBSTANTIAL AMENDMENT TO THE 2018-2019 SECOND YEAR ACTION PLAN

From: Douglas Robertson, Town Manager

Submitted by: Lori Lamson, Assistant Town Manager
Housing Department

Budgeted Item: Yes No N/A

RECOMMENDED ACTION

It is recommended that the Town Council:

- A. Adopt Resolution No. 2019-09 Approving the Substantial Amendment to the 2018-2019 Community Development Block Grant (CDBG) Second Year Action Plan.
- B. Increase public service recipient - Inland Fair Housing and Mediation Board (IFHMB) allocated amount from 10,000.00 to \$30,000.00.
- C. Create Land Acquisition activity using future program income dollars
- D. Program unprogrammed dollars to the Public Works Capital Improvement Project- Jess Ranch manholes in the amount of \$230,000.00

BACKGROUND:

The U.S. Department of Housing and Urban Development (HUD) requires all entitlement communities receiving CDBG funds to prepare and submit a Consolidated Plan every five years to establish a unified, strategic vision for economic development, housing and community development activities. The Town Council adopted the 2017-2021 Consolidated Plan on June 13, 2017.

The Consolidated Plan is carried out through Annual Action Plans which provide a concise summary of the actions, activities, and the resources that will be used each year to address the priority needs and specific goals identified in the Consolidated Plan. The Town must submit an Annual Action Plan to HUD by no later than May 15 of each year of the five-year Consolidated Plan period. The Town of Apple Valley Town Council adopted and submitted the 2018-2019 Action Plan to HUD by the required deadline date in 2018.

In accordance with the Town's Citizen Participation Plan, a Substantial Amendment to a Consolidated Plan and Action Plan is required when a "substantial" change is proposed to funding priorities, elimination or addition of activities not previously identified in the Action Plan, and changes to the goals and objectives. The Substantial Amendment to the Action Plan is necessary in order to one (1) Increase public service recipient- Inland Fair Housing and Mediation Board (IFHMB) allocated amount from 10,000to \$30,000 , two (2) create Land Acquisition activity using future program income dollars and three (3) program unprogrammed dollars to the public works capital improvement project- Jess Ranch Manholes in the amount of \$230,000.

ANALYSIS:

The following narrative provides activity descriptions, national objectives, and other required information for the proposed activities.

- **2018-2019 Inland Fair Housing and Mediation Board**

Inland Fair Housing and Mediation Board (IFHMB) among other public services was awarded CDBG funding for the 2018-2019 fiscal year. With the unexpected increase in program income the Town was able to increase allocations to IFHMB totaling their allocation to \$30,000 to include Landlord Tenant Mediation Services. IFHMB helps the Town of Apple Valley meet one of its 5-years goal by providing fair housing information through services, literature, media, workshops and a variety of community programs. In FY 2017-2018, IFHMB assisted more than 600 Apple Valley residents with Fair Housing related questions.

- **2018-2019 Land Acquisition**

Incoming Program Income will be used for land acquisition opportunities. The Town seeks opportunities to continuously meet the Towns General Plan and Housing Element goals through 2021. The proposed activity will allow the Town the opportunity to develop a suitable living environment and encourage affordable housing for Apple Valley Residents. Land Acquisition would be purchased through eligible tax lien sales.

- **2018-2019 Capital Improvement**

This project is a continuation of the Town's 5-year goal to provide adequate and well-maintained infrastructure for the residents of Apple Valley by replacing 11 cleanouts with sewer manholes located on the northwest area of Jess Ranch. The project will provide funding for professional services which include but are not limited to contractor, materials, design, and administration. The improvements will increase efficiency and service needs within the Jess Ranch senior community, serving approximately 600 residents and 2,555 persons.

Table 1: Revised Proposed Goals for the Town’s 2018-2019 Action Plan

Sort Order	2018-2019 Goal Name	Description / Proposed Activities (Goal)	Category	Priority Need(s) Addressed	Objective	Outcome	Five Year Goal Outcome Indicator
1	IFHMB	<i>Landlord Tenant Mediation Services.</i>	Affordable Housing	Housing Services- Disseminate Fair Housing Information	Suitable Living	Availability / Accessibility	<u>35</u> Residents Assisted
2	Land Acquisition	<i>Acquisition of Real Property</i>	Affordable Housing	Build affordable housing unit(s)	Decent Housing	Availability	<u>3+/-</u> Real property Acquired through tax sales
3	Capital Improvement	<i>Replacing cleanouts with manholes within Jess Ranch Senior Community.</i>	Capital Improvement	Suitable Living Environment- Senior community	Suitable Living Environment	Availability / Accessibility	<u>2,555</u> person will benefit

o **Changes to the 2018-2019 Annual Action Plan**

Town will add two (2) additional activities for 2018-2019. First, the Town will add Land Acquisition activity for the acquisition of real property through tax sales. Secondly, the Town will add Capital Improvement activity to fund the Town’s Public Works- Jess Ranch Manhole project; using prior year unprogrammed dollars.

