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Title: PUBLIC HEARING TO CONSIDER SUBSTANTIAL AMENDMENTS TO THE 2023-2024 AND 2019-2020 ANNUAL ACTION PLANS

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Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, September 05, 2023

Special Orders of the Day

SUBJECT:

PUBLIC HEARING TO CONSIDER SUBSTANTIAL AMENDMENTS TO THE 2023-2024 AND 2019-2020 ANNUAL ACTION PLANS

I. SUMMARY

Staff proposes to amend the City’s 2023-2024 Annual Action Plan to reallocate unused prior year Community Development Block Grant (CDBG) funds, as well as current year CDBG funds, to increase the available funding for the Neighborhood Pride (residential rehabilitation) Program (NPP).

Staff also proposes to amend the City’s 2019-2020 Annual Action Plan to reallocate previously-budgeted Community Development Block Grant-Coronavirus (CDBG-CV) funds to existing programs to assist Carson residents to deal with issues related to the COVID-19 pandemic. (The 2019-2020 Annual Action Plan is being amended because the CDBG-CV funding was originally obtained by means of a Substantial Amendment to that Action Plan.)

U. S. Department of Housing and Urban Development (HUD) regulations, as well as the City’s Citizen Participation Plan, require that public hearings be held by the City Council regarding proposed Substantial Amendments prior to their submission to HUD.

II. RECOMMENDATION

TAKE the following actions:

1. OPEN the Public Hearing, TAKE public testimony, and CLOSE the Public Hearing.
2. APPROVE the submission of Substantial Amendments to the 2023-2024 and 2019-2020 Annual Action Plans to the U. S. Department of Housing and Urban Development.
3. AUTHORIZE the reallocation of \$643,630.94 in Community Development Block Grant (CDBG) funds from Program Year 2022-2023 to Program Year 2023-2024, and allocation of those funds to the Neighborhood Pride Program.
4. AUTHORIZE the reallocation within the 2023-2024 Annual Action Plan of \$220,000.00 from Anderson Park Improvements to the Neighborhood Pride Program.
5. AUTHORIZE the following reallocation of Community Development Block Grant-Coronavirus (CDBG-CV) within the 2019-2020 Annual Action Plan: \$60,000.00 to an existing program of Homelessness Prevention Services; \$187,876.44 to an existing program of COVID-Related Residential Rehabilitation; and \$50,000.00 to inspection services related to the COVID-Related Residential Rehabilitation program.
6. WAIVE further reading and ADOPT Resolution No. 23-140, A Resolution of the City Council of the City of Carson, California, Reallocating \$643,630.94 in Community Development Block Grant Funds from Program Year 2022-2023 to Program Year 2023-2024, and allocating those funds to the to the Neighborhood Pride Program.
7. WAIVE further reading and ADOPT Resolution No. 23-141, A Resolution of the City Council of the City of Carson, California, Reallocating \$220,000.00 within the 2023-2024 Annual Action Plan from Anderson Park Improvements to the Neighborhood Pride Program.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

Community Development Block Grant (CDBG)

Each year, the City receives from HUD an entitlement amount of CDBG funding based on the City's overall population, its proportion of low- and moderate-income residents, and other demographic factors. However, if not all those funds are expended in the program year in which they were allocated, the result is the accumulation of unexpended funds in the City's letter of credit balance with HUD.

The Neighborhood Pride Program has been the subject of overwhelming popularity and demand, as demonstrated by the response to the August 14, 2023 program registration.

The 2023-2024 Annual Action Plan includes an allocation of \$208,439.00 for the NPP. Preliminary results for the end of the 2022-2023 program year (ending June 30, 2023) indicate that there is a total of \$643,630.94 of unused CDBG funds from that year. Staff is recommending that this balance be rolled over into the 2023-2024 program year, and that it

be allocated to the NPP. In addition, staff is recommending that the funding in the current year Annual Action Plan allocated for Anderson Park Improvements (\$220,000.00) be reallocated to the NPP. Sufficient funding from other sources has been identified to complete the Anderson Park project, and it is anticipated that an action to award a contract for that project will be placed on the Council agenda for September 19, 2023.

