Reviewed Date:	Approved:	Meeting Date:	Agenda Item:
	Bryan Whitemyer, City Manager	February 14, 2011	

Executive Summary

Presented To: City of Hughson City Council and Redevelopment Agency
Presented By: Linda Kuipers, Redevelopment & Housing Programs Analyst
Subject: Public Hearing to approve Resolution 2011- Recommending approval for an Amendment to the Stanislaus Consortium Consolidated Plan to add the City of Hughson and approval of the Annual Action Plan
Enclosure: Yes
Budget Action: None
Desired Action: The Hughson City Council closes the 30-day public comment period, Open and Close the Public Hearing and adopt Resolution 2011-010 recommending approval to the Stanislaus County Board of Supervisors of the amendment to the Fiscal Year 2007-2012 Consolidated Plan to add the City of Hughson to the Urban County, and approve the Fiscal Year 2011-2012 Annual Action.

Discussion:

Currently, Stanislaus County, along with the cties of Ceres, Newman, Oakdale, Patterson and Waterford, form what is known as the Stanislaus County Community Development Block Grant (CDBG) Consortium (Federally defined and hereafter referred to as the "Urban County").

Federal regulations require a 30-day public comment period prior to local approval or amendment of a 2007-2012 Consolidated Plan (CP) and/or the 2011-2012 Annual Action Plan (AAP). This Council was provided copies of the Draft CP and Draft AAP and the Public Comment period opened on January 10, 2011.

Staff now requests a close of the 30-day comment period and consider approval of an amendment to the Fiscal Year 2007-2012 Consolidated plan (CP) to add the City of Hughson to the Urban County and; approval of the Fiscal Year 2011-2012 Annual Action Plan (AAP).

The following discussion provides an overview of the actions to be considered:

FISCAL YEAR 2007-2012 CONSOLIDATED PLAN (CP) AMENDMENT – (Attachment 1)

The CP is the Urban County's comprehensive planning document and allows for application of Federal grant funding under the CDBG, Emergency Solutions Grant

(ESG), and HOME Investment Partnership (HOME) programs. Stanislaus County is recognized as the Urban County's "lead entity" with responsibility for implementing and administering CDBG and ESG funds for unincorporated areas of Stanislaus County and participating cities.

Every three years, participating cities have an opportunity to remain or withdraw from the Urban County, and non-participating cities, not independently receiving entitlement funds, have an opportunity to enter into an agreement to become part of the Urban County. The Urban County is an Entitlement Jurisdiction receiving annual grants based on a formula allocation.

The City of Hughson has notified the Urban County of its intent to join the Consortium for the next three years, therefore, an amendment to the Urban County's Fiscal Year 2007-2012 CP is required to add the City to the Urban County. If the proposed amendment is approved, first by this Council then by the Stanislaus County Board of Supervisors, then effective fiscal year 2011-2012, the Urban County membership will include the cities of Ceres, Hughson, Newman, Oakdale, Patterson, Waterford and Stanislaus County.

Attachment "1" consists of the proposed amendment to the fiscal year 2007-2012 CP; this amendment is a "stand alone" document. The entire CP document as approved in 2007, along with previous approved amendments to the CP, is available for viewing at: http://www.stancounty.com/planning/cdbg/cdbg.shtm.

FISCAL YEAR 2011-2012 ANNUAL ACTION PLAN (AAP) – (Attachment 2)

The AAP is part of the Urban County's CP and describes the specific program and projects that will be undertaken during Fiscal Year 2011-2012 (July 1, 2011 to June 30, 2012). The following is an overview of the programs and projects identified in the AAP by grant funding types:

Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) Funding

In Fiscal Year 2011-2012, the Urban County will be entering its tenth year as an entitlement jurisdiction for CDBG funds and the eighth as a recipient of ESG funds. There are three specific goals of the CDBG programs. They are:

1. Provide decent housing;
2. Provide a suitable living environment, and
3. Expand economic opportunities

The Fiscal Year 2011-2012 draft AAP has been developed to assist all consortium participants of the Urban County to achieve the above program goals.

CDBG and ESG funds are designed to serve those at or below 80% of the Area Median Income (AMI). The current 100% AMI in Stanislaus County for one (1) person is $41,700 and for a family of four (4) it is $59,500. For a project to benefit a specific neighborhood or community, at least 51% of the population within that demographic boundary must be within this targeted income group. An AMI table is provided on page 2 of the attached draft AAP.

Based on U.S. Department of Housing and Urban Development (HUD) estimate, the Urban County's CDBG and ESG combined allocation for Fiscal Year 2011-2012 is approximately: $2,801,002 (CDBG - $2,691,538; ESG - $109,464).

The Figures in the budget below have been projected based on the previous Fiscal Year 2010-2011 HUD allocations. However, with the addition of the City of Hughson to the Urban County in Fiscal Year 2011-2012, it is expected that the Urban County's allocation will increase. Final allocation amounts will be adjusted once award amounts are released by HUD, which are expected to be available in April 2011. County Planning staff will make the necessary budget adjustments to be submitted to HUD.

