

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

Subject Item:

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) – CONSOLIDATED PLAN – PUBLIC HEARING NO. 1

Summary Statement:

The purpose of this public hearing is to obtain public input regarding development of the Town's Consolidated Plan – Fifth-Year Action Plan, which will include the proposed 2011 – 2012 Community Development Block Grant (CDBG) program and Home Investment Partnerships (HOME) program. There is no action required of the Town Council as a result of this first public hearing other than to receive input from interested parties.

The U. S. Department of Housing and Urban Development (HUD) Consolidated Plan is a five - year planning document which 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 Annual Action Plan was approved by HUD, effective July 1, 2009, and as amended in May 2010. The Plan includes a five-year Community Needs Assessment and Strategy, as well as a One-Year Action Plan. A Fifth-Year Action Plan must now be developed to determine the specific use of CDBG funds for the 2011 – 2012 program year.

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 Town of Apple Valley. This includes an assessment of housing needs for low-to-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, objectives and accomplishments that are expected to be achieved during the timeframe of the Plan (2007– 2012); 3) The Fourth-Year Action Plan currently provides a 2010-2011 one-year investment plan which outlines intended uses of resources, descriptions of activities to be undertaken and the specific objectives and priority needs to be addressed. The Fifth-Year Action Plan is now in the process of development for Fiscal Year 2011-2012.

(Continued on next page)

Recommended Action:

1. Open public hearing;
2. Close public input and commentary;
3. Close public hearing.

Proposed by: Assistant Town Manager, Econ. & Comm. Dev **Item Number** _____

T. M. Approval: _____

Budgeted Item Yes No N/A

Summary Statement - Continued
Community Development Block Grant and Home Investment Partnerships Program –
Consolidated Plan – Public Hearing No. 1
Page 2

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-to-moderate-income. For the 2011 - 2012 fiscal year, which begins July 1, 2011, the Town of Apple Valley expects to receive approximately \$690,825. All CDBG-funded projects must meet one of the following national objectives:

- 1) Principally benefit low-to-moderate-income persons;
- 2) Eliminate slums and blight; or
- 3) Meet an urgent need.

The types of projects and programs which may be considered for funding, subject to National Objectives compliance, include acquisition, disposition, public facilities and improvements, clearance activities, public services, interim assistance, removal of architectural barriers and special economic development activities.

The Town of Apple Valley is now accepting applications for CDBG funding. All eligible organizations and agencies must submit a completed application by January 6, 2011. In addition, staff will conduct a CDBG Technical Assistance Workshop to be held on December 9, 2010, in order to provide more information about the preparation of CDBG application proposals and eligibility criteria.

HOME is authorized under Title II of the Cranston-Gonzales National Affordable Housing Act of 1990. 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). For the 2011-2012 fiscal year, the Apple Valley/Victorville Consortium anticipates receiving a total of approximately \$689,961. Of that amount, Apple Valley and Victorville will receive an estimated \$305,335 and \$384,626 respectively. Although applications for HOME funding are not being solicited at this time, public comment regarding housing needs that may be supported by HOME funded activities are welcomed.

At this public hearing, the Town is soliciting public comments from interested citizens, public agencies, private non-profit entities and other organizations regarding housing and community development needs, which may be addressed in the Fifth-Year Action Plan.

As required by HUD, this will be the first of two public hearings to be held during the citizen input process. The second hearing to review the proposed 2011-2012 CDBG and HOME Programs is to be held in May of 2011.