



CITY OF DEL REY OAKS

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AGENDA

SPECIAL MEETING OF THE DEL REY OAKS CITY COUNCIL TUESDAY, JANUARY 8, 2013 AT 6:00 P.M. CHARLIE BENSON MEMORIAL HALL, CITY HALL

1. 6:00 P.M. - ROLL CALL - *Council Members*
2. PLEDGE OF ALLEGIANCE
3. PUBLIC COMMENTS:
Anyone wishing to address the City Council on matters not appearing on the Agenda may do so now. The public may comment on any other matter listed on the Agenda at the time the matter is being considered. There will be a time limit of not more than three minutes for each speaker. No action will be taken on matters brought up under this item and all comments will be referred to staff.
4. OPEN PUBLIC HEARING
 - A. Public Hearing for the Community Development Block Grant (CDBG) Program Overview, FY 2013 – FY 2017 Consolidated Plan, FY 2013-2014 Action Plan, and Analysis of Impediments to Fair Housing Choice
5. CLOSE PUBLIC HEARING
6. SET NEXT MEETING DATE: Establish Tuesday, January 22, 2013 at 6:00 P.M. as the date and time of the Council's next regular meeting.
7. ADJOURNMENT

Information distributed to the Council at the meeting becomes part of the public record. A copy of written material, pictures, etc. must be provided to the secretary for this purpose.
All enclosures and materials regarding these agenda items are available for public review at the Del Rey Oaks City Hall, 650 Canyon Del Rey Road, Del Rey Oaks.

TO: Honorable Mayor Edelen and City Council
DATE: January 8, 2013
FROM: Daniel Dawson, City Manager
SUBJECT: Public Hearing for the Community Development Block Grant (CDBG) Program Overview, FY 2013 – FY 2017 Consolidated Plan, FY 2013-2014 Action Plan, and Analysis of Impediments to Fair Housing Choice

RECOMMENDATION

Staff recommends conducting a public hearing for public input preceded by a presentation of the CDBG Program overview, FY 2013 – FY 2017 Consolidated Plan, FY 2013-2014 Action Plan, and Analysis of Impediments to Fair Housing Choice.

BACKGROUND

The County of Monterey, in cooperation with the Cities of Del Rey Oaks and Gonzales, has recently become an entitlement jurisdiction participating in the U.S. Department of Housing and Urban Development's (HUD's) Community Development Block Grant (CDBG) Program. The County's CDBG program covers the unincorporated areas of the County and the Cities of Del Rey Oaks and Gonzales, collectively known as the "Urban County" for CDBG purposes.

An estimated \$800,000 is expected to be awarded to the Urban County for FY 2013-2014. The grant funds are for assisting extremely low (30% of median income), very low (50% of median income), and low-moderate income (80% of median income) persons/households by providing much needed services, affordable housing, and public improvements/facilities.

The Urban County accepted applications for CDBG funding for FY 2013-2013 by a deadline of January 2, 2013. As part of the CDBG program's consolidated planning process, the purpose of this public hearing is to gather input from citizens and community groups on housing and community development needs that can be addressed by CDBG funds. Urban County staff (consisting of staff representatives from the County and the Cities of Gonzales and Del Rey Oaks) is in the process of evaluating the applications. Funding recommendations will be presented to the City Council on January 22, 2013. Final application funding recommendations will be made to the County Board of Supervisors on February 12, 2013.

REVIEW AND ANALYSIS

I. Planning Requirements

The Urban County must officially apply to HUD in order to receive the CDBG entitlement grants. Specifically, the Urban County must prepare a five-year Consolidated Plan for FY 2013 – FY 2017 (covering July 1, 2013 through June 30, 2018), an Annual Action Plan for FY 2013-2014 (covering July 1, 2013 through June 30, 2014), and an Analysis of Impediments to Fair Housing Choice.

The Consolidated Plan (CP) must include an analysis of housing and community development needs for low-moderate income persons in the Urban County, and a strategy to address the priority needs. The Action Plan (AP), to be prepared annually, outlines the specific programs/ projects to be undertaken with CDBG funds for

the upcoming fiscal year. The Analysis of Impediments (AI) to Fair Housing Choice identifies fair housing concerns in the public and private sectors that may impede fair housing choice for residents in the Urban County, and outlines actions to mitigate or eliminate the impediments identified.

