

COUNCIL ACTION FORM

SUBJECT: SETTING PUBLIC HEARING FOR 2011-12 CDBG AMENDED ANNUAL ACTION PLAN

BACKGROUND:

At the Council's September 23, 2011 meeting, a resolution was approved directing staff to amend the 2011-12 Community Development Block Grant (CDBG) Annual Action Plan. Council's action included redirecting \$25,000 of funding from the Neighborhood Housing Improvement Program to create a pilot program that will assist a property owner with funds to rehabilitate a single-family rental property and convert it into an owner-occupied unit.

Following federal rules for amending this plan, the next steps involve preparing the action plan for public comment and setting October 25, 2011, as the date of public hearing to submit the amended plan to the federal Department of Housing and Urban Development for approval.

ALTERNATIVES:

1. The City Council can set October 25, 2011, as the date of public hearing for the submittal of the 2011-12 CDBG Amended Action Plan to HUD with the proposed program activities as outlined in Attachments 1 & 2.
2. The City Council can delay setting the date of public hearing for the submittal of the CDBG 2011-12 Amended Action Plan to HUD, and direct staff to make further changes to the proposed program activities.

MANAGER'S RECOMMENDED ACTION:

The Housing Improvements, Neighborhood Infrastructure Improvements, and Slum and Blight programs being recommended focus on the Council's goal of strengthening our neighborhoods and are consistent with the priorities of the City's 2009-14 Consolidated Plan.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby directing staff to proceed with amending the 2011-12 CDBG Annual Action Plan with the proposed projects as outlined in Attachments 1 & 2 and setting October 25, 2011, as the date of public hearing for submittal of the 2011-12 CDBG Amended Action Plan.

ATTACHMENT 1

PROPOSED 2011-12 AMENDED ANNUAL ACTION PLAN PROGRAM ACTIVITIES

Project Activities	Program Description	Priority Goal	CDBG National Objective
<p>The Neighborhood Sustainability Program is comprised of the following subcomponent programs:</p> <ol style="list-style-type: none"> 1. Housing Improvement Rehabilitation Program: <ol style="list-style-type: none"> a. Exterior Maintenance b. Emergency Repair Assistance c. “Pilot” Single-family Conversion Project 2. Homebuyer Assistance 3. Slum and Blight Program 	<p>The overall goal of the Neighborhood Sustainability program is to increase the availability of housing to low and moderate-income families and to maintain and sustain decent, safe, and sanitary housing stock in existing neighborhoods by providing <u>home repair grants</u> for owner-occupied housing units, and repair assistance to property owners of single-family rentals for conversion back to single-family homeownership and <u>down payment and closing cost assistance</u> to first-time homebuyers, and demolish deteriorated properties.</p>	1,2	Low- & Moderate-Income Benefit
<p>The Public Improvement Program is comprised of the following subcomponent programs:</p> <ul style="list-style-type: none"> • Neighborhood Infrastructure Improvements (curb, street resurfacing, sidewalks, etc.) in targeted low- and moderate-income census tracts 	<p>The overall goal of the Public Improvement Program is to preserve and enhance the viability and aesthetics of our core existing neighborhoods by maintaining the public infrastructure.</p>	3	Low- & Moderate-Income Benefit

ATTACHMENT 2

PROPOSED AMENDED 2011-12 Action Plan Expenditure Budget:	
<u>Programs</u>	<u>Budget</u>
Neighborhood Sustainability Program (Slum and Blight) Dangerous Buildings Program	135,000*
Neighborhood Housing Improvement Program (including City-owned properties)	426,762*
Pilot-Single-family Conversion Project	25,000*
Homebuyer Assistance Program	100,000
Neighborhood Infrastructure Improvements Program	406,297
2011-12 Program Administration (20% of 11-12 Allocation + 20% Anticipated Program Income)	<u>110,648</u>
Total	\$1,203,707
AMENDED 2011-12 Action Plan Revenue Budget:	
2011-12 CDBG Allocation	449,018
2010-11 Anticipated Program Rollover	650,466
2011-12 Anticipated Program Income	<u>107,870</u>
Total 2011-12	\$1,203,707

*Includes \$100,466 of Service Delivery expenses for Program Administration (inspectors, legal fees and documents, contracted staff assistance)