



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: Juliette Dang JD Agenda Item No. L-1

Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Other (Specify) _____

DATE: May 20, 2008

TO: City Council

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

SUBJECT: Public Hearing to Consider Oxnard's Fiscal Years 2008-2013 Consolidated Plan and Fiscal Year 2008-2009 Annual Action Plan Component, 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.

The new Consolidated Plan, Attachment No.1, presented for your review and approval, will cover Fiscal Years 2008-2013, with an Annual Action Plan covering Fiscal Year 2008-2009. As noted at the first and second public hearings, held on January 15, 2008 and May 6, 2008 respectively, staff recommended the completion of a five-year document based on the availability of the 2000 census data and the establishment of new priorities, goals and objectives for the use of entitlement grants.

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 January 15, 2008, to solicit comments from residents, public agencies and other interested parties on housing and community development unmet needs.

A second public hearing was held on May 6, 2008, to consider a report and public testimony and to provide direction to staff regarding the specific priorities and measurable objectives to be addressed in the Five-Year Consolidated Plan and the Annual Action Plan.

A public comment period of 30 days on the Draft Plan began on May 12, 2008, and copies of the document were made available in the Main Oxnard Library, the Office of the City Clerk, and the Finance Department. In addition, the City will also submit the Plan to the State and the Southern California Association of Governments for area-wide clearinghouse compliance.

A summary of all public hearing testimonies and written materials received are included in the Plan.

Annual Action Plan FY 2008-2009 Funding

Effective July 1, 2008, the City is eligible to receive a total of \$3,869,138, representing a reduction of \$146,753 from 2007-08 as follows

FUND	FY 2007-08	FY 2008-09	CHANGE
CDBG	\$2,810,804	\$2,708,769	(\$102,035)
HOME	\$1,068,452	\$1,033,211	(\$ 35,241)
ADDI	\$ 14,975	\$ 6,051	(\$ 8,924)
ESG	\$ 121,660	\$ 121,107	(\$ 553)
TOTAL	\$4,015,891	\$3,869,138	(\$146,753)

Additional funds are available from program income and reprogramming funds from completed projects. 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.

The following table summarizes FY 2008-09 funding from the various sources:

Fund	FY 2008-2009	Program Income	Reprogrammed Funds from Completed Projects	Total
CDBG	\$2,708,769	\$53,870	\$173,294	\$2,935,933
HOME (including ADDI - \$6,051)	1,039,262	89,272	300,000	\$1,428,534
ESG	121,107	0	0	\$121,107
Total	\$3,869,138	\$143,142	\$473,294	\$4,485,574

Proposed Projects and Activities

The allowable uses of the three grants are outlined in Attachment No. 2. The proposed eligible activities and distribution mandates for all of the available funds are summarized in Attachment No. 3. 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 (Attachment No. 4). Also reflected in the CDBG funded 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. The City may expend the funds directly or may use private organizations or outside agencies to implement the public service activities. For FY 2008-2009, the proposed activities include the continued funding of primarily youth projects administered by the Recreation and Community Services Department.

FINANCIAL IMPACT

With HUD approval of the Plan, the City will be able to fund \$4,485,574 in eligible programs and projects.

- Attachment #1 - The Five Year Consolidated Plan and the Annual Plan
- #2 - Program Funding Eligibility
- #3 - Proposed Projects Funding Summary
- #4 - FY 2008-2009 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.

PROGRAM FUNDING ELIGIBILITY

Community Development Block Grant (CDBG):

The primary purpose of CDBG funds is the development of viable urban communities providing decent housing and a suitable living environment, and expanding economic opportunities for persons of low income.

CDBG funds may be used for public facilities and improvements, urban infrastructure, housing programs, economic development programs, public services and program planning and administrative activities.

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 provide incentives to develop and support affordable rental housing and ownership affordability.

HOME funds can be utilized for acquisition of housing units, including assistance to homebuyers, construction of new housing units, rehabilitation/reconstruction of non-luxury existing housing units with inevitable amenities, homebuyer programs, and tenant based rental assistance, including security deposit, payment of operating expenses of community housing development organizations (CHDO's).

In addition, HOME funds must be matched by non-federal sources. Participating jurisdictions may provide assistance in a number of eligible forms, including loans, advances, equity investments, interest subsidies and other forms of investment that HUD approves.

American Dream Downpayment Initiative (ADDI)

The primary purpose of ADDI is to increase the home ownership rate, especially for lower income and minority households and to revitalize and stabilize communities.

ADDI funds may be used for down payment closing costs and rehabilitation in conjunction with the assisted home purchase by eligible individuals. The amount of assistance may not exceed \$10,000 or six percent of the purchase price of the house, whichever is greater. The rehabilitation must be completed within one year of the home purchase. Rehabilitation may include, but is not limited to the reduction of lead paint hazards and the remediation of other home health hazards.