TABLE ONE
CDBG AND ESG ALLOCATIONS ESTIMATES

Consortium Member	Activities	Administration	Total
Ceres	$248,589	$20,000	$268,589
Hughson	$151,391	$20,000	$171,391
Newman	$178,766	$20,000	$198,766
Oakdale	$210,672	$20,000	$230,672
Patterson	$223,064	$20,000	$243,064
Waterford	$167,021	$20,000	$187,021
County	$664,574	$374,307	$1,038,881
Public Services	$269,154		$269,154
Economic Development	20,000		$20,000
Workforce Development	20,000		$20,000
Analysis of Impediments	10,000		$10,000
Fair Housing	34,000		$34,000
ESG	101,407	$8,057	$109,464
Total	$2,296130	$504,872	$2,801,002

Activities identified within the AAP must be consistent with the Urban County's adoption CP, which outlines the communities' need for new or rehabilitated community infrastructure. To address the needs, the Urban County participants utilize their respective yearly CDBG fund allocations for infrastructure improvements in U.S. Census designated low-income residential neighborhoods. Infrastructure improvements include but are not limited to sewer/water line installation/replacement, curb gutter, storm drain, and sidewalks.

A complete list of proposed infrastructure projects can be found in the Fiscal Year 2001-2012 Draft AAP, pages 39-47 (Attachment "2").

Further, CDBG and ESG funds allow for opportunities for the Urban County of fund non-profit organizations that provide a public service. In accordance with HUD regulations, approximately ten percent of the total CDBG allocation, for Fiscal Year-2012, is proposed to be set-aside for this propose. As part of this funding cycle, staff has received and reviewed thirty-two (32) CDBG and nine (9) ESG competitive applications for funds. Of those, the following organizations are recommended for funding under each respective program (the number organizations recommended for funding may increase if the final Urban County allocations are greater than the estimated amounts):

Emergency Solutions Grant (ESG):

- Children's Crisis Center
- Community Housing and Shelter Services
- Family Promise of Greater Modesto
- We Care

Specific listing and program descriptions may be found in the FY 2010-2011 Annual Action Plan, pages 36-37 (Attachment 2)

Community Development Block Grant (CDBG):

- Children's Crisis Center *
- Center for Human Services *
- Disability Resource Agency Independent Living
- Family Promise
- Hughson Family Resource Center
- Parent Resource Center
- Parent Institute for Quality Education
- Second Harvest Food Bank *
- Stanislaus Family Justice Center
- United Cerebral Palsy of Stanislaus
- United Samaritans Foundation
- Westside Food Pantry

* *Organizations recommended for more than one CDBG award.*

Specific listing and program descriptions may be found in the FY 2010-2011 Annual Action Plan, pages 47-52 (Attachment 2).

As a HUD mandated requirement, the Urban County must provide a fair housing program designed to combat impediments to fair housing choice through education, investigation, and litigation. The Urban County annually complies with this requirement by contracting with a fair housing service provider to seek cooperation of owners and managers, and provide appropriate information and referrals in the effort to prevent housing discrimination. In the past, the selection of a fair housing program provider has been included as part of the public service competitive application process. This year, the County, in a joint effort with the cities of Modesto and Turlock, undertook a separate Request for Proposals (RFP) it identify a single qualified fair housing program provider

to contract independently with each jurisdiction. The only proposal received was from Project Sentinel; which has been the fair housing program provider the Urban County for more than five (5) years. As a CDBG program, this item authorizes the Stanislaus County, Director of the Planning and Community Development Department to enter into a contract with Project Sentinel for fair housing program services.

Each year, the Urban County offers workforce development training utilizing CDBG funds in partnership with Computer Tutor. This program, Workforce Development Targeted Technology Training (T3), offers computer literacy training to participating Urban County residents to enhance their computer literacy skills and give them a competitive edge in finding a job and/or progressing within the employment field. In Fiscal Year 2011-2012, the Urban County's T3 partnerships will expand to include the City of Ceres in addition to the County's unincorporated areas and the cities of Newman, Oakdale, Patterson, Waterford and Hughson.

In Fiscal Year 2011-2012, the Urban County will continue its Economic Development Program designed to provide economic development opportunities for eligible individuals that have participated in the T3 program. This program is designed as a second step in the Urban County's T3 program by seeking to provide entrepreneurial opportunities to qualified individuals, through a partnership with the Stanislaus County Alliance Worknet, the T3 Program, and a local non-profit or government agency. This program will place the eligible participant in the non-profit or government agency to assist the participant in developing the necessary knowledge and skills to start a career of their own. This internship allows for resume and skill-set development, with the focus of obtaining the prerequisite skills to leverage a livable wage job within the related field of training.

Stanislaus County staff will continue to provide administrative services to each of the Urban County's participants, as well as to its own activities. As the "lead entity" of the Urban County, HUD recognizes Stanislaus County as the sole grantee responsible for the administration of CDBG and ESG funds. Accordingly, the Stanislaus County, Planning and Community Development Department is responsible for the Receipt and expenditure of funds, environmental documentation for projects, eligibility determination of programs and those persons accessing the services of the programs, and the program monitoring.