II. Funding Anticipated

The Urban County anticipates receiving approximately \$800,000 for FY 2013-2014. The CDBG program is a flexible program but limits the amount of funds that can be spent in two categories, Public Service and Administration. The total of all public service contracts cannot exceed 15% of the total grant (\$800,000), or \$120,000. Administration (or related activities) cannot exceed 20% of the total grant, or \$160,000. Thus, approximately 65% or \$520,000 of the total grant can be spent for "other activities" such as economic development, housing, infrastructure and public facilities. The City of Del Rey Oaks' portion of the \$520,000 for projects is estimated at approximately \$27,000.

III. Program Goals

The general goal of the CDBG program is to strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, to enable them to provide decent housing, establish and maintain a suitable living environment, and expand economic opportunities for every American, particularly for low-moderate income Americans (meaning those with incomes below 80% percent of the area median income). The specific goals of the CDBG program are as follows:

Provide Decent Housing: Included within this broad goal are the following objectives: to assist homeless persons obtain affordable housing; retain the affordable housing stock; increase the availability of permanent housing that is, without discrimination, affordable to low-moderate income Americans; and increase supportive housing that includes structural features and services to enable persons with special needs to live in dignity.

Provide a Suitable Living Environment: This goal includes the objectives of improving the safety and livability of neighborhoods; increasing access to quality facilities and services; reducing the isolation of low-moderate income groups within areas by de-concentrating housing opportunities and revitalizing deteriorating neighborhoods; restoring and preserving natural and physical features of special value for historic, architectural, or aesthetic reasons; and conserving energy resources.

Expand Economic Opportunities: Included in this goal are the objectives of creating jobs accessible to low-moderate income persons; providing access to credit for community development that promotes long-term economic and social viability; and empowering low-moderate income persons to achieve self-sufficiency in federally assisted and public housing.

IV. National Objectives

For a project or program to be considered for funding, the project is required to meet one of three national objectives: 1) Benefit low-moderate income persons or areas (a minimum of 51% of the beneficiaries must have household incomes which are considered low-moderate income); 2) Aid in the prevention or elimination of slums and blight; or 3) Meet other community development needs having a particular urgency (a condition that occurred within the past 18 months and that poses a serious and immediate threat to the health or welfare of the community).

All proposals are evaluated based on number of beneficiaries and funding levels that must benefit Urban County residents and at least 70% CDBG funds expended on projects and programs must benefit low-moderate income persons/households. Projects that do not meet the funding requirements must be disqualified from funding consideration. Urban County staff is assisting organizations in evaluating project eligibility and can be contacted for technical assistance at any time before the final funding recommendations are made.

V. Housing and Community Development Needs Survey

HUD requires citizen participation to gather input on community needs as part of the CDBG funding process. A Housing and Community Development Needs survey in English and Spanish is currently available on-line at www.surveymonkey.com/s/MontereyCountyEng and www.surveymonkey.com/s/MontereyCountySpanish.

BUDGET IMPACT

CDBG funds are federal funds allocated through the Department of Housing and Urban Development (HUD) to the Urban County and there should be no cost to the City's General Fund to implement proposed projects and programs.

CONCLUSION

Staff recommends conducting the public hearing as part of HUD's Citizen Participation guidelines for development of the Consolidated Plan, Action Plan, and Analysis of Impediments to Fair Housing Choice.

January 8, 2013

Monterey Urban County

(County Unincorporated Areas and Cities of Del Rey Oaks and Gonzales)



**Community Development Block Grant Program
FY 2013 - FY 2017**

Meeting Objectives

- Introduction of Urban County CDBG program
 - What is the Consolidated Plan?
 - What is the Analysis of Impediments (AI) to Fair Housing Choice?
- Consolidated Plan/AI process
- Receive input on housing and community development needs

Community Development Block Grant

- **Urban County**
 - **Unincorporated areas and cities of Del Rey Oaks and Gonzales**
- **Becoming an entitlement jurisdiction to receive Community Development Block Grants directly from HUD annually**
- **Anticipated FY 2013-2014 allocation is \$800,000**

CDBG Program - National Objectives

- **Benefit low and moderate income persons**
 - For HUD purposes, moderate income reaches only up to 80% of Area Median Income
- **Aid in the prevention or elimination of slums and blight**
- **Meet other community development needs having a particular urgent need**
 - A condition that occurred in the past 18 months and that jeopardizes public health and safety; and
 - The jurisdiction has no other means of addressing the condition

CDBG - What Can Be Funded?

