



Meeting Date: 05/04/2010

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

Prepared By: Norma J. Owens Agenda Item No. L-1

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

DATE: April 19, 2010

TO: City Council

FROM: William E. Wilkins, Housing Director

SUBJECT: Public Hearing to Consider Oxnard's Fiscal Year 2010-2011 Annual Action Plan Component of Fiscal Years 2008-2013 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 Partnerships Act (HOME) and Emergency Shelter Grant (ESG) Funds.

RECOMMENDATION

That City Council:

1. Conduct a public hearing to receive comments;
2. Provide direction to the Housing Director regarding any changes to the Plan;
3. Authorize the City Manager to make changes to the Plan as directed by City Council;
4. Approve the Plan and the recommended proposed use of funds;
5. Authorize the City Manager to execute the required applications, certifications, and other pertinent documents and submit the Plan to HUD; and
6. Authorize the City Manager to execute any agreements and other documents necessary to implement the Plan after approval 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 June 24, 2008, the City Council approved the 2008-2013 Consolidated Plan. This current item covers the third year of the 2008-2013 Consolidated Plan and includes the applications for FY 2010-2011.

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 Annual Action Plan and the annual uses of the federal funds. An initial public hearing was held on January 12, 2010, to solicit comments from residents, public agencies and other interested parties on housing and community development unmet needs.

A public comment period of 30 days on the Draft of the Annual Action Plan (Attachment No. 1) began on April 5, 2010, and copies of the document were made available in the Main Oxnard Library, the Office of the City Clerk, and the Housing 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 2010-2011 Funding

Effective July 1, 2010, the City is eligible to receive a total of \$4,229,129, representing an increase of \$214,377 from 2009-2010 as follows:

FUND	FY 2009-2010	FY 2010-2011	CHANGE
CDBG	\$2,738,447	2,961,698	\$223,251
HOME	\$1,155,701	1,147,134	(\$8,567)
ESG	\$120,604	120,297	(\$307)
TOTAL	\$4,014,752	4,229,129	\$214,377

The following summarizes FY 2010-2011 available funding from the various sources:

FUND	FY 2010-2011	REPROGRAMMED FUNDS FROM COMPLETED PROJECTS	TOTAL
CDBG	\$2,961,698	\$327,627	\$3,289,325
HOME	\$1,147,134	0	\$1,147,134
ESG	\$120,297	0	\$120,297
Total	\$4,229,129	\$327,627	\$4,556,756

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.1 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.

Attachment # 3 summarizes the priorities and objectives of the proposed eligible activities for the fiscal year 2010-2011. Briefly, administrative activities for the three entitlements are budgeted to the maximum threshold allowable by HUD, as follows:

	Amount	Ratio	Entitlement Amount
CDBG	\$592,340	20 percent	\$2,961,698
HOME	114,713	10 percent	1,147,134
ESG	6,015	5 percent	120,297
TOTALS	\$713,068		\$4,229,129

Regarding the CDBG Public Services activities, the maximum eligible amount budgeted equals to \$444,255, representing 15 percent of the total allocation. And the City's Recreation and Community Services Department will continue to administer the youth projects using the CDBG Public Services category.

FINANCIAL IMPACT

With HUD approval of the Plan, the City will be able to fund \$3,793,688 in eligible programs and projects. The HOME Program requires a 25% match for certain activities. The match will be met with the 20% housing set-aside required from redevelopment funds.

- Attachment #1 - Draft of the Annual Action Plan
- #2 - Program Funding Eligibility
- #3 - FY 2010-2011 Strategic Plan Goal Summary

Note: Attachments #1, has been provided to City Council under separate cover. Copies for review are available at the Help Desk in the Library after 6:00 p.m. on Thursday prior to the Council meeting and in the City Clerk's Office after 8:00 a.m. on Monday prior to the Council meeting.

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 incomes.

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.

**ONE YEAR STRATEGIC PLAN GOAL SUMMARY
FY-2010-2011**

1. HOUSING NEEDS

Priority: Rehabilitation

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

Objectives: Provide \$310,351 to rehabilitate 15 owner-occupied housing units.
Provide \$100,000 to rehabilitate five mobilehomes.
Provide \$100,000 to replace two mobilehomes.

Priority: Homebuyer Assistance

Goal: Increase the rate of the citywide homeownership by developing programs to assist developers, non-profit corporations, and public housing tenants with financing through a first-time homebuyer program.

Objectives: Provide \$300,000 to assist 30 units through a first-time homebuyers program.

2. HOMELESS NEEDS

Priority: Homeless Persons and Families/support Facilities

Goal: Support non-profit agencies providing assisted housing, services and/or shelter to assist persons/families suffering homelessness or those at-risk of becoming homeless.

Objectives: Assist service providers to provide essential services to 600 beneficiaries and homeless prevention services to 35 households.

Assist service providers to provide emergency shelter to 550 homeless people and 260 mentally ill adults.

The total available funding is \$114, 282 in ESG program.

Provide \$30,000 funding to assist 26 homeless persons to find employment.

3. COMMUNITY DEVELOPMENT NEEDS

Priority: Suitable Living Environment

Goal: Enhance suitable living environment through new or improved Public facility, infrastructure, and Code Compliance.

Objectives: Provide \$500,000 funding to reconstruct sidewalks and streets in the El Rio Neighborhood Street Reconstruction including compliance with ADA Standards.

Provide \$552,730 funding to rehabilitate Phase III of Campus Park Bannister Gym, located at 937 West 5th Street.

Provide \$ 415, 000 funding to design and install security lighting system and a modified irrigation system; to construct a walking tract and a covered shelter, and to modify and improve the existing landscape at Lemonwood Park, located at 2055 East San Mateo Place.

Provide \$245,000 funding to Code Compliance Division to pay for Salaries and related expenses of officers that will be assigned to the targeted areas, the Appeals Hearing Officer and legal proceedings. The projected accomplishment number is 1,100 housing units.

Priority: Other Special Needs

Goal: Provide supportive services and housing for persons with special needs.

Objectives: Provide \$414,255 funding to assist 7,820 youth in diversified area of support services.

Provide \$30,000 funding to assist 26 homeless persons to find Employment.

Priority: Economic Development

Goal: Retain and expand the City's economic opportunities and provide a suitable living environment for businesses and persons, especially low-income persons, through job creation and retention, stabilization and business expansion opportunities

Objectives: Provide \$75,000 funding to assist 4 small businesses, resulting in the creation of 3 new or retained jobs for Oxnard residents.