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

**PROPOSED PROJECTS FUNDING SUMMARY
FY 2008-2009**

DESCRIPTION	PROPOSED AMOUNT
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	
Grants Administration and Support	\$ 270,000
Fair Housing Program & Administration	43,410
Environmental Reviews	18,060
Homeless Program Administration	148,670
Community Affairs Administration	72,388
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Administrative Subtotal	\$ 552,528
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Homeless Employment Program – Family Investment Center	\$ 30,000
After School	105,000
PAL	141,132
Colonia Boxing Program	17,020
Youth Enrichment Program	68,597
Colonia Gym	50,736
Citicorp	20,920
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Public Services Subtotal	\$ 433,405
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Neighborhood Street Improvements	\$ 500,000
Housing Rehabilitation Program Administration	465,000
Code Compliance	245,000
EDC-Business Technical Assistance	75,000
Campus Park Rehabilitation	415,000
Colonia Park Playground	250,000
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Direct Benefit Projects Subtotal	\$ 1,950,000
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CDBG Total	\$ 2,935,933
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EMERGENCY SHELTER PROGRAM	
Program Administration	\$ 6,055
Catholic Charities	27,700
St. Vincent de Paul	72,200
Turning Point Foundation	15,152
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ESG Total	\$ 121,107
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HOME INVESTMENT PARTNERSHIP ACT PROGRAM	
Program Administration	\$ 103,321
Community Housing Development Organization – Set-Aside	155,000
Community Housing Development Organization – Operating Costs	50,000
Housing Rehabilitation – Mobile Homes	300,000
Housing Rehabilitation – Single Family	414,162
Mobile Home Replacement	400,000
American Dream Down payment Initiative (ADDI)	6,051
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HOME Total	\$ 1,428,534
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GRAND TOTAL	\$ 4,485,574
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**ONE-YEAR STRATEGIC PLAN GOAL SUMMARY
FY 2008-2009**

Priority #1 - New Construction

- Goal: Construct new housing units for senior citizens, farm workers, multi-families, and single families.
- Objectives: Construct 228 senior units by the year 2009.
Construct 11 affordable single-family units by the year 2009.

Priority #2 - Rehabilitation

- Goal: Rehabilitate the City's owner-occupied and mobile home units through the City's rehabilitation program.
- Objectives: Rehabilitate 13 owner-occupied housing units by the year 2009.
Rehabilitate 20 mobile homes by the year 2009.
Replace 6 mobile homes by the by the year 2009.

Priority #3 - Homebuyers Assistance

- Goal: Develop programs to assist developers, non-profit corporations, and public housing tenants with financing through a first-time homebuyer program.
- Objectives: Assist 31 units through a homebuyers assistance program by the year 2009.

Priority #4 - Homeless Persons and Families/Support Facilities

- Goal: Support non-profit agencies that provide assisted housing service and/or shelter to assist homeless persons/families or those at risk of becoming homeless.
- Objectives: Assist 20 homeless persons to find employment by the year 2009.
Assist service provider to provide essential services to 600 people and homeless prevention services to 35 households by the year 2009.
Assist service providers to provide transitional housing for an additional 50 persons by the year 2009.
Provide 20 Section 8 vouchers available for emergency placements of homeless families/persons each year.
Assist service provider to provide emergency shelter to 430 homeless people and 260 mentally ill adults by the year 2009.

Priority #5 - Public Housing and Rental Assistance

Goal: 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 1,659 families per year.

PRIORITY #6 - OTHER SPECIAL NEEDS

Goal: Provide supportive services and housing for persons with special needs and persons/families with HIV/AIDS. Objectives for such service as child care will be developed over the next five years of the Consolidated Plan.

Objectives: Provide allocation of public housing and Section 8 rental assistance to 89 special needs persons by the year 2009.
Provide support services for 100 frail elderly persons by the year 2009.
Provide support services for 14,445 youth by the year 2009.
Provide support services for 11 disabled persons by the year 2009.
Provide support services for 7 persons with HIV/AIDS by the year 2009.

Priority #7 - Economic Development

Goal: Retain and expand the City's economic opportunities and provide a suitable living environment to low income persons through job creation and retention, stabilizing and expanding small businesses.

Objectives: Provide assistance to 10 start-up small businesses per year, resulting in the creation of 10 new jobs each year for Oxnard residents.

Priority #8 – Suitable Living Environment

Goal: Enhance suitable living environment through new or improved public facility and/or infrastructure.

Objectives: Provide funding to reconstruct Terrace Estates Neighborhood Street including compliance with ADA Standards. Reconstruction is expected to start in the summer of 2008.
Provide funding to rehabilitate Phase I of Campus Park Bannister Gym, located at 937 West 5th Street.
Provide funding to install a new playground with all current safety guidelines at Colonia Park, located at 170 North Juanita Avenue.