



Meeting Date: 06/26/2007

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input checked="" type="checkbox"/> Public Hearing
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other Public Hearing

Prepared By: Norma J. Owens *Norma J. Owens* Agenda Item No. L-1
 Reviewed By: City Manager *[Signature]* City Attorney *[Signature]* Finance SW Other (Specify) _____

DATE: April 23, 2007

TO: City Council

FROM: Norma J. Owens, Grants Manager *[Signature]*
Finance Department/Grants Management Division

SUBJECT: Public Hearing to Consider Oxnard's Fiscal Year (FY) 2007-2008 Annual Action Plan (the Plan), Component of the 2003-2008 Consolidated Plan, Including Applications to the U.S. Department of Housing and Urban Development (HUD) and Projected Use of Community Development Block Grant (CDBG), HOME Investment Partnership Act (HOME) and Emergency Shelter Grant (ESG) Funds.

RECOMMENDATION

That City Council:

1. Conduct a public hearing to receive comments and provide direction to staff regarding any changes to the Plan.
2. Authorize the City Manager to make changes to the Plan as directed by City Council.
3. Approve the Plan and the recommended proposed use of funds.
4. Authorize the City Manager to execute the required applications, certifications, and other pertinent documents and submit the Plan to HUD.
5. Authorize the City Manager to execute any agreements and other documents necessary to implement the Plan after approval of the Plan by HUD.

DISCUSSION

Background

In 1994, HUD required entitlement jurisdictions to complete a three to five year plan which consolidated the CDBG, HOME, and ESG formula grant programs into one application and implementation strategy process. For each year of the Consolidated Plan's existence, the City must submit the Plan, which is the annual application for these three grants. On May 13, 2003, the City Council approved the 2003-2008 Consolidated Plan. This item covers the fifth year of the 2003-2008 Consolidated Plan and includes the applications for FY 2007-2008.

Community Involvement

The Plan represents the culmination of a lengthy process that included consultation, collaboration, and involvement of residents and public and private agencies. The Plan is also the result of a well-coordinated effort by a City employee team representing various City Departments.

Prior to submitting the Plan for City Council's consideration, the City must afford the public the opportunity to review and comment on the priorities and strategies in the Consolidated Plan and the annual uses of the federal funds. An initial public hearing was held on February 27, 2007, to solicit comments from residents, public agencies and other interested parties on housing and community development needs. A summary of any public hearing testimony and written materials received are included in the Plan.

A public comment period of 30 days on the Draft Plan was also held beginning April 8, 2007, and copies of the document were made available in the Main Oxnard Library, the Office of the City Clerk, and the Finance Department (Attachment No. 1). In addition, the City will also submit the Plan to the State and the Southern California Association of Governments for area-wide clearinghouse compliance.

Annual Action Plan FY 2007-2008 Funding

Effective July 1, 2007, the City is eligible to receive \$2,810,804 in CDBG funds; \$1,068,452 in HOME funds; \$14,975 in ADDI funds; and \$121,660 in ESG funds. In comparison to the FY 2006-2007 allocations, CDBG funds will decrease by \$10,182 and HOME funds will decrease by \$7,514 (Attachment No. 2). At this time, the City can probably expect the grant funding to decrease over the next few years with no adjustments for inflation because nationally, more jurisdictions are vying for the decreasing level of funding.

CDBG program income in the amount of \$180,600 is available for reprogramming. HOME program income in the amount of \$260,000 is available for expenditure commitments. Program income for both CDBG and HOME is received when loans, from such activities as housing rehabilitation and first time homebuyer, are repaid to the City. Staff has also identified \$132,886.62 in CDBG reprogrammed funds from completed CIP projects and \$8,569.98 in HOME reprogrammed funds from CHDO set aside projects. The total amount currently available in CDBG, HOME, and ESG funding for projects and activities for FY 2007-2008 is, therefore, \$4,597,947.60.

Proposed Projects and Activities

The allowable uses of the three grants are outlined in Attachment No. 3. The proposed eligible activities and distribution mandates for all of the available funds are summarized in Attachment No. 4. More detailed information on these proposed projects and activities contained in the Plan are in the section entitled Proposed Projects and Activities. The projects and activities are recommendations and may be amended by Council's direction at the close of this Public Hearing or at any time to include changes, additions or deletion of activities during the year, in accordance with the City's Citizen Participation Plan.

Briefly, the proposed projects and activities are reflective of priorities and objectives established in the Plan, as outlined in Attachment No. 5. Also reflected in the projects and activities is the City's historic practice of expending the maximum allowable by HUD for Administration and Planning (20%), and Public Services (15%) of the annual grant in CDBG funds. The City may expend the funds directly or may use private organizations or outside agencies to implement the public service activities. For FY 2007-2008, the proposed activities include the continued funding of primarily youth projects administered by the Recreation and Community Services Department, and by the Family Investment Center of the Oxnard Housing Authority.