The following Table outlines the activity budgets that are being modified to reprogram funds to the proposed activity described in this Substantial Amendment:

Table 2: Proposed Activity Budget Modifications

Program Year/ Activity Title	Existing Budget	New Budget
Unprogrammed Funds	\$250,000.00	\$0.00
<i>2018/19 Program Year Activity</i>		
2018/19 Jess Ranch Manholes	\$0.00	\$230,000.00
2018/19 Increase Inland Fair Housing & Mediation Board (unprogrammed dollars)	\$10,000	\$30,000.00
TOTAL	\$260,000.00	\$260,000.00

FISCAL IMPACT:

All funds impacted by the Substantial Amendment have previously been awarded to the Town and budgeted to the activities in Action Plans and Substantial Amendments previously adopted by the Town Council. The reprogramming of the \$230,000 will ensure that the City's CDBG funds are utilized to improve the quality of life for the residents. Town Council's approval of the recommended action adopts the Substantial Amendment to the Action Plan thereby allocating those resources into the CDBG budget.

RESOLUTION NO. 2019-09

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY, CALIFORNIA, APPROVING THE SUBSTANTIAL AMENDMENT TO THE 2018-2019 SECOND YEAR ACTION PLAN AND AUTHORIZING THE TOWN MANAGER TO EXECUTE AND TRANSMIT ALL NECESSARY DOCUMENTS TO HUD UPON COMPLETION OF THE PUBLIC REVIEW PERIOD

WHEREAS, the United States Department of Housing and Urban Development (“HUD”) requires the Town to adopt and implement a Five-Year Consolidated Plan for the expenditure of the Town’s annual allocation of Community Development Block Grant (“CDBG”) and HOME Investment Partnerships (“HOME”) funds in support of projects and activities predominantly benefitting low- and moderate-income residents; and

WHEREAS, the Town Council adopted the current 2017-2021 Five-Year Consolidated Plan (“Consolidated Plan”) on June 13, 2017; and

WHEREAS, the Consolidated Plan contains certain goals and accomplishments to be met during the five-year consolidated planning period through the expenditure of CDBG and HOME funds and other identified funding sources; and

WHEREAS, the Consolidated Plan is carried out through Annual Action Plans which provide a concise summary of the actions, activities, and the resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan; and

WHEREAS, the Town Council adopted the 2018-2019 Annual Action Plan (“Annual Action Plan”) on April 24, 2018; and

WHEREAS, a Substantial Amendment to a Consolidated Plan and Annual Action Plan is required when a “substantial” change is proposed as it relates to funding priorities, proposed activities, goals and objectives; and

WHEREAS, the Town has identified three (3) activities that it is proposing to program addition funds to by more than 50% of their original allocations, thereby triggering a Substantial Amendment; and

WHEREAS, the Town has developed a Substantial Amendment to allocate \$20,000 of program income received during the 2018-2019 program year to the 2018-2019 Inland Fair Housing and Mediation Board – Fair Housing Services activity; and

WHEREAS, the Town has developed a Substantial Amendment to allocate future program income funds to the Land Acquisition activity; and

WHEREAS, the Town has developed a Substantial Amendment to allocate unprogrammed funds in the amount of \$230,000 to the 2018-2019 Jess Ranch Manholes activity; and

WHEREAS, the Town is in compliance with its Citizen Participation Plan which requires the Town to conduct a public hearing and a 30-day public review period to receive public input when a Substantial Amendment to an Annual Action Plan is proposed.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY AS FOLLOWS:

- Section 1. The recitals above are true and correct and are adopted as findings.
- Section 2. The Town Council approves the Substantial Amendment to the Annual Action Plan.
- Section 3. The Town Manager is hereby authorized to execute all necessary documents and any certifications to execute the Substantial Amendment to the Annual Action Plan.
- Section 4. The Town Council further authorizes the Town Manager to approve any modifications and/or amendments to the Substantial Amendment to the Annual Action Plan if required to ensure approval by HUD.
- Section 5. The Town Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSES, ADOPTED, AND APPROVED this 9th day of April 2019.

Larry Cusack, Mayor

ATTEST:

La Vonda M-Pearson
Town Clerk

Location Map