Based on the outcome of the County Board of Supervisor's actions on this item, final revisions to the CP amendment and AAP will be made before submittal to HUD in April 2011. Those revisions include providing and overview of any public comments received by the Board of Supervisors during the public hearing for this item. Citizen comment summaries are provided as part of both the CP amendment and the AAP (starting on pages 5 and 17 respectively). To date no written or verbal comment has been received. Any comments received at community meetings scheduled to occur after the Board's action will be incorporated in the CP amendment and AAP before submittal to HUD.

HOME Investment Partnerships Program (HOME)

The Fiscal Year 2011-2012 estimated HOME Consortium allocation is $1,535,537. Final Fiscal Year 2011-2012 award amounts will be determined by HUD and reflected in the City of Turlock's allocation adoption.

HOME program funds are used by localities to provide the following activities:

- Affordable housing development
- Low-income first time homebuyer down payment assistance
- Owner-occupied housing rehabilitation assistance
- Program administration

Currently, the City of Turlock contracts independently with each of the Urban County participants. However, starting Fiscal Year 2011-2012 Stanislaus County will be the only Urban County participant with a direct contract with the City of Turlock. Each of the participating Urban Counties will have sub-agreements with Stanislaus County. This change reflects HUD's recognition of Stanislaus County as the "lead administrator" of HOME activities for all Urban County Participants.

The participants of the Urban County will use their HOME funds to address the variety of housing needs within their individual jurisdictions. The Urban County's CP identifies homeownership and rental housing as top priorities. As such, the Urban County will address these priorities through the continued provision of First Time Home Buyer Programs and through partnerships with local affordable housing Developers (such as Habitat for Humanity and the Housing Authority of the County of Stanislaus).

The Urban County will further address its housing needs with HOME funds by maintaining safe and sanitary housing for low-income households through the continued provision of rehabilitation programs, ensuring long-term affordability of units for low-income households, promoting homeownership, revitalizing communities and neighborhoods, and eliminating the physical barriers that deny access to housing.

To Address rental housing and homelessness through the HOME program, the Urban County will partner with agencies such as the Housing Authority of Stanislaus County and the Children's Crisis Center to assist families and individuals that fall within the very low and low income household brackets that wish to transition to Section 8 or public housing rental assistance to a position of homeownership.

Fiscal Impact:

Once Hughson is part of the Urban County, which is an entitlement County, Hughson will be given an allotment of funding from year to year to continue various projects, which include housing and infrastructure projects and programs. The amount of funding could vary from year to year, but will be estimated in the Annual Action Plan. The Annual Action Plan must be developed and adopted each year.

Staff Recommendation:

Staff recommends the Hughson City Council close the 30-day public comment period Open and Close the Public Hearing and adopt Resolution 2011-010 recommending approval to the Stanislaus County Board of Supervisors of the amendment to the Fiscal Year 2007-2012 Consolidated Plan to add the City of Hughson to the Urban County, and approve the Fiscal Year 2011-2012 Annual Action.

CITY OF HUGHSON
HUGHSON CITY COUNCIL
RESOLUTION 2011-

RESOLUTION OF THE CITY OF HUGHSON RECOMMENDING APPROVAL, TO THE STANISLAUS COUNTY BOARD OF SUPERVISORS, OF THE ANNUAL ACTION PLAN FOR 2011-2012 AND THE AMENDMENT TO THE CONSOLIDATED PLAN 2007-2012 TO ADD THE CITY OF HUGHSON TO THE URBAN COUNTY.

WHEREAS, Stanislaus County, City of Ceres, City of Newman, City of Oakdale, City of Patterson, City of Waterford and the City of Hughson have worked together to prepare the Annual Action Plan for Fiscal Year 2011-2012; and

WHEREAS, The Amendment to the Fiscal Year 2007-2012 Consolidated Plan will recognized the addition of the City of Hughson to the Urban County; and

WHEREAS, the Urban County includes the County of Stanislaus, Cities of Ceres, Newman, Oakdale, Patterson, Waterford and Hughson and each have unanimously chosen to participate in the entitlement process thereby receiving a portion of the CDBG and HOME Fund allocated to Stanislaus County; and

WHEREAS, the Annual Action plan for Fiscal Year 2011-2012, and the Amendment to the Fiscal Year 2007-2012 Consolidated Plan were made available to the public as an opportunity to review and provide comments prior to the final public hearing to be held by the Stanislaus County Board of Supervisors on February 15, 2011 to consider adoption of the Final Annual Action Plan for Fiscal Year 2011-2012 and approval of said amendment,

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hughson approved the proposed Annual Action Plan for Fiscal Year 2011-2012 and the Amendment to the Fiscal Year 2007-2012 Consolidated Plan adding the City of Hughson to the Urban County.

It is hereby certified that the foregoing Resolution 2011-XX was approved by the City Council of the City of Hughson at its regular meeting held on the 14th day of February 2011, by the following Roll Call vote:

AYES in favor of: Council Members
NOES:
ABSENT:
ABSTAIN:

APPROVED: ATTESTED:

_____ _____
Ramon Bawanan, Mayor Michele P. Winterbottom, MMC - City Clerk