FINANCIAL IMPACT

With HUD approval of the Plan, the City is eligible to receive:

Fund	FY08	Program Income	Reprogrammed Funds from Completed Projects	Total
CDBG	\$2,810,804.00	\$180,600.00	\$132,886.62	\$3,124,290.62
HOME (including ADDI - \$14,975)	1,083,427.00	260,000.00	8,569.98	\$1,351,996.98
ESG	121,660.00	0.00	0.00	\$121,660.00
Total	\$4,015,891.00	\$440,600.00	\$141,456.60	\$4,597,947.60

- Attachment #1 - The Plan
- #2 - Five-Year Entitlement Summary
- #3 - Program Funding Eligibility
- #4 - Proposed Projects Funding Summary
- #5 - FY 2007-2008 Strategic Plan Goal Summary

NOTE: Copies of the Plan are available for public review at the Main Oxnard Public Library, City Clerk's Office, and Finance Department.

FIVE-YEAR ENTITLEMENT SUMMARY						
	2003-04	2004-05	2005-06	2006-07	2007-08	
Community Development Block Grant (CDBG)	\$3,363,000	\$3,306,000	\$3,134,368	\$2,820,986	\$2,810,804	
HOME Investment Partnership Act (HOME)	1,209,508	1,203,328	1,144,208	1,075,966	1,068,452	
American Dream Downpayment Initiative (ADDI)	NA	97,230	30,011	14,975	14,975	
Emergency Shelter Grant (ESG)	106,000	123,017	120,925	120,554	121,660	
TOTALS	\$4,678,508	\$4,729,585	\$4,429,512	\$4,032,481	\$4,015,891	

000128

PROGRAM FUNDING ELIGIBILITY

Community Development Block Grant (CDBG):

The primary purpose of CDBG funds is to assist communities with providing decent housing, a suitable living environment, and expanded economic development opportunities for persons with low income.

CDBG funds may be used for public facilities and improvements, urban infrastructure, housing programs, economic development programs, public services (up to 15% as defined by the Federal regulations) and program planning and administrative costs (up to 20% as defined by Federal regulations).

In addition, HUD requires that each year, 70 percent of the entitlement be used for activities benefiting low- and moderate-income persons. The City has historically met this requirement by only using CDBG for projects and activities which are located in low- and moderate-income areas and/or are directed at eligible persons or households.

HOME Partnership Investment Act (HOME):

The primary purpose of HOME funds is to increase the supply of affordable housing for low- and moderate-income persons. HOME funds can be utilized for construction of new housing units, rehabilitation/reconstruction of existing housing units, demolition prior to new construction of housing, homebuyer programs, land acquisition for new housing construction and development fees and rental assistance.

Emergency Shelter Grant (ESG):

The primary purpose of ESG funds is to assist homeless individuals and families with essential services and skills' development for independent living. ESG funds can be used for improvements to structures used or to be used for emergency shelters for the homeless, operation costs of emergency shelters, and provision of services to the homeless.

American Dream Downpayment Initiative (ADDI):

The ADDI program provides eligible low-income first-time homebuyers with downpayment and closing cost assistance. The City of Oxnard has been implementing a similar program since 1997. The two programs are complementary.