These two recommended actions would increase the available funding for the NPP to \$1,072,069.94, as shown below:

Original 2023-2024 Annual Action Plan Allocation

	Entitlement	Prior Year	Total
	<u>Funds</u>	<u>Funds</u>	<u>Allocation</u>
Neighborhood Pride Program	\$208,439.00	\$ 0.00	\$208,439.00

Revised 2023-2024 Annual Action Plan Allocation

	Entitlement	Prior Year	Total
	<u>Funds</u>	<u>Funds</u>	<u>Allocation</u>
Neighborhood Pride Program	\$428,439.00	\$643,630.94	\$1,072,069.94

Based on the original Action Plan allocation, it was estimated that the NPP would serve approximately 20 households (low- and moderate-income owner-occupants of single-family residences and mobilehomes). The additional funding from this recommended action would add approximately 60 households to this total, bringing the total to 80.

Community Development Block Grant-Coronavirus (CDBG-CV)

The City has been previously awarded a total of \$1,152,051 in CDBG-CV funds from HUD under the CARES Act. That funding has been budgeted for the following purposes:

Business Assistance Program: A program to assist small Carson businesses that have suffered native impacts from the pandemic. Eligible expenses include such items as rent, working capital, and utilities, as well as physical improvements to the interior of the businesses to enable them to comply with post-pandemic health and safety regulations.

Emergency Rental Assistance: Emergency rental assistance to low- and moderate-income Carson residents facing imminent threat of eviction as a result of loss of income related to the pandemic,

Delivery of Meals and Household Items to Seniors: A program to provide delivery of meals and essential household supplies to senior citizens who are homebound because of the potential effects of the coronavirus on their vulnerable medical conditions.

Homelessness Prevention Services: Services to assist Carson residents who are experiencing homelessness or are at risk of homelessness (move-in assistance, shelter expenses, case management, financial literacy instruction). This service has been previously provided by Family Promise of the South Bay.

COVID-Related Residential Rehabilitation: Residential rehabilitation for low- and moderate-income residents aimed at remedying conditions to prevent and inhibit the spread of coronavirus (focusing on heaving/ventilation/air conditioning systems, windows, doors, roofing, and mold abatement).

Planning and Administration: Eligible program planning and administration costs.

At present, the City has an unexpended balance of some \$297,876.44 in CDBG-CV funds. Staff proposes to allocate \$60,000.00 of that to continue the aforementioned homelessness prevention services, \$187,874.44 to the COVID-Related Residential Rehabilitation Program, and \$50,000.00 for inspection services related to the COVID-Related Residential Rehabilitation Program. (When Council approved the 2023-2024 Annual Action Plan at its April 18, 2023 meeting, it was noted that Family Promise of the South Bay had applied for CDBG funding to continue its homelessness prevention services, and staff's recommendation was to fund these services through CDBG-CV funds. This proposed action would actually allocate those funds.)

Thus, the revised activities and funding reallocations would be as follows:

Activity Name	<u>Previous Allocation</u>	<u>Additional Allocation</u>	<u>Total Allocation</u>
COVID-Related Homelessness Prevention Services	\$120,000.00*	\$ 60,000.00	\$180,000.00
COVID-Related Residential Rehabilitation	\$173,765.69	\$187,876.44	\$361,640.13
COVID-Related Residential Inspections	\$ 0	\$ 50,000.00	\$ 50,000.00

*Represents two previous one-year contracts

V. FISCAL IMPACT

No General Fund impact.

Within the Community Development Block Grant Fund:

Account 215-50-720-904-8008 (Anderson Park Improvements): Decrease by \$220,000.00.

Account 215-50-720-964-6062 (Residential Rehabilitation/Neighborhood Pride Program): Increase by \$863,630.94.

VI. EXHIBITS

1. The Proposed CDBG Substantial Amendment to the 2023-2024 Annual Action Plan, Draft for Public Review, August 3, 2023. (pgs. 6-9)
2. A Fifth Proposed CDBG Substantial Amendment to the 2019-2020 Annual Action Plan, Draft for Public Review, August 3, 2023. (pgs. 10-13)
3. Resolution No. 23-140, A Resolution of the City Council of the City of Carson, California, Reallocating \$643,630.94 in Community Development Block Grant Funds from Program Year 2022-2023 to Program Year 2023-2024, and allocating those funds to the Neighborhood Pride Program. (pgs. 14-15)
4. Resolution No. 23-141, A Resolution of the City Council of the City of Carson, California, Reallocating \$220,000.00 within the 2023-2024 Annual Action Plan from Anderson Park Improvements to the Neighborhood Pride Program. (pgs. 16-17)

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