



AGENDA MEMORANDUM
for the City Council Meeting of April 17, 2012

DATE: 3/22/2012

TO: Ronald L. Olson, City Manager

THRU: Eddie Ortega, Director of Neighborhood Services
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Public Hearing for the proposed FY2012-2013 Consolidated Annual Action Plan regarding the Community Development Block Grant, Emergency Solutions Grant, and HOME Investment Partnerships Programs. City Council discussion and possible recommendations of projects.

CAPTION:

A. Public hearing regarding the City of Corpus Christi's proposed FY 2012-2013 Consolidated Annual Action Plan (CAAP) for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and HOME Investment Partnerships (HOME) Programs.

B. Council discussion and possible recommendations on a list of projects / activities to be funded.

PURPOSE:

Purpose of Public Hearing is to abide by HUD requirements and to provide a "Citizen Comment Period" for citizens to provide comments on proposed project funding for CAAP FY2012-2013.

BACKGROUND AND FINDINGS:

The U.S. Department of Housing and Urban Development (HUD) regulation requires, as part of the approved process for the FY2008-FY2012 Consolidated Plan/Citizens Participation Plan, two (2) public hearings prior to the adoption of the FY2012-2013 CAAP. An initial public hearing was held at Corpus Christi City Hall on December 13, 2011. The public hearing to be conducted on Tuesday, April 17, 2012 by the City of Corpus Christi's City Council will satisfy the requirement of the second hearing.

The City of Corpus Christi will receive the following allocation from HUD.

\$2,592,315 – Community Development Block Grant (CDBG) – 11% reduction from FY2011-2012
\$ 264,533 – Emergency Solutions Grant (ESG) – 78% increase from FY2011-2012
\$1,030,675 – HOME Investment Partnership Program (HOME) – 38% reduction from FY2011-2012

An additional \$500,000 generated from the Revolving Rehabilitation Loan Program (Program Income) and \$300,000 generated from Program Income from Demolition Liens and Property Clearance will be made

available to the CDBG Program for continued funding of those programs. Additionally funding in the amount of \$613,279 recaptured from previously funded projects that were unspent have been made available to be reprogrammed to augment funding levels for the upcoming FY 2012-2013 CDBG program allocations for a total funding level of \$4,005,594.

Since 1975, the City of Corpus Christi has received funding for its CDBG Programs in excess of 165.6 million, of which approximately \$16.8 million has been income generated by various programs administered by the Neighborhood Services Department.

The ESG Program will have an allocation amount of \$264,533 for FY2012-2013. The intent of the ESG Program funding is to provide funding to providers of Homeless services to defray the cost of operations and maintenance of local Emergency Shelters in addition to provide funding for rehabilitation, counseling, training and other essential Homeless prevention activities.

The HOME Program will have an allocated amount of \$1,030,675 as a funding level from entitlement funds to be received, with an additional \$1,156,309 being made available for reprogramming from previously funded recaptured program funds, as well as \$200,000 from Program Income from the Rehabilitation Program for an estimated available funding amount of \$2,386,984 for the FY2012-2013 Budget Year.

A Public Hearing was conducted on December 13, 2011 at Corpus Christi City Hall. Additionally, the Community Development Division of Neighborhood Services Department conducted three (3) Technical Assistance Workshops for potential applicants. The City of Corpus Christi meeting scheduled for April 17, 2012, as part of their regular agenda, will conduct a Public Hearing on the proposed FY2012-2013 CAAP. At the conclusion of the Public Hearing, the City Council will have the opportunity to discuss and present recommendations on the list of proposed projects/activities of the FY2012-2013 CAAP. Adoption of the FY2012-2013 CAAP will be presented at the next City Council meeting Scheduled for April 24, 2012. The FY2012-2013 CAAP will be published on May 6, 2012. This will initiate a thirty (30) day comment period for citizens of Corpus Christi to review and provide comments prior to the submission of the FY2012-2013 CAAP to HUD on June 13, 2012.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

Public Hearing is required per HUD Regulations.

EMERGENCY / NON-EMERGENCY:

This item is non-emergency

DEPARTMENTAL CLEARANCES:

Legal

Finance – Federal Grants and Office of Management and Budget

FINANCIAL IMPACT:

Not applicable

Fiscal Year: 2011-2012	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: None**RECOMMENDATION:**

At the conclusion of public hearing, the City Council, may at their discretion, discuss any and all recommendations and provide direction on the projects/activities to be funded under the FY2012-2013 CAAP

LIST OF SUPPORTING DOCUMENTS:

Attachment "D" for CDBG, ESG, and HOME