000129

**PROPOSED PROJECTS FUNDING SUMMARY
FISCAL YEAR 2007-2008**

PROJ. #	TITLE	LOCATION	FUNDING SOURCE	PROJECTED ACCOMPLISHMENTS	AMOUNT
07-100	Grants Administration and Support	Citywide	CDBG	189,990 persons served	\$ 208,311
07-101	Fair Housing Program Administration	Citywide	CDBG	400 households	\$ 42,200
07-102	Environmental Reviews	Citywide	CDBG	N/A	\$ 17,560
07-103	Homeless Program Administration	Citywide	CDBG	N/A	\$ 149,370
07-104	Community Affairs Administration	Citywide	CDBG	188,849 persons served	\$ 144,720
07-200	Homeless Employment Programs	Citywide	CDBG	27 homeless persons	\$ 30,000
07-201A	After School Program	CT & BG	CDBG	570 youth	\$ 105,000
07-201B	PAL	CT & BG	CDBG	6,500 youth	\$ 142,511
07-201C	Colonia Boxing Center	CT & BG	CDBG	230 youth	\$ 17,020
07-201D	Youth Enrichment Program	CT & BG	CDBG	3,000 youth	\$ 60,730
07-201E	Colonia Memorial Park Veteran's Gym	CT & BG	CDBG	3,500 youth	\$ 45,440
07-201F	City Corps	Citywide	CDBG	450 youth	\$ 20,920
07-300	Code Enforcement	CT & BG	CDBG	100,000 housing units	\$ 245,000
07-301	Neighborhood Street Improvements	CT & BG	CDBG	189,990 persons served	\$ 500,000
07-302	Business Technical Assistance	Citywide	CDBG	30 households	\$ 75,000
07-303	Housing Rehabilitation Admin	Citywide	CDBG	N/A	\$ 455,000
07-304	First Time Homebuyers Assistance	Citywide	CDBG	10 households	\$ 100,000
07-305	Mobile Home Replacement Program	Citywide	CDBG	3 households	\$ 300,000
07-306	Downtown Façade Improvement	CT & BG	CDBG	10 businesses	\$ 100,000
07-303	Downtown Parking	CT & BG	CDBG	112,800 persons served	\$ 100,000
07-304	Downtown Lighting	CT & BG	CDBG	112,800 persons served	\$ 100,000
07-305	Campus Park Rehabilitation	CT & BG	CDBG	1 public facility	\$ 165,509
CDBG TOTAL					\$ 3,124,291
06-400	Program Administration	N/A	ESG	N/A	\$ 6,083
06-401	Homeless Prevention	Citywide	ESG	47 households	\$ 30,500
06-402	Essential Services	Citywide	ESG	680 persons	\$ 10,077
06-403	Shelter Operations and Maintenance	Citywide	ESG	693 persons	\$ 75,000
ESG TOTAL					\$ 121,660
06-500	Program Administration	Citywide	HOME	N/A	\$ 106,845
06-501	CHDO Development	Citywide	HOME	1 housing unit	\$ 168,840
06-502	CHDO Operations	Citywide	HOME	1 organization	\$ 53,420
06-503	Homebuyer Assistance	Citywide	HOME	30 housing units	\$ 300,000
06-504	Housing Rehabilitation – Mobilehome	Citywide	HOME	21 mobilehome units	\$ 300,000
06-505	Housing Rehabilitation – Single Family	Citywide	HOME	29 housing units	\$ 407,917
06-506	American Dream Downpayment Assistance	Citywide	HOME	1 household	\$ 14,975
HOME TOTAL					\$ 1,351,997
GRAND TOTAL					\$ 4,597,948

000130

ATTACHMENT NO. 4

PAGE 1 OF 1

**ONE-YEAR STRATEGIC PLAN GOAL SUMMARY
FY 2007-2008**

PRIORITY #1 - NEW CONSTRUCTION

Goal 1: Construct new housing units for senior citizens, farm workers, multi-families, and single families.

Objectives: Construct 75 affordable single-family units by the year 2008.
Provide 12 manufactured unit replacements for very low-income families by the July 2008.

PRIORITY #2 - REHABILITATION

Goal 2: Rehabilitate the City's owner-occupied and mobile home units through the City's rehabilitation home repair program.

Objectives: Rehabilitate 1 deferred loan for owner-occupied homes by the July 2008.
Rehabilitate 29 mobile homes by the July 2008.
Rehabilitate 20 owner-occupied exteriors by the July 2008.

PRIORITY #3 - HOMEBUYERS ASSISTANCE

Goal 3: Develop programs to assist developers, non-profit corporations, and public housing tenants with financing through a first-time homebuyer program.

Objectives: Assist 40 units through a homebuyers assistance program by the July 2008.
Replace 3 mobile home units through a mobile home replacement program by the year 2008.
Assist one household through the ADDI program.

PRIORITY #4 - HOMELESS PERSONS AND FAMILIES/SUPPORT FACILITIES AND SERVICES

Goal 4: Support non-profit agencies that provide assisted housing services and/or shelters to assist homeless persons/families or those at risk of becoming homeless.

Objectives: Site acquisition and construction of an emergency shelter for single women and women with children by the year of 2008.
Assist service providers to provide transitional housing for an additional two persons.
Assist 60 households through the homeless prevention program.
Provide assistance to 600 homeless persons with essential services.
Provide shelter beds and services to 660 unduplicated persons through the Winter Warming Shelter Program.

000131

PRIORITY #5 - PUBLIC HOUSING AND RENTAL ASSISTANCE

Goal 5: Assist the City's families with affordable rental housing through public housing assistance and rental subsidy assistance programs.

Objectives: Administer 780 units of public housing per year.
Preserve 780 rental units per year.
Provide rental subsidy assistance to approximately 1,660 families per year.

PRIORITY #6 - OTHER SPECIAL NEEDS

Goals: Provide support, including housing and services for persons with special needs including persons and families with HIV/AIDS.

Objectives: Provide public housing units and, Section 8 rental assistance to 15 persons in FY 2007-2008.
Provide supportive services for 20 frail elderly persons in FY 2007-2008.
Provide supportive services for 3 disabled persons in FY 2007-2008.
Provide supportive services for 1 person with HIV/AIDS in FY 2007-2008.
Provide over 10,000 at-risk youth with enhanced recreational opportunities, youth enrichment programs, after-school activities and services targeting youth-at-risk.

PRIORITY #7 - ECONOMIC DEVELOPMENT

Goals: Retain and expand the City's economic opportunities and provide a suitable living environment to low income persons through job creation and retention, stabilization and expansion of small businesses.

Objectives: Provide assistance to 10 small businesses, resulting in the creation of 20 new jobs for Oxnard residents.

000132