Examples of Eligible Activities:

- Creation and retention of affordable housing
- Infrastructure improvements
- Public facilities
 - Facilities for low and moderate income persons and those with special needs
- Job creation and retention
- Public Services
 - Service for low and moderate income persons and those with special needs

70% of CDBG funds must be used for activities that benefit low- and moderate-income persons.

CDBG - How Much Funding?

- An estimated \$800,000 for FY 2013-2014
- Caps on two categories of activities:
 - Administration - Up to 20% (\$160,000)
 - Non-competitive funds shared by all participating jurisdictions
 - Public Services - Up to 15% (\$120,000)
 - Competitive funds open to all participants and service organizations
- Remaining \$520,000 for projects - public facilities, affordable housing, economic development, etc.
 - Generally noncompetitive funds distributed by an agreed upon formula
 - Del Rey Oaks' share is approximately \$27,000

What is the Consolidated Plan?

- Required to receive community development and housing funds from HUD
- Official application to HUD to participate in the CDBG program
- Required components:
 - An analysis of housing and community development needs
 - A five-year strategy to address those needs
 - An annual funding plan

What is an Analysis of Impediments to Fair Housing Choice?

- HUD programs must be administered to “affirmatively further fair housing”
 - Conduct Analysis of Impediments (AI) to Fair Housing
 - Take actions to overcome impediments
 - Maintain records on analysis and actions
- AI must contain:
 - An analysis of housing market conditions and demographic characteristics
 - A review of existing fair housing issues
 - A summary of impediments in public and private sectors
 - A plan of actions to mitigate impediments

What is Fair Housing?

- **Fair Housing:**
 - A condition in which individuals of similar income levels in the same housing market have a like range of choice available to them regardless of race, color, ancestry, national origin, religion, sex, disability/medical conditions, age, marital status, familial status, source of income, sexual orientation/gender identity, or any other arbitrary factor.
- **Prohibits discrimination in housing choice because of protected class status**

FY 2013-2014 Funding Allocation Process

Timeline

- | | |
|--------------------|--|
| 11/26/2012 | <ul style="list-style-type: none">▪ NOFA Released |
| 12/5/2012 | <ul style="list-style-type: none">▪ Application workshops |
| 1/2/2013 | <ul style="list-style-type: none">▪ FY 2013-2014 Funding Applications due |
| 1/7/2013, 6:00 pm | <ul style="list-style-type: none">▪ Public workshop in Gonzales - Council Chambers |
| 1/8/2013, 6:00 pm | <ul style="list-style-type: none">▪ Public workshop in Del Rey Oaks - Council Chambers |
| 1/9/2013, 6:00 pm | <ul style="list-style-type: none">▪ Public workshop in County Government Center (Salinas) - Monterey Room |
| 1/21/2013, 6:00 pm | <ul style="list-style-type: none">▪ Gonzales staff recommendation to City Council |
| 1/22/2013, 6:00 pm | <ul style="list-style-type: none">▪ Del Rey Oaks staff recommendation to City Council |
| 2/12/2013, 9:00 am | <ul style="list-style-type: none">▪ County staff recommendation to Board of Supervisors |
| 4/8-5/6/2013 | <ul style="list-style-type: none">▪ 30-day public review of Draft Consolidated Plan, Action Plan, and Analysis of Impediments to Fair Housing Choice |
| 5/7/2013, 9:00 am | <ul style="list-style-type: none">▪ Board adoption of CP, AP, and AI |

Housing and Community Development Needs

- What are the needs in Del Rey Oaks specifically?
- Housing
 - Housing Affordability
 - Housing Conditions
 - Special Needs Housing
 - Fair Housing Concerns
- Homelessness
- Special Needs Populations
- Community Development
 - Public facilities, infrastructure, economic development
- Public Services

<http://www.co.monterey.ca.us/EconomicDevelopment/housing-documents.